



COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

FOREIGN AFFAIRS, DEFENCE AND TRADE LEGISLATION
COMMITTEE

Estimates

(Public)

WEDNESDAY, 30 MAY 2012

CANBERRA

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SENATE
FOREIGN AFFAIRS, DEFENCE AND TRADE LEGISLATION COMMITTEE
Wednesday, 30 May 2012

Members in attendance: Senators Abetz, Birmingham, Brandis, Di Natale, Eggleston, Faulkner, Fawcett, Hanson-Young, Kroger, Ludlam, McEwen, Rhiannon, Ronaldson, Singh and Sinodinos

FOREIGN AFFAIRS AND TRADE PORTFOLIO**In Attendance**

Senator Bob Carr, Minister for Foreign Affairs

Department of Foreign Affairs and Trade

Mr Dennis Richardson, Departmental Secretary

Mr Chris Moraitis, First Assistant Secretary, Corporate Management Division

Ms Ann Thorpe, Chief Finance Officer

Ms Robyn Stern, Acting Assistant Secretary, Executive Planning and Evaluation Branch

Outcome 1—The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities

Program 1.1 Foreign Affairs and Trade Operations**North Asia:**

Mr Peter Rowe, First Assistant Secretary, North Asia Division

South-East Asia:

Mr Rod Smith, First Assistant Secretary, South-East Asia Division

Americas:

Mr Justin Brown, First Assistant Secretary, Americas and Africa Division

Africa:

Mr Justin Brown, First Assistant Secretary, Americas and Africa Division

Europe:

Mr Paul Myler, Acting First Assistant Secretary, Europe Division

Mr Peter Doyle, Assistant Secretary, EU and Western Europe Branch

South and West Asia, Middle East:

Mr Paul Robilliard, First Assistant Secretary, South and West Asia and Middle East Division

Pacific:

Ms Jennifer Rawson, First Assistant Secretary, Pacific Division

International organisations and legal issues:

Ms Deborah Stokes, First Assistant Secretary, International Organisations Branch

Ms Caroline Millar, Head, United Nations Security Council Task Force

Mr Richard Rowe, Senior Legal Adviser

Dr Greg French, Assistant Secretary, International Legal Branch

Ms Amanda Gorely, Assistant Secretary, Domestic Legal Branch

National security, nuclear disarmament and non-proliferation:

Dr Robert Floyd, Director-General, Australian Safeguards and Non-Proliferation Office

Mr Allan McKinnon, First Assistant Secretary, International Security Division

Services to other agencies:

Mr Chris Moraitis, First Assistant Secretary, Corporate Management Division

Mr Peter Davin, Executive Director, Overseas Property Office and Services

Services to diplomatic/consular representatives:

Ms Paula Ganly, Acting First Assistant Secretary, Consular, Public Diplomacy and Parliamentary Affairs Division

Mr David Binns, Assistant Secretary, Consular Operations Branch

Ms Sally Mansfield, Chief of Protocol

Mr Mark Donovan, Protection Privileges and Immunities Section –

Program 1.2 Payments to International Organisations

Ms Deborah Stokes, First Assistant Secretary, International Organisations Branch

Program 1.3 Public Information Services and Public Diplomacy

Ms Paula Ganly, Acting First Assistant Secretary, Consular, Public Diplomacy and Parliamentary Affairs Division

Ms Ruth Pearce, Assistant Secretary, Public Diplomacy and Information Branch

Mr Simon Merrifield, Assistant Secretary, Parliamentary and Media Branch

Mr Guy O'Brien, Director, Domestic Legal Branch

Outcome 2—The protection and welfare of Australian abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas

Program 2.1 Consular Services;

Ms Paula Ganly, Acting First Assistant Secretary, Consular, Public Diplomacy and Parliamentary Affairs Division

Mr David Binns, Assistant Secretary, Consular Operations Branch

Program 2.2 Passport Services

Ms Penny Williams, Executive Director

Mr Ross Tysoe, Assistant Secretary, Passports Branch

Outcome 3—A secure Australian government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate

Program 3.1 Foreign Affairs and Trade Operations

Mr Tuan Dao, Chief Information Officer

Program 3.2 Overseas Property

Mr Peter Davin, Executive Director, Overseas Property Office and Services

Australian Agency for International Development

Mr Peter Baxter, Director General

Outcome 1—To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest

Program 1.1 Official development assistance—PNG and Pacific**Program 1.2 Official development assistance—East Asia****Program 1.3 Official development assistance—Africa, South and Central Asia, Middle East and other****Program 1.4 Official development assistance—Emergency, humanitarian and refugee program****Program 1.5 Official development assistance—Multilateral replenishments**

Program 1.6 Official development assistance—UN, Commonwealth and other international organisations

Program 1.7 Official development assistance—NGO, volunteer and community programs

Mr James Batley, Deputy Director General

Mr Ewen McDonald, Deputy Director General

Mr Gary Dunn, Chief Operating Officer

Mr Robert Tranter, First Assistant Director General, Pacific Division

Mr Roderick Brazier, First Assistant Director General, East Asia Division

Ms Margaret McKinnon, First Assistant Director General, Africa and Community Programs Division

Mr Scott Dawson, First Assistant Director General, South and West Asia Division

Ms Catherine Walker, First Assistant Director General, Humanitarian and Stabilisation Division

Ms Clare Walsh, First Assistant Director General, International Programs and Partnerships Division

Mr James Gilling, First Assistant Director General, Policy and Sector Division

Mr Laurie Dunn, First Assistant Director General, Program Effectiveness and Performance Division
Mr Blair Exell, First Assistant Director General, Corporate Enabling Division
Mr Murray Proctor, First Assistant Director General, Projects, HIV AIDS Ambassador
Mr Paul Wood, Chief Financial Officer
Mr Michael Carnahan, Chief Economist
Mr Simon Kidman, Chief Auditor
Ms Caitlin Wilson, Assistant Director General, Papua New Guinea and Solomon Islands Branch
Ms Lisa Rauter, Assistant Director General, Africa Branch
Mr Sam Beever, Acting Assistant Director General, Middle East, North Africa, Latin America & Caribbean Branch
Ms Michaela Browning Assistant Director General, Afghanistan and Pakistan Branch
Mr Dereck Rooken-Smith, Assistant Director General, Office of Development Effectiveness
Mr Peter Versegi, Assistant Director General, Budget Branch
Ms Victoria Bergmann, Assistant Director General, Risk Management and Fraud Group
Mr Jean-Bernard Carrasco, Assistant Director General, Climate Change and the Environment Branch

Outcome 2—Australia's national interest advanced by implementing a partnership between Australia and Indonesia for reconstruction and development

Program 2.1 East Asia

Mr James Batley, Deputy Director General
Mr Roderick Brazier, Acting First Assistant Director General, East Asia Division

Australian Centre for International Agricultural Research

Outcome 1—To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships

Program 1 To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships

Dr Nick Austin, Chief Executive Officer
Dr Simon Hearn, Principal Adviser, Strategy and Policy
Mr Dave Shearer, Director Corporate

Australian Trade Commission (Austrade)

Outcome 1—Advance Australia's trade and investment interests through information, advice and services to businesses, industry and governments

Program 1.1 Trade and Investment Development

Program 1.2 Trade Development Schemes (Export Market Development Grants)

Ms Rhonda Piggott, Acting First Assistant Secretary, Trade and Economic Policy Division
Mr John Fisher, Assistant Secretary, Trade Competitiveness and Advocacy Branch
Mr Michael Mugliston, Special Negotiator, Free Trade Agreement Division
Mr Hamish McCormick, First Assistant Secretary, Office of Trade Negotiations
Mr George Mina, Assistant Secretary, Services and Intellectual Property Branch, Office of Trade Negotiations

Australian Trade Commission (Austrade)

Mr Peter Grey, Chief Executive Officer
Mr Peter Yuile, Executive Director, Education and Corporate Operations
Mr Tim Beresford, Executive Director, Australian Operations
Mr Laurie Smith, Executive Director, International Operations
Mr John Angley, General Manager, International Education
Ms Marcia Kimball, Chief Human Resources and Change Management Officer
Mr Ian Chesterfield, Group Manager, Programs, Consular and Business Services

Mr Quentin Stevenson-Perks, Group Manager, International Education
Mr Brendan Jacomb, Group Manager, Legal, Security and Procurement
Mr Rob O'Meara, Chief Finance Officer

Export Finance and Insurance Corporation (EFIC)

Mr John Pacey, Chief Credit Officer
Mr John Hopkins, General Counsel
Mr Jan Parsons, Director, Environmental and Technical Review

Committee met at 09:01

CHAIR (Senator McEwen): I declare open this meeting of the Senate Foreign Affairs, Defence and Trade Legislation Committee. I welcome Senator the Hon. Bob Carr to his very first estimates in the Senate, as Minister for Foreign Affairs, and the Secretary and officers of the Department of Foreign Affairs and Trade. The Senate has referred to the committee the particulars of proposed budget expenditure for 2012-13 and related documents for the Foreign Affairs and Trade portfolio. The committee must report to the Senate on 26 June 2012. The committee has set Friday, 27 July 2012 as the date by which answers to questions on notice are to be returned. Senators should provide their written questions on notice to the secretariat by close of business on Tuesday, 12 June 2012.

Under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. Officers and senators are familiar with the rules of the Senate governing estimates hearings. If you need assistance in that regard the secretariat has copies of the rules. I particularly draw the attention of witnesses to an order of the Senate of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised, which I now incorporate in *Hansard*.

The extract read as follows—

Public interest immunity claims

That the Senate—

(a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;

(b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;

(c) orders that the following operate as an order of continuing effect:

(1) If:

(a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

(b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

(2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.

(3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.

(4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.

(5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.

(6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.

(7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).

(8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).

(Extract, Senate Standing Orders, pp 124-125)

Today the committee will examine the budget estimates for the Department of Foreign Affairs and Trade non-trade programs. The trade program will be heard tomorrow evening.

Department of Foreign Affairs and Trade

CHAIR: Minister, do you or any of the officers wish to make an opening statement?

Senator Bob Carr: Thank you, no.

Mr Richardson: No, thank you.

Senator KROGER: Welcome, Minister, to your first Senate estimates. Mr Richardson, clearly from the many media reports, Mr Rudd was in Washington, I think on 22 February, when he resigned as foreign minister. Is that correct?

Mr Richardson: Yes.

Senator KROGER: What was the purpose of Mr Rudd's trip to Washington?

Mr Richardson: The precise reason I forget just now. He had been elsewhere and he was touching base with the US administration—Secretary Clinton and others—on a range of matters varying from Afghanistan through to what was happening in the Middle East through to bilateral issues.

Senator KROGER: Where had he been prior to arriving in Washington?

Mr Richardson: He had been in Mexico for, I think, a G20 foreign ministers' meeting.

Senator KROGER: When did he actually leave Australia?

Mr Richardson: I have not got that with me.

Senator KROGER: Could you take that on notice and advise us?

Mr Richardson: Yes, certainly.

Senator KROGER: Do you know what the planned duration of the trip was?

Mr Richardson: It was about a week to 10 days, but we can get the precise figures for you.

Senator KROGER: If you could take on notice when he left Australia, the duration of the trip and where he was visiting—the construct of that trip—that would be very helpful. Are you aware of what appointments had been scheduled for that trip?

Mr Richardson: The G20 foreign ministers' meeting was in Los Cabos in Mexico. In Washington he was seeing Secretary of State Clinton, Secretary of Defense Panetta and other senior people in the administration.

Senator KROGER: And where was he staying when he was in Washington?

Mr Richardson: I would need to take that on notice. I am not sure. I think it might have been the Willard hotel.

Senator KROGER: Take on notice how many nights had been booked at the Willard and the cost associated with those accommodation arrangements. I understand that the press conference he gave, presumably at the Willard, was rather. Can you advise what time that was?

Mr Richardson: No, I cannot because I was in London, so again I would need to take that on notice

Senator KROGER: Is there someone here who can tell us what time that press conference was booked for in the beginning?

Mr Richardson: I do not believe there is anyone here who was travelling with him. We will take that on notice. It was late.

Senator KROGER: The department was not advised that he was going to be making what was a rather significant press conference?

Mr Richardson: No, I did not say that. It is just that there is no-one here who was with him on that visit and I simply need to take on notice the precise timing of the press conference.

Senator KROGER: When was the department advised that the then foreign minister was scheduling a press conference?

Mr Richardson: I would need to take that on notice.

Senator KROGER: And who would he have given that advice to?

Mr Richardson: Again, I will take that on notice.

Senator KROGER: I understand that the press conference was scheduled rather late in the day, in the middle of the night—midnight or something like that. Can you take on notice when the room was booked for that press conference, what the arrangements were and any costs that were associated with hiring that room. Whilst hotels are equipped for all contingencies, it would be helpful to know what costs and resources were required to support that and whether the hotel had to provide extra resources. I understand that it was open to the media; is that correct?

Mr Richardson: Yes, it was. Again, we will come back to you on notice with the details, but I should say that the embassy in Washington has very good relationships with a range of hotels in Washington and it is not unusual at all for press conferences to be conducted by visiting prime ministers and ministers, including at short notice, and there is not always a cost associated with that. But I will check in this particular case.

Senator KROGER: Mr Richardson, I hear what you are saying and I thank you for that. I would question that there would be regular press conferences that the hotel would be prepared for that are organised, if it was, at such short notice. I would think they would have to account for extra security if they had a large media contingency in the middle of the night. The support services that would be required for that, one would presume, would have been significant. It would be appreciated if you could, even today, ascertain what those various contingency requirements were, what extra resources were called for, when it was organised and what the associated costs of organising that were.

Mr Richardson: Again, I would need to take that on notice. Given the time difference between Canberra and Washington I think it would be unreasonable to get people out of bed to check on that, but we will do it as soon as we can.

Senator KROGER: Was he scheduled to go on from Washington to anywhere?

Mr Richardson: There was the possibility of him going to a meeting in London—the Commonwealth foreign ministers special action group—and then on to a meeting in Tunisia about Syria. The then foreign minister announced at that press conference that, given I was already in London, I would be representing the government at the special foreign ministers meeting and that I would also then go on to Tunisia and represent the government at the meeting on Syria.

Senator KROGER: When you say that there was a possibility of him going on to London, was he going to London or was he not?

Mr Richardson: It was uncertain whether he would or would not. He was certainly going to Tunisia and there were tentative plans in place for him to also go to London. In the event of his resignation, of course, he could not, and I was the person designated to so represent.

Senator KROGER: Why were they tentative plans? Surely if you are scheduling a trip of this nature as foreign minister you would either be going on to London or not. Why would that be a tentative plan?

Mr Richardson: There was some uncertainty about the length of the program in Washington. All things being equal, it was planned that he would go to London and then Tunisia, but the way events unfolded that was not possible.

Senator KROGER: So he was scheduled to stay in Washington certainly for some period of time longer than he did.

Mr Richardson: Again, the precise timing I would need to take on notice.

Senator KROGER: When were the events in Tunisia scheduled for? When did they actually commence?

Mr Richardson: I do not have it in my head.

Senator KROGER: Is there someone here who has access to your diary, Mr Richardson?

Mr Richardson: I can easily get that for you this morning. That is not hard. I have only to ring the office and then I can tell you when the meetings were held in London and Tunisia.

Senator KROGER: I am just trying to help you here to put together a schedule of Mr Rudd's planned travel. It seems that it is not actually that hard to do.

Mr Richardson: I am sorry; I do not carry the diary going back X number of years in my head.

Senator KROGER: We are talking about February this year.

Mr Richardson: I have a very bad memory. I cannot remember everything I did in February, unlike other people.

Senator KROGER: That is why we have personnel and staff around us to manage our diaries, isn't it?

Mr Richardson: That is right, and I have very good staff.

Senator KROGER: I am sure they are listening in and will be able to provide you with that information expeditiously being such efficient operators.

Mr Richardson: We will have it to you within a few hours.

Senator KROGER: When was Mr Rudd's trip cancelled and his flight rescheduled for a return to Australia?

Mr Richardson: It was cancelled around the time of the press conference. I assume that took place after the press conference. I was in London. The then minister phoned me in London immediately after the press conference. He advised me of the press conference and of his announcement, and he also asked me to represent him at the Commonwealth meeting and in Tunisia.

Senator KROGER: Did the ambassador 'fill in' at Mr Rudd's scheduled meetings in Washington?

Mr Richardson: That I would have to take on notice. That would be unusual, but I will check on that.

Senator KROGER: How many staff accompanied Mr Rudd to Washington?

Mr Richardson: He was normally accompanied on his overseas visits by two staff, but as for the precise number of staff he had with him in Washington, again, I will check on that.

Senator KROGER: Given that you do not have the details of his actual stay there, I am happy for you to put on notice as well when all his travel arrangements were cancelled, including accommodation at the Willard, what the cancellation fees were in relation to and whether there were any costs involved in cancelling his scheduled flights for the duration of his entire trip overseas and rescheduling his flight back to Australia. How many staff did the former minister have at the time of his resignation?

Mr Richardson: At the time of his resignation he had the standard staff provided to a cabinet minister. From memory, he also had two additional staff flowing from the fact that he was a former Prime Minister. In total—and I stand to be corrected—I think that was about 14 staff.

Senator KROGER: And when did his term as foreign minister officially end?

Mr Richardson: That is on the public record, but from memory I believe it ceased 48 hours after his return to Australia. I think it took place on the Sunday after his announcement, from memory.

Senator KROGER: It is just that I was puzzled when I saw the special *Gazette* issued by the Governor-General. On the Parliament House website it said that the appointment ended on March 5. The *Gazette* issued by the Governor-General stated that his appointment was revoked on 26 February, but the Parliament House website actually states that the appointment ended on 5 March.

Mr Richardson: I can easily confirm that for you. I would assume that what is in the *Gazette* is more likely to be accurate, but let me confirm that.

Senator KROGER: I was puzzled when I saw it, because I would presume it would significantly impact the incoming foreign minister if there was some confusion over what date his appointment was revoked. It would be very useful to know.

Mr Richardson: There was a gap there because, from memory, the former foreign minister resigned. He subsequently announced that he was challenging for the leadership of the Labor Party. The Labor caucus then met, there was a vote and it was only following that, from memory, that the Prime Minister announced the appointment of a new foreign minister. So there was a period of time between Minister Rudd's resignation and the announcement of the appointment of Senator Carr.

Senator KROGER: What is the process in relation to the staff? You mentioned that he has two staff, as a former Prime Minister, which I appreciate, but in relation to his staff that are allocated to him, that he is entitled to as a minister, what is the transition with staff when you have an appointment revoked?

Mr Richardson: The arrangements can vary. Normally staff in a minister's office consist of some people who are from the Public Service, who are either there as department liaison officers or who are there under the MOP(S) Act. Then you have other staff under the MOP(S) Act who do not come, if you like, from within

government but from outside government. They might come from media, they might come from the private sector, they might come from within a particular political party—whatever. It depends upon their circumstance.

Normally a period of grace is provided so it can be managed sensibly. Sometimes ministerial colleagues take up staff who will be out of a job. In this case, a number of staff needed to stay on because, from memory, I think Mr Emerson was made the acting foreign minister, so Mr Emerson became both the Minister for Trade and the Minister for Foreign Affairs. He needed some additional staff to help in managing the foreign affairs side of it. So I do recall that a couple of staff who had been with Mr Rudd started to directly assist Mr Emerson. There was nothing unusual about the way we managed the staffing arrangements flowing from Mr Rudd's resignation.

Senator KROGER: Could you also take on notice whether, upon his planned return to Australia, there were appointments—planned scheduled meetings—during the time of his planned return as then foreign minister to when Foreign Minister Carr took up the position that had to be covered over.

Senator FAULKNER: But isn't it true, Mr Richardson, that in relation to the MOP staff, while I appreciate your willingness to assist, these are effectively matters for the Department of Finance and Deregulation, not matters for the Department of Foreign Affairs and Trade? It is different, of course, in relation to the department liaison officers, who are employees of your department. You would appreciate that, given there are from time to time ministerial resignations, issues such as changes of government and so forth, these circumstances are not unusual in relation to MOP(S) Act employees in ministerial offices.

Mr Richardson: That is right.

Senator FAULKNER: The point I am making is that I appreciate your offer to assist the committee, but some of these issues that Senator Kroger addresses, in my view, are matters that are more properly put to the Department of Finance and Deregulation because the requirements here are ones that are handled by that department and not yours. I am just drawing that distinction. I know you have offered to be helpful, but there is a very clear distinction here.

Mr Richardson: Yes. Where staff under MOPS come from the Department of Foreign Affairs and Trade, both ourselves and the Department of Finance and Deregulation have an active interest. Where the staff under MOPS do not come from the department then that is, as you say, rightly a matter to be addressed by the Department of Finance and Deregulation.

Senator FAULKNER: Thank you.

Senator KROGER: Senator Carr, where were you when all this happened and you got a phone call from the Prime Minister?

Senator Bob Carr: I would need to consult the justly famous Carr diaries to be able to respond to that. I think I was leading a very sedate, reflective life before it was upset by the call to return to public service, Senator.

Senator KROGER: And you have accepted the call to return to public service with relish, which we all share with you, may I say.

Senator Bob Carr: I do, and you are to be applauded for that. A sense of public service just steams from the Senate chamber.

Senator KROGER: It does indeed. Just refresh my memory: when did you receive the call from the Prime Minister?

Senator Bob Carr: I would need to consult my diary, Senator.

Senator KROGER: Could you ask someone to consult your diary while we are sitting here so you could come back to us this morning?

Senator Bob Carr: Totally impossible—it is in a safe at home at Maroubra.

Senator KROGER: So you do not keep a diary here at Parliament House?

Senator Bob Carr: Yes. But I was not a member of parliament.

Senator FAULKNER: Again, you are being helpful, like Mr Richardson, but I always take account of the fact that we have to be careful about our estimates questioning, and I appreciate your assisting the committee, Senator Carr. I am entirely sure you do not have to assist us in this regard but you, just like Mr Richardson, are very generous in these matters. So thank you for that.

Senator KROGER: I am sure Senator Carr, having been at the coalface of politics for many years, appreciates that. But we appreciate your guidance, Senator Faulkner.

Senator FAULKNER: I know that Senator Carr appreciates it; I just was not entirely sure that you were aware of it—that was all.

Senator KROGER: Thank you very much for your assistance. Senator Carr, so you had a number of conversations with the Prime Minister before you accepted her offer to come back into the fray?

Senator Bob Carr: Again, I would need to consult my diary. But, while I am very keen to be helpful, I was not a member of the Senate at the time to which you are referring. You can ask me other questions about my life before I entered the Senate.

Senator LUDLAM: Or even about foreign affairs or foreign policy—

Senator Bob Carr: Yes.

Senator KROGER: I am sure we will come to those, Senator Ludlam.

Senator Bob Carr: You are asking me questions about phone calls I received before I was a member of the Senate, before I was a member of the cabinet.

CHAIR: Yes. Senator Faulkner?

Senator FAULKNER: This might help. I reckon the technical point here—I perhaps touched on this, as I did with Mr Richardson about the MOP(S) Act—is that, in my personal view, these would have been questions better directed at the estimates of the Department of Prime Minister and Cabinet. But, anyway, Senator Carr is being so generous.

Senator KROGER: I hardly think that they can answer questions on behalf of Senator Carr.

Senator FAULKNER: You are asking about the Prime Minister's contact with a non-member of parliament. Anyway, it is a minor point. You are enjoying yourself.

Senator KROGER: It is a minor point. Senator Carr, given that you cannot recollect your conversations with the head of government here, which in itself is extraordinary, about such an important matter—

Senator Bob Carr: I did not say I could not recollect it, but I did say you are asking me questions about a conversation I had before I entered the Senate and the ministry. I am not sure, Madam Chair, whether I can be asked to answer such questions. They do not appear to me to have any connection with the government accounts.

Senator KROGER: Did you have a conversation or did you seek input from the former foreign minister, Mr Rudd, either before or after you accepted the appointment?

CHAIR: Senator Kroger, the minister is here in his capacity as a minister of the Crown and Minister for Foreign Affairs. I think it would be appropriate to confine your questions to his responsibility in those portfolio areas.

Senator KROGER: Thank you very much for that guidance. Senator Carr, after your appointment as foreign minister, did you seek any council from the former foreign minister, Mr Rudd, in relation to the portfolio and areas that he may have considered to be of particular heightened sensitivity and interest to the interests of this country?

Senator Bob Carr: Yes. In the weeks after my appointment I was very grateful for meetings with not only Mr Rudd but Mr Smith, Mr Alexander Downer, Professor Gareth Evans—former foreign ministers—and with former prime ministers Bob Hawke, Paul Keating, John Howard and Malcolm Fraser.

Senator KROGER: I read in the media—in fact I think I have the clipping here—that you said that there were inevitable differences between you and the former foreign minister in your approaches to the portfolio.

Senator Bob Carr: I do not recall saying that. Indeed, I emphasised continuity at every opportunity—I can recall in numerous interviews. I did that privately as well as publicly, but I must be on the record very frequently saying that the message I have as foreign minister is one of continuity with the policies of my predecessors, Kevin Rudd and Stephen Smith. I would be hard pressed, in fact, to nominate differences.

Senator KROGER: We will come to that and explore that. In terms of the transition of the office and staffing arrangements and so on, given the quick timing of it all, not to put too fine a point on it, you were sworn in on—what day was it?

Senator Bob Carr: Tuesday, 13 March.

Senator KROGER: And your staff appointments were made that week or in the following weeks?

Senator Bob Carr: Some of them would have been made in that week. The bulk of the staff were provided by the department. James Larsen, who was the most senior of my advisers, was nominated by the department—a former ambassador to Israel and former ambassador for people smuggling. I understand some of those staff had worked with my predecessor. I made one other appointment.

Senator KROGER: I am just thinking about the wording you just used then. You mentioned some of those appointments were made or recommended by the department. Is that right?

Senator Bob Carr: Yes. I have relied on my department for advice on most of my staff.

Senator KROGER: Were there any appointments that you wished to make that you determined for whatever reason that you would choose someone else?

Senator Bob Carr: That I wished to make?

Senator KROGER: Yes.

Senator Bob Carr: I am not sure what you mean.

Senator KROGER: Were any of the appointments in discussion with the department challenged or questioned and you determined to make other appointments on the basis of those recommendations?

Senator Bob Carr: I only recall bringing one outside staff member in. So, no; I was happy to be guided by the department.

Senator KROGER: Since you have been appointed as foreign minister, have you had any representations from any countries' heads of mission here in Australia who have raised concerns or disappointment about the resignation of Foreign Minister Rudd from the portfolio?

Senator Bob Carr: No, but I have spoken to many who passed on their best wishes to my predecessor.

Senator KROGER: And none of those expressed their disappointment that they thought there would be a void without former Foreign Minister Rudd in the portfolio?

Senator Bob Carr: No.

Senator KROGER: When was your first briefing with the department?

Senator Bob Carr: I would need to check the diary.

Mr Richardson: It was on the afternoon of the Prime Minister's announcement of then Mr Carr's appointment.

Senator KROGER: Minister, you have kindly furnished us with the counsel and discussions that you have had with former prime ministers and foreign ministers. Have you sought specific briefings from heads of mission, including the department, in relation to all regions?

Senator Bob Carr: I would think so, yes.

Senator KROGER: Was that in the first week or the first couple of weeks?

Senator Bob Carr: Pretty quickly, yes.

Senator KROGER: I am going to defer to my colleague and then I will come back. Thanks.

Senator SINODINOS: I have a few questions on the department's role in the budget process, not so much on the expenditure side but more what on information you provide as an input into the government's consideration about the economic environment, particularly any advice you provide on international economic conditions, based on having obviously having a pretty extensive network across the world to monitor developments in major economies of interest to Australia. What role do you play in that side of the budget process as a department?

Mr Richardson: Fairly limited. The burden of that responsibility is, as you know, with the Treasury. We of course do feed into that process through our cable network, and the economic and broader politico-strategic economic reporting that our posts do goes to Treasury as a matter of course. We also have a real interest from a trade perspective. But, in terms of the macroeconomic dimensions, our role is more on the influence of strategic political developments on the broader economic picture, rather than a detailed analysis of the economic consequences of the politico-strategic developments. We give broad judgments, but we do not engage in judgments of the kind of professionalism that the Treasury would need in terms of determining budget parameters and the like.

Senator SINODINOS: In that vein, you talk about politico-strategic judgments. In the run-up to this budget, did you provide advice on the growing anti-austerity movement in Europe, for example, and its potential implications for developments there?

Mr Richardson: To the extent that it was developing at the time, that was automatically a part of the reporting that was coming in from posts such as Athens and the like.

Senator SINODINOS: And in the case of France and some of the developments in Germany, including at the regional level?

Mr Richardson: In France the focus was very much on the presidential election and how it was playing out. In Germany, yes, there was debate there on the way that fed into politics surrounding Chancellor Merkel's government and the like.

Senator SINODINOS: With these sorts of international economic developments, is there a group within the government that in effect works on potential scenarios of what could happen and potential Australian government responses?

Mr Richardson: I think you would have to ask the Treasury. We certainly do not lead any group developing scenarios of that kind. I am not aware of us being involved in any groups that develop scenarios of that kind.

Senator SINODINOS: Does the National Security Committee of cabinet discuss international economic issues?

Mr Richardson: Only in the broadest sense.

Senator SINODINOS: Most of the discussion would occur more in a budget context, you are saying?

Mr Richardson: That is right.

Senator SINODINOS: And it would be led by Treasury.

Mr Richardson: That is right.

Senator SINODINOS: In terms of one of the developments we have seen recently in Europe, which is the increasing political fragmentation, is this something that you are getting a lot of reporting on at the moment—the possibility of more extreme groups developing in Europe and the implications for Europe going forward?

Mr Richardson: Yes, our posts do report that.

Senator SINODINOS: Going back to this issue around scenario planning and the like, is there still a deputy secretaries group of major departments in Canberra that looks at international economic policy issues?

Mr Richardson: Yes, there is, and we are represented on it. I am not aware of that group doing scenario planning, but I may be wrong.

Senator SINODINOS: What sorts of issues does that deputy secretaries group cover?

Mr Richardson: They look at broad political and economic developments globally, but I do not think they go down into the detail of scenario planning. I think that is done at a different level by Treasury.

Senator SINODINOS: So their work would have input into which sorts of processes—the G20? Do you have a big role in briefing on G20 matters?

Mr Richardson: The G20 is led by Prime Minister and cabinet. The principal players in respect of the G20 are Prime Minister and cabinet and Treasury. We play a supporting role there.

Senator FAWCETT: I would like to go to the budget position. In DFAT's incoming government brief, the red book, it was noted that the department is already badly resourced. What key capabilities were affected by the shortfall at the time of this current government coming into office?

Mr Richardson: We are going back to 2007, are we?

Senator FAWCETT: No, the red book for this current government.

Mr Richardson: The incoming government?

Senator FAWCETT: Yes.

Mr Richardson: That is 2007. Is that what you are referring to?

Senator FAWCETT: No. When was the current government elected?

Mr Richardson: Right—2010.

Senator FAWCETT: Yes.

Mr Richardson: So we are going back to September 2010. For some time there have been some shortfalls in consular activities. There have been some shortfalls in what we would consider at the departmental level to be the adequacy of our global representation. They are the two major areas: the degree of representation we have in some areas and, secondly, the absence of representation in other areas.

Senator FAWCETT: I am assuming that, if the description was 'badly resourced', it would have been enough to have prompted a plan for recovery. Did you have a plan to recover those elements of your department's representation?

Mr Richardson: Yes. When you say 'a plan', we have always had suggestions as to how our resourcing could be improved. Since 2003 there has been a clawback in the considerable downsizing that occurred between 1996

and 2003. From 2003 on, both in the last couple of years of the Howard government and in the period since 2007, there has been some clawback of that.

Senator FAWCETT: Under the current budget, were the 'suggestions' that you put forward, to use your words, accepted by the government? Were they funded?

Mr Richardson: Some of them were. Like everything, the government has competing priorities. Very few departments, if any, ever get everything they seek. We were certainly delighted with the decision to open a consulate general in Chengdu in western China. We thought that was filling an important gap which had been identified. There was also the decision to open a post in Dakar, Senegal, in French-speaking Africa, which we felt filled a longstanding gap which Australian resource companies and others had been seeking for some time. So we were pleased with that. We also got funding for four additional positions overseas which we are putting into the region.

We were also negotiating a new passport agreement. It is renewed every three years and is renegotiated every three years and the government agreed to fund the outcome of that negotiation between us and the department of finance. We also sought funding for our role in the special commemorations which will be held from 2014 on for the 100th anniversary of the First World War. We got the funding we sought there. The Department of the Prime Minister and Cabinet was allocated funding for the hosting of the G20 leaders meeting in Australia in 2014 and we will obtain a share of that funding from the Department of the Prime Minister and Cabinet. So, on the positive side, the budget did give us some things that we had been seeking.

Senator FAWCETT: On the negative side, could you explain the memo that I believe was distributed throughout the department that anything up to 150 jobs would be cut?

Mr Richardson: Yes, on the savings side there are several measures, and they are primarily government-wide savings measures. One is a savings measure announced in the mid year economic review in November-December of last year. The one-off efficiency dividend required savings of around \$20 million per annum. Also there have been other cross-APS decisions made which have affected us and so we will be required to find savings of between \$25- and \$30-odd million. We have put in place a range of measures which do not affect staff, but the shortfall between those measures and the savings target we need to reach will mean that we will need to downsize by between 100 and 150. It may end up being 90; it may end up being 150—I am not sure yet. But that is the dimension.

Senator FAWCETT: And where are those staff positions likely to come from?

Mr Richardson: The parameters we have set are that we will not touch the global network. So we are not going to affect A-base positions offshore. Secondly, we have excluded training and staff development activities from the savings. Those savings will be found overwhelmingly within Canberra. That will be done through both natural attrition and also some voluntary redundancies.

Senator FAWCETT: Excluding the personnel measures, what other areas have you cut in order to achieve the savings that you are directed to achieve?

Mr Richardson: We passed on the one-off efficiency dividend. We passed that on to all work units, both in Australia and overseas. However—

Senator FAWCETT: When you say you passed on that efficiency dividend, does that just mean you essentially gave them a percentage cut to their budget that they had to find a way to achieve?

Mr Richardson: That is right. However, we said that staff development and training was to be excluded from this and, in respect of overseas posts, we said that representational activities were also to be excluded from it. So we applied the one-off efficiency dividend. We reduced the travel budget.

Senator FAWCETT: Sorry, Mr Richardson, could I come back to that one again. Efficiency and effectiveness tend to be linked. Do you have any measures or procedures in place to ensure that, in order to achieve that 'efficiency dividend', DFAT in its various parts are not actually reducing their effectiveness but are in fact becoming more efficient?

Mr Richardson: We have been managing efficiency dividends for a long time now and I would be misleading you if I were to pretend that DFAT have discovered the panacea for continuous applications of efficiency dividends and that we are able to do it in a way that does not affect the effectiveness of what we do. Do not ask me to quantify that and do not ask me to say in what areas. Certainly when it comes to dealing with the public we have a public charter in our passports area to have passport applications turned around within 10 working days. We will continue to meet that. I believe we will continue with the assistance we provide in the consular area. We

are trying to direct, to the extent possible, most of the savings measures into administrative corporate support areas. In broad terms those are the dimensions of what we are doing.

Senator FAWCETT: I hear your requests and I will not ask you to detail them to me, but are you able to detail those reductions in efficiency and reductions in effectiveness and therefore in capability to the government?

Mr Richardson: The Department of Foreign Affairs and Trade is both a functional and a policy area. In the functional areas you are more easily able to detail that in a concrete way. But in areas where you are not actually making widgets that you can measure precisely, I think the measure of it is a bit more amorphous, even though in broad terms we can express it to the government.

Senator FAWCETT: Are there any areas where you are pushed back against the public-service-wide push for efficiency dividends to protect particular areas, other than the staff development that you talked about?

Mr Richardson: The decision to protect staff development and training was our internal decision. That was not something we negotiated with the department of finance or the Public Service Commission. Essentially government takes a decision to apply an efficiency dividend to a department and then it is up to the department to determine how it manages that savings measure.

Senator FAWCETT: Minister, are you aware of the areas where your department is less effective because of the measures applied to it?

Senator Bob Carr: No, I am not. My broad view is that the time will come when Australia will have to invest more in its foreign service if we are to grow in influence as a creative middle power. But the department cannot escape the obligation on all government agencies to deliver efficiencies in the interests of healthy budget outcomes.

Senator FAWCETT: I accept that, but we have the impression that ministers fight for their departments, within the overall framework of achieving government budget outcomes. Surely you cannot fight effectively for your department if you are not aware of how those budget cuts are going to affect the capability of your department.

Senator Bob Carr: I am aware that the department does very well in its core challenge of protecting Australian interests, of implementing policy and advising on policy—the two functions of the department. But if we are to be more ambitious as a country and seek greater influence in the world and undertake more active campaigning on behalf of our values then there will be a time when government will need to invest more resources in the department.

Senator FAWCETT: Mr Richardson, beyond the efficiency dividend, were there any other areas where you have taken cuts in this current budget?

Mr Richardson: As mentioned, the efficiency dividend requires to find savings of about \$20 million per annum and then there were other APS-wide savings measures which came in at a cost of somewhere between \$5 million and \$10 million, so overall savings between \$25 million and \$30 million. As I said, we applied the efficiency dividend across all work units, both in Australia and overseas. We reduced our travel budget for Canberra work units by a million dollars. We have changed SES staff travel between Canberra and Sydney and Melbourne to institute a requirement that that be what is called economy B travel rather than business class travel. We have converted a number of ICT contractor positions—or we are in the process of converting a number of ICT contractor positions—to APS positions at a slightly lower cost. We are reducing the contingency fund. We have a contingency fund in the department, as you would expect us to do, to deal with the unexpected that might come along. With Prime Ministerial or ministerial travel you are not always aware well in advance where that might be. Also, you can have consular crises, and you obviously need to have a fund in the department, which you manage so that when the unexpected hits you are able to deal with it. We have reduced that. We are also reducing some rental costs overseas.

Senator FAWCETT: I just want to go quickly to your decision to bring ICT positions back into the APS. The APS for many years has struggled to pay wages to people within the APS that are similar to those of people in the private sector to attract skill sets. What measures have you put in place to make sure that the functions now carried out by ICT run within the APS are actually delivering the same outcomes in terms of understanding of new and developing systems, innovation et cetera—all the things that come with a highly focused and competent individual, given what you can pay in the APS?

Mr Richardson: We are not converting all contractor positions to APS positions. We have been selective in our identification of the positions, and we have done that really in close cooperation with and on the advice of the ICT experts.

Senator EGGLESTON: I would like to ask some questions about professional development within the department. Firstly, how many DFAT officials have undertaken professional development training, paid for by the department, at Harvard's Kennedy school in Boston in the past three years?

Mr Richardson: Three years ago I think it was zero. In the last two years—and I would need to get the precise figures for you—it would be somewhere between five and 10 officers all up.

Senator EGGLESTON: What level officers were they?

Mr Richardson: SES Band 1 and SES Band 2, and one of the deputy secretaries is also about to go to the Kennedy school at Harvard.

Senator EGGLESTON: What is the particular attraction of the school?

Mr Richardson: There is not one. We went through a process two years ago within the department of identifying schools in Australia and overseas that we believed offered relevant professional development opportunities for SES officers. I was concerned, when I took up my job, that there was an absence of professional development for the SES, so I initiated that process of review. Every year we put out the programs that are available, both within Australia and overseas, for DFAT SES officers, and we take it from there.

Senator EGGLESTON: In answer to my question about what was the particular attraction, you seemed to imply that there was not a particular attraction. But is Harvard offering some kind of a special educational experience in terms of management or international diplomacy?

Mr Richardson: To be frank, I suppose it reflects my own philosophy, which others might have a very different view of. But I believe in giving the SES an opportunity for a range of experiences. I think it is a bad idea to have all your SES just to go through the one learning experience year after year. I think it is important to give a range of options there, so we do that both within Australia and overseas. The Harvard school does I think have a certain standing, for very good reason. It is only certain programs that they offer that we offer to SES. There is a whole range of programs offered at the Kennedy School that we do not go near. There are a couple in the UK that we offer. There is one in France we offer. There is one in Singapore and there is a range of universities in Australia we also send people to. I think it is a bad idea to have all your people just go through one particular set of experiences year after year.

Senator EGGLESTON: I agree with that. It is probably wise. You only get one view of the world if you go to one school. And you get different approaches in other places. How long are these courses? Are they a matter of days or weeks or months?

Mr Richardson: It varies. They vary normally from a week to eight weeks. Most of them are at the shorter end. However, the program that one of the deputy secretaries is going on in a few month's time is in fact an eight-week program. That is at the outer edge of the programs. They are normally between five and 10 working days.

Senator EGGLESTON: What has been the total cost to the department over each of the last three years of sending people to these courses—the tuition fees?

Mr Richardson: Three years ago the cost was zero, because the department was not doing anything that I thought was relevant in this area. We can get the figures for you for the last two years. This financial year it is approximately \$176,000.

Senator EGGLESTON: And how many personnel have gone this year?

Mr Richardson: For the SES we offer about 12 or 13 different programs in total a year, both in Australia and overseas. It is not a lot. There are about 90 SES in Canberra and it is really the SES in Canberra who are drawing on this. There are another 100-plus SES, or people in acting SES positions, abroad. They are normally not in a position to take advantage of the program, because they are heads of mission and things of that nature. So, we are offering 12 or 13 places a year but there are 90 people to compete for them.

Senator EGGLESTON: Does the department cover the cost of their airfares to the United States?

Mr Richardson: Yes, we do.

Senator EGGLESTON: How much has the department spent on airfares in each of the last two years, which is the time for which you have been sending people?

Mr Richardson: I would need to disaggregate the figures, but we can certainly provide that to you. When you are sending people to Boston the airfares are a big part of it, because business class return to Boston does cost a bit. So you will find that the airfares do constitute a fair proportion. Where you are doing an eight-week program the differential varies.

Senator EGGLESTON: You have just said they travel business class. What airline do they travel with?

Mr Richardson: Normally Qantas. But, again, that depends. We are obliged, as is all of government, to seek the best fares. That is often Qantas and sometimes not Qantas.

Senator EGGLESTON: Is it sometimes Emirates, for example.

Mr Richardson: I am not aware of that but we can certainly provide details. Emirates do not fly across the Pacific.

Senator EGGLESTON: No, but you can get to the United States east coast—

Mr Richardson: I would need to take that on notice. But I do not believe it is the practice of officers in the department to travel to the east coast of the United States via the Middle East and Europe, unless they have business first in the Middle East and Europe, in which case you would go that way.

Senator EGGLESTON: In total, how many of your staff did you say have taken these courses?

Mr Richardson: Of the SES it is about 12 to 13 a year, I believe.

Senator EGGLESTON: So it is 24 or 26. Somewhere under 30.

Mr Richardson: Yes. We have had a particular focus on leadership training. This financial year we have had 103 SES, executive level 2 and executive level 1 officers go on leadership training programs.

Senator EGGLESTON: Is that at the Kennedy school? Because they are bigger figures—

Mr Richardson: No. That is primarily here in Australia. Of those 103, only a handful would be Kennedy. Kennedy relates to the SES. We do not offer non-SES the opportunity to go to the Kennedy school.

Senator EGGLESTON: You have kind of given me the answer to the number at Kennedy, by the number you said you sent. Do you want to put an actual figure on how many have gone to Kennedy?

Mr Richardson: I will get the precise figure for you, but as I said I think it is about five to 10 people in total over the last couple of years.

Senator EGGLESTON: And are these people all still employed by DFAT in Canberra?

Mr Richardson: Yes. Well, I cannot say all of them have, because people go on postings, but they are all still employed by the department.

Senator EGGLESTON: Could you let us know if any have left the department.

Mr Richardson: I will confirm that, but I do not believe any have.

Senator KROGER: You said that there have been 12 places for approximately 90 SES officers here. What is the process? I presume this is part of the overall career development program that you offer. If people wish to apply, they do, and then you select 12. Is that what happens?

Mr Richardson: Yes, that is right.

Senator KROGER: You also mentioned that there were a couple of other places overseas where you send people for career development?

Mr Richardson: I think we offer one program at Oxford, one in France, one in Singapore and the rest are in Australia.

Senator KROGER: Could you provide on notice the details of the programs you offer and the process by which people can apply to it.

Mr Richardson: Yes.

Senator KROGER: Do you have a minimum number of professional training hours that you are obliged to give each SES person per year?

Mr Richardson: No, there is no obligation for it. I do—

Senator KROGER: Do we have a formal career development program?

Mr Richardson: Theoretically, as part of their assessment program, SES officers do. There are a range of professional development programs that people undergo as a matter of course. For instance, all heads of mission going overseas go through a particular program specifically designed to meet their responsibilities as a head of mission. When someone is promoted into the SES the Australian Public Service Commission offers a program for the newly promoted SES 1 officer.

Senator KROGER: Which everybody does?

Mr Richardson: Yes. I have given a commitment to the Public Service Commissioner that all of our officers promoted into the SES—and we have not had a promotion round for two years—will in fact go through that program. The Public Service Commission also offers programs at the SES band 2 and at the SES band 3 level. We

participate in the professional development programs that the Australian Public Service Commission offers for the public service as a whole.

Over and above that we have some specific professional development programs ourselves. I mentioned heads of mission. The other one we have is for officers appearing before Senate estimates, and for dealing with the media. That is important. We have insisted that all SES go through that program, because that also is relevant to dealing with the public and with being a head of mission overseas and the like. We then have some specific leadership programs that are crafted just for us. But we can give you a full outline of it if you like.

Senator KROGER: I would be interested in receiving that.

Senator EGGLESTON: I am glad that you have confirmed that officers of departments do undertake estimates training. We have always assumed that there was an archive of *Yes Minister* films they all watched!

Mr Richardson: We normally get the toughest media people we can find in with whips and we put them in with them for a day. If they come out of there alive we consider that they can front Senate estimates!

Senator SINGH: I would like to ask some questions on expenditure on language training. I understand that in 2010-11 the department commissioned a comprehensive review of the language training program. In the department's inquiry into Australia's overseas representation your submission mentioned that 22 new language designated positions were created overseas to improve the department's language skills capability. What has been the expenditure on language training over those past two years and what is the projected expenditure on language training?

Mr Richardson: In 2010-11 total expenditure on language training was \$4.57 million. The budget for the current financial year is \$6.1 million. So we increased it by one-third in one year.

Senator SINGH: With that increase, how does the department see that it will capitalise on the existing skills of staff, particularly staff inducted through the graduate program, and how much consideration is given to existing language skills when weighing up a candidate's suitability for a particular posting?

Mr Richardson: Quite considerable. Of the range of factors you take into account in someone's suitability for a position, having the language is an important component of it but it is not the sole component. You can be a brilliant linguist but you might have appalling judgment. We will go with the judgment. Also, you bring in factors such as how long someone has been back from postings, where they are currently working, what the current operational needs are and the like. With your decision-making in this area there are always people who are pleased with the outcome and there are people who are not pleased with the outcome.

Senator SINGH: So, proficiency in a certain language is not necessarily matched to the posting in a particular country. Is that what you are saying?

Mr Richardson: We try to do that. However, where, for example, an individual has brilliant Mandarin and they have had one or two postings in China, sometimes they might want a break from that. There is an officer I know who I spoke to just a couple of weeks ago who has been working flat out on China for the past five or six years and he specifically asked whether he could have a stint away from China—not because he does not like it; he loves it. He just wants a mental break and to work in a different area. So all these factors come into play.

Senator SINGH: The department provides long-term language training in Australia and overseas, I understand. With the increase in budget expenditure for the 2010-11 budget from \$4.57 million to \$6.1 million currently, are you looking at expanding the languages that are included in that language training program?

Mr Richardson: No. We reviewed our language needs in 2010. Specifically we went through the question of whether there are any strategic gaps in our language skills in the department. We identified a couple of areas where there were strategic gaps.

Senator SINGH: What gaps were they?

Mr Richardson: There was a gap in respect of Arabic, Farsi, Korean, Thai, Turkish. They were amongst the languages in which we assessed there was a strategic gap and we needed to fill.

Senator SINGH: You did not see a strategic gap in the lack of Hindi speakers, considering India is becoming one of our major trading partners?

Mr Richardson: We do not have many Hindi speakers because the people can work quite effectively in English in India.

Senator SINGH: Okay. How many diplomats have a working level proficiency in a second language? It is not a necessary requirement, is it?

Mr Richardson: It is 643 current employees covering a total of 889 language proficiencies, that is some people speak more than one language.

Senator SINGH: Out of 889?

Mr Richardson: You would need to break that down. There are about 4½ thousand people in the department all up. About 400 of them are contractors who primarily work in the IT area and some in passports. They do not need languages. Of the 4½ thousand, about 2,400 are A-based, are Australian-based, as opposed to locally engaged. The figure I have given you of 643 relates to A-based offices, it does not relate to locally engaged staff.

Senator SINGH: So they are all Australian-based.

Mr Richardson: That is right. So of the 2,400 A-based officers 643 have languages. You need to break that down. Of the 2,400 A-based staff about 400-500 work in passports and most of them work in areas of passports where they do not need languages. About 300 of them work in IT and other related areas. They by and large do not need languages either. If you look at the group of people who you could theoretically say need a language potentially, it would be approximately the 900 to 1,000 policy officers in the department and approximately another 300-plus officers. So, of that 1,300, 463 have language proficiencies.

Senator SINGH: 643.

Mr Richardson: Sorry, 643 have language proficiencies. And do not forget that not everyone needs a language. Some people like me would have a begging bowl out if their life depended on having a language proficiency.

Senator SINGH: We will not ask about your language proficiency, Mr Richardson, but we will ask about senior staff and heads of mission, which I presume you do not class as A-based, so those that are locally based.

Mr Richardson: Yes, they are.

Senator SINGH: They are A-based?

Mr Richardson: Heads of mission are A-based. A-based includes Australian employed officers—employed in Australia—both in Australia and posted overseas.

Senator SINGH: You were referring earlier to locally—

Mr Richardson: Locally engaged staff are staff who are recruited overseas by the embassy overseas—

Senator SINGH: But are citizens of that country?

Mr Richardson: They can be citizens of any country, but they do not transfer between overseas and Australia.

Senator SINGH: Just in relation to heads of mission and senior staff, including first and second secretaries, are any of those conversant in the language of the country of their posting?

Mr Richardson: Yes. The head of mission in Jakarta speaks Indonesian. The head of mission in Beijing speaks Mandarin. The head of mission in Tokyo speaks Japanese. And Mr Beazley speaks English.

CHAIR: Sometimes!

Senator SINODINOS: On occasion—yes, that's right!

Senator SINGH: Perhaps with a twinge of New Yorker! But earlier, for example, in relation to Hindi, you said there is a low level of language proficiency in Hindi for A-based staff. You are saying that that is because most diplomats, citizens and the like of Indian descent speak English?

Mr Richardson: Yes. It has not been our experience that a head of mission in New Delhi requires Hindu—

Senator SINGH: Hindi.

Mr Richardson: Hindi. I should say that it has also not been our experience that a good head of mission in Jakarta, Beijing or Tokyo must have the local language. We have had outstanding ambassadors in each of those posts who have not been fluent in the local language.

Senator SINGH: That being said, they would have to have some kind of low-level proficiency in custom and—

Mr Richardson: Yes.

Senator SINGH: language to at least get by with those kinds of nuances in a different cultural environment, wouldn't they?

Mr Richardson: Certainly you require a certain understanding of cultural differences and the like of the kind you describe, yes.

Senator SINGH: How has the increase in expenditure since 2010-11 in the language proficiency program really been applied and spent? Is it on that increase of 22 language designated positions?

Mr Richardson: No, it is across the board. It is primarily in respect of officers going abroad to work in particular missions, filling positions which are language designated. The training varies enormously. Sometimes the people have had proficiency in the language. People with a proficiency in a language must get tested every so often because, if you have language up to a certain proficiency, you get a particular allowance. To retain that allowance you must be tested in the language to retain that level every so often. And, for some people who have been away from the country for some years, the language might have got a bit rusty, so they will get training, but they do not require as much training as someone who is going off to Beijing for the first time without any Mandarin and may require the full 88 weeks full time. It varies a lot.

Proceedings suspended from 10:30 to 10:48

CHAIR: We will recommence proceedings. We are still in portfolio overview.

Senator SINGH: Mr Richardson, I just want to finish by talking about Asian languages. I know you touched on some of the senior staff and heads of mission who are proficient in Asian languages in certain Asian countries. Compared to other languages, what is the make-up in the department currently of those who speak Asian languages? Is there a focus on looking for graduates with Asian languages? What is the process in relation to that kind of prioritising, I suppose, of Asian languages?

Mr Richardson: I can answer that in two parts. First, there is a priority on Asian languages in terms of the language proficiency training that we give, even though, as you would expect, the language training that we do give is global because of obvious requirements. In terms of recruiting people into the department at the graduate level, I can put it this way: where two people were otherwise precisely equal in all respects, we would give the nod to someone with a language that is a high-priority language rather than some other language. However, you do not often have that. At the graduate level, the language is not the first thing we are looking for; we are looking for other intrinsic qualities that any good employer would be looking for.

Senator SINGH: You are saying that if someone has those intrinsic qualities and, say, there are two graduates, one with French and one with Mandarin—

Mr Richardson: The priority should be given to the one with Mandarin. I do not know what it reflects but, as a statement of fact, more people applying for the department have some knowledge of French than any other language. I think it is a reflection in part on our education system. It puzzles me. It is a source of some frustration. However, because someone has French, obviously, if they are a highly qualified person et cetera, we do not rule them out, and more people speak French in the department than any other language.

Senator SINGH: I noticed that in your submission. Does the department proactively engage with universities to let them know and therefore let their undergraduates know that Mandarin, for example, as you mentioned earlier, is a high-priority language for graduates coming into DFAT?

Mr Richardson: If universities do not know that then I suppose it is a reflection of a lot of things. We do send people out to the various campuses. We have people go to all the main campuses every year, talking to people who are interested in a career in the department and the like, so, yes, that message does get out there. But, at the same time, do not forget that, in terms of Mandarin, there is Beijing, Shanghai, Guangzhou and now Chengdu, there is Hong Kong and there is Taipei. In a couple of those posts, Cantonese is still pretty popular. Language is one of the elements we take into account, but it would be wrong of us to convey a sense that language is the starting point and the end point of what we consider when we are recruiting people.

Senator SINODINOS: Just briefly, on the same subject, there are two things. Do you think in terms of our foreign policy effort that it is a good thing that Australians acquire some knowledge of foreign languages, particularly at school?

Mr Richardson: Yes.

Senator SINODINOS: Does it, in a sense, matter whether it is Asian languages versus European languages?

Mr Richardson: This is only a personal view. At one level, as you would know better than I, it is in part a reflection of community groups that make up our country. Our country is made up of people from lots of different places and it is natural that some community groups would want to retain knowledge of language and all of that. I think the demands on our education system in terms of the provision of foreign language cannot be driven solely by where we are in the world. Where we are in the world needs to be a very important part of it, but you also need to acknowledge, as I think we do, that people who come from elsewhere in the world also have a natural interest in retaining some sort of identity, and language is part of that.

Senator SINODINOS: You alluded there to the cultural diversity of the Australian community and its multicultural character. Do you think that these days that is adequately reflected in the make-up of the department itself and our representation abroad?

Mr Richardson: I hesitate to give a precise answer on that because I have not got the facts and figures in my head. I would not want to give an impressionistic answer to discover that my impression is out of kilter with the facts. But I do know that in recent years and going back some time now before I joined the department our graduate intake has certainly been very diverse. We have had in our graduate intakes over the last few years African Australians, Arabic-speaking Australians, Mandarin-speaking Australians and Afghan Australians. So there has been a fairly wide diversity. I think that is important. I think the face we present abroad should be the face that we see in our own country.

Senator EGGLESTON: Do you provide language training to diplomats before they are posted to various places?

Mr Richardson: Oh, yes. Quite a number of positions overseas are what are called language designated positions. Where we are posting someone to a language designated position, if they do not already have the language, we train them in the language.

Senator LUDLAM: I wanted to firstly put a question to the minister about coming into a job like this where suddenly the entire planet is on your desk and demanding your attention. Where does the issue of Julian Assange and WikiLeaks fit in your schedule? When were you first briefed on that matter after you took office?

Senator Bob Carr: The focus the department brought to that case is that Julian Assange has been given and will continue to be given full consular support. That principle would apply to any other Australian in his position. I think it is fair to say, given the nature of the charges he is facing, that is the only issue that arises for us. I think I am accurate in saying that.

Senator LUDLAM: When were you first briefed on that matter?

Senator Bob Carr: I cannot recall, but I know I had information—I am pretty certain I recall having a briefing note given me before I faced the Senate for the first time.

Senator LUDLAM: Okay. Mr Richardson, do you want to add anything?

Mr Richardson: Yes, simply to confirm what the minister said: it was part of the minister's incoming brief, so he had that before he stood up in the Senate.

Senator Bob Carr: I can be more specific. The government provided Mr Assange with a high level of consular support. There were two visits when he was in detention, between the 19th and 15 December 2010. There was attendance at all court hearings. There was assistance to his family—for example, a prison visit for his mother and contact with his lawyers. He was bailed on 16 December 2010. Since then he has not sought consular assistance. But I understand that diplomats have continued to reiterate offers of support, most recently through his lawyers on May 25, 2012. We cannot interfere with UK and Swedish legal processes but our post in London has monitored the case closely and our post in Stockholm has sought and obtained assurances he will receive due process if he is extradited.

Senator LUDLAM: Minister, within the realms of what you are able to do within privacy considerations, what can you tell us about that contact with his legal counsel on the 25th, just this week?

Senator Bob Carr: I would need to take that question on notice.

Senator LUDLAM: Minister, no doubt you would be aware that at six or 6.30 or thereabouts our time this afternoon there should be a finding by the UK Supreme Court. Have you been briefed specifically on that matter and potential consequences of that judgment?

Senator Bob Carr: I understand that, if the appeal is successful, Sweden cannot immediately issue an arrest warrant from a judge. Under Swedish law only prosecutors are authorised to issue arrest warrants following a valid court order. If his appeal is unsuccessful, if his appeal fails, Mr Assange can make an application to the European Court of Human Rights—

Senator LUDLAM: That is correct.

Senator Bob Carr: arguing that his human rights might have been infringed. This could be pursued from the UK or Sweden. To halt extradition he would need to make a separate application to the European Court of Human Rights. This is a reference to rule 39, and that is generally used when a person is at risk of physical harm if extradition were to be carried out. Swedish authorities would collect and escort Mr Assange from the UK to Sweden if the process of extradition were to proceed and that would have to occur within 10 days of extradition being ordered. A Swedish court will determine whether he would be held on remand and whether there would be

restrictions on his detention related to visits, contact with other prisoners and so on. I understand a high proportion of prisoners are held with restrictions. He will be entitled to meet with his legal representative and consular officials.

Senator LUDLAM: Thank you, Minister. Is it your understanding, based on that briefing that you have there, that if his appeal were unsuccessful and he is then subject to extradition, those further avenues of appeal to European courts would not actually prevent his extradition, so those appeals could still be afoot while he was being moved from one country to another?

Senator Bob Carr: I think he would need to make a separate application to the European Court of Human Rights arguing that he would be at risk of physical harm.

Senator LUDLAM: Okay, you did cover that. Minister, my question was whether you had been briefed, so I think we can take that as a yes—you have got relevant material right in front of you there. What can you tell us about the existence or otherwise of a sealed indictment issued by the United States Department of Justice, which would presumably come with an extradition order back to the United States?

Senator Bob Carr: We have seen no evidence that such a sealed indictment exists.

Senator LUDLAM: Have you sought such evidence?

Senator BOB CARR: We have not sought evidence, but we have seen no evidence that it exists.

Senator LUDLAM: Well, of course you haven't.

Mr Richardson: And we have talked to the US. The US is aware of our expectations in respect of due process, but when we say we have seen no evidence that such a sealed indictment exists we are not using neat bureaucratic words to avoid an answer. I know there are claims out there, but we are simply not aware of the existence of such an indictment. We have talked to the US about these matters, and we are simply not aware of the existence of such a sealed indictment.

Senator LUDLAM: Have you asked whether such a document exists, of your colleagues either in the DOJ or the state department?

Mr Richardson: We have had discussions, of which I cannot go into the detail, but none of the discussions we have had—

Senator LUDLAM: It is a pretty simple question: have you asked? You have seen rumours, you have seen speculation, you have seen reports. But did you ask?

Mr Richardson: As I said, we do not know of any evidence of the existence of such. We have obviously asked the US; we have talked about it. But we are not aware of any evidence that such a sealed indictment exists.

Senator LUDLAM: You are making it sound a bit forensic. I am just putting to you whether you have asked your colleagues whether such a document exists.

Mr Richardson: We have made inquiries about all of that.

Senator LUDLAM: What were the responses to those inquiries?

Mr Richardson: I am not prepared to go into the detail of the discussions we have had.

Senator LUDLAM: Why is that?

Mr Richardson: They were confidential. I can simply say that we are not aware of any sealed indictment and we are not aware of any evidence of the existence of a sealed indictment.

Senator LUDLAM: Mr Richardson—or Minister; if I stray into politics I will trust you to answer the question—were you aware of the release of quite an abundance of material from the US private security firm Stratfor, some months ago now, which contained explicit reference to such a document?

Mr Richardson: I am certainly aware of that. That was released, I think, out of Texas, from memory.

Senator LUDLAM: On the WikiLeaks website.

Mr Richardson: Yes.

Senator LUDLAM: Indeed. So did that release—you would not call it evidence, but it is certainly a release of material indicating that such a document exists—cause you to go back to your US colleagues and make inquiries?

Mr Richardson: It is release of material claiming the existence of it. We have talked to the United States since then, and I refer back to my earlier answers.

Senator LUDLAM: Does the Australian government have any contingencies, or have you put anything in place, in the event that Mr Assange is served with an extradition warrant back to the United States—tonight, our time?

Mr Richardson: Due process would need to be followed. I do not believe it would be possible for Mr Assange to be whizzed out of the UK tonight—

Senator LUDLAM: No, not whizzed, but served—

Mr Richardson: First of all, what is before the UK courts is the question of whether he can be extradited to Sweden.

Senator LUDLAM: That is an unrelated matter.

Mr Richardson: No. It is related, because if he wins that appeal, even if the US were to lodge an immediate request, due process would have to follow. If the US, through its own legal processes, were to seek such an extradition, that would be a matter that they would pursue with the UK, and due process between the UK and the US would have to follow. We cannot prevent that.

Senator LUDLAM: He is an Australian citizen.

Mr Richardson: He may be an Australian citizen, but we do not control what the US government does or does not do in the context of its legal process, just as we cannot determine the outcome of the appeal before the UK courts.

Senator LUDLAM: This is our great and powerful ally, the United States. Has your department done its due diligence so that we know what to expect tonight, depending on the outcome of the Supreme Court findings? Are you satisfied that the government has made itself aware of the facts?

Senator Bob Carr: I can answer that. We have no advice that the US has an intention to extradite Mr Assange.

Senator LUDLAM: Have you sought such advice?

Senator Bob Carr: We have discussed the case with the US, and nothing we have been told suggests that the US has such an intention. The US is aware of our expectation of due process, if they do decide to take legal action. And we understand that the United Kingdom's agreement to extradite would also be required. That probably answers your question.

Senator LUDLAM: While we are on the subject of due process, one of the other matters that came forward in the Stratfor releases was the intention by this private security firm that contracts to the United States government to shop Mr Assange and his colleagues through serial legal jurisdictions and tie him up in legal processes until the end of time, effectively. Whether he ends up in prison or not is kind of beside the point. Are you confident that due process is being followed in this case?

Senator Bob Carr: I do not think the US can be sheeted with the responsibility for the process underway in Sweden.

Senator LUDLAM: That was not actually the question I put to you.

Senator Bob Carr: You did talk about an intention of the US, as alleged by one source, to tie Mr Assange up in legal process.

Senator LUDLAM: It is a fairly informed source.

Senator Bob Carr: The legal process he faces at the present time involves Sweden. I am just interested in whether you believe that Sweden, in the legal process now underway and before a UK court, has been motivated by the US.

Senator LUDLAM: Are you putting a question to me, Minister?

Senator Bob Carr: I am very curious.

Senator LUDLAM: I am not sure that we can do that in here! I will be the one asking the questions, if that is all right. Minister, are you aware of the freedom of information request that I put to the department—and I acknowledge that it would have been before you took your place in here—on this matter? I think it was in November or December, or thereabouts, last year.

Senator Bob Carr: I am aware in broad terms, yes, that there is an FOI request.

Senator LUDLAM: Have you availed yourself of any information on that request, which has been delayed over a series of months?

Senator Bob Carr: I think I have signed a piece of paper related to that request. I will get advice.

Senator LUDLAM: Okay. Perhaps you could get advice on the nature of the piece of paper you have signed, and whether or not any documents will be forthcoming. I know it is extremely labour intensive blacking out page after page after page, but I would have thought that after six months it would be an appropriate time to put some of this material onto the public record.

Senator Bob Carr: We will check the record and answer the question to your satisfaction.

Mr Rowe: As you mentioned, Senator, we have your request under the FOI provisions to provide information in relation to a number of matters—including, of course, the Assange issue. As you would be aware, this is a very complex and very large request. As with previous requests in relation to other matters we have been in contact with you about the scope and the time lines for that request. We are actually engaged in processing it as expeditiously as we can. But these are very large requests in terms of the documentation, the complexities and the need to consult, under the FOI regime, third parties where necessary. Not surprisingly, it is taking some time just to work through all the documentation and get the request finalised so that we can provide it to you.

Senator LUDLAM: Thank you. And the matters that I am seeking to have released under this government's new regime of transparency do relate to foreign policy matters, particularly our diplomatic relationship with the United States. Is it normal practice that you would seek advice from your US colleagues before releasing that material into the public domain? Is the US government clearing this material for release as well as your own department?

Mr Rowe: Under the Freedom of Information Act, as you are aware, there are provisions that we are obliged to take account of, particularly that relating to any material that relates, as I said, to a third party. In that regard it is normal practice to consult the third party about the content and the sensitivity or releasability of particular information. We are applying the act in that regard.

Senator LUDLAM: Is that kind of a yes?

Mr Rowe: Yes. We need to do that and we have the statutory obligation to take that consultation process fully into account.

Senator LUDLAM: Would the material that you are subsequently, I hope, going to release to me, to the parliament and to the public, all have been cleared by the United States government as well as the Australian government?

Mr Rowe: Not all cleared. It is where there is material such as particular communications between the Australian government and a third party, for example. Where that third party is involved in the material or it relates to that third party, we have the obligation to consult that party.

Senator LUDLAM: Minister, are you completely comfortable that the Australian government has done everything within its power—political, diplomatic and moral power—to stand up for the rights of this Australian citizen?

Senator Bob Carr: First of all, he has received—I think you would have to agree—comprehensive consular support, as we give to any citizen faced with this position. I am not sure what else you are suggesting we can do—

Senator LUDLAM: This is no ordinary—

Senator Bob Carr: about a legal action initiated in Sweden about sexual assault.

Senator LUDLAM: None of the questions I have put to you this morning have related to that, Minister, and you know very well why.

Senator Bob Carr: That is the only action he faces.

Senator LUDLAM: I would have thought it would have been. You have hinted, and Mr Richardson has as well, that you have made inquiries with your colleagues in the United States about the much deeper legal trouble that Mr Assange is potentially in.

Senator Bob Carr: Hold on. We have answered that question.

Senator LUDLAM: Not really.

Senator Bob Carr: We are not aware of any US action. The one legal action he faces is of sexual assault in Sweden. Are you suggesting we should intervene with the Swedes to argue the Swedish government should intervene to withdraw that?

Senator LUDLAM: I think you just put another question to me. I will leave it there.

CHAIR: We are still in general portfolio overview.

Senator ABETZ: My first bracket of questions are directed to Mr Richardson. Do you acknowledge you had a conflict of interest when you pitched to Huawei to sponsor the Canberra Raiders, which is why you sought to manage it by, as has been reported by the *Canberra Times*, keeping your fellow members of the Secretaries Committee on National Security and relevant ministers advised of your membership of the Raiders board and the Raiders' relationship with Huawei? Is that a correct summary?

Mr Richardson: Is the question: do I acknowledge there was a potential conflict of interest?

Senator ABETZ: Yes.

Mr Richardson: I would certainly acknowledge there was a potential conflict of interest.

Senator ABETZ: Is that why you took the actions that you did—to talk with the committee of secretaries?

Mr Richardson: I took the following steps. Firstly, at the time I advised the secretaries committee of my membership of the Raiders board. They were aware of that anyway, but I reminded them of it and of the fact that Raiders were seeking sponsorship from Huawei. Secondly, I attended one meeting with Huawei, and that was in July or so of last year, and that was when a number of directors of the Raiders made a presentation to Huawei. I took leave without pay to make that presentation. Beyond that, I had no further contact with Huawei and did not take part in any negotiations with them and the like. Normally the ways these things work within a club is that the CEO does that and the board of directors are not then immediately involved. Indeed, we were subsequently advised that Huawei were pursuing other possible sponsorships. Our CEO continued to pursue it, apparently, and it ended up being done. But I did not take part in any of the negotiations apart from the initial presentation.

Senator ABETZ: Thank you for that. At what stage did you actually advise the secretaries committee that you were involved in pitching to Huawei?

Mr Richardson: Prior to the presentation in July 2011.

Senator ABETZ: July 2011?

Mr Richardson: Yes. I stand to be corrected, but the initial meeting with Huawei was in either June, July or August of 2011. Prior to that I advised the secretaries committee. I also advised the then minister.

Senator ABETZ: Did you do that in writing or verbally?

Mr Richardson: No, I advised the secretaries committee at a meeting at which there would have been 15 or so people present.

Senator ABETZ: And one assumes that would have been minuted?

Mr Richardson: I do not know whether it was minuted, but it was certainly known and I advised the minister—

Senator ABETZ: It would have been Minister Rudd at that time?

Mr Richardson: Minister Rudd, yes.

Senator ABETZ: Is there such a creature as the Secretaries Committee on National Security?

Mr Richardson: Yes, that is the committee I advised. I advised the Secretaries Committee on National Security.

Senator ABETZ: Because I understand there is also—especially if you watch *Yes Minister*—another committee of secretaries that also meet, but you are saying that all this relates to the Secretaries Committee on National Security.

Mr Richardson: That is right. The broader secretaries committee meets once a month or whatever. That is chaired by the head of Prime Minister and Cabinet. That consists of all the secretaries from around the departments.

Senator ABETZ: So you did not report to them?

Mr Richardson: No, because my membership of the Raiders and making an approach to Huawei was not relevant to that group. It was relevant to the Secretaries Committee on National Security.

Senator ABETZ: Why was that? Because of the potential security implications?

Mr Richardson: It was relevant to that because the broader secretaries committee had not had any discussions in respect of Huawei. However, the Secretaries Committee on National Security had had discussions.

Senator ABETZ: Without divulging why the Secretaries Committee on National Security had discussed Huawei, it would have been because there were national security implications with that company that were discussed.

Mr Richardson: That is a fair assumption.

Senator ABETZ: Is it correct?

Mr Richardson: Yes.

Senator ABETZ: Thank you. The Public Service Code of Conduct actually tells us, does it not, that one should:

... disclose, and take reasonable steps to avoid—

I emphasise 'avoid'—

any conflict of interest (real or apparent) in connection with APS employment.

I am just wondering how pitching to Huawei on behalf of the Raiders was avoiding your conflict of interest potential.

Mr Richardson: I think what I did to avoid that was: (1) I advised the Secretaries Committee on National Security and the minister beforehand; and (2) I took leave without pay for the one meeting that I had with Huawei along with other Raiders directors.

Senator ABETZ: Can I say with great respect that taking leave without pay does not cut it for me when we are potentially talking about national security implications. When the code talks about avoiding any conflict of interest, it would have been so very easy for you to avoid any conflict of interest by simply not being part of that meeting that you attended.

Mr Richardson: That is your view, I have a different view. And I do not believe I have breached the APS Code of Conduct. I would simply reject that out of hand.

Senator ABETZ: You would agree that you could have avoided it completely by not going to that initial pitch?

Mr Richardson: No, I do not believe that is the case. I believe that if you talk about 'real' or 'apparent' or 'perceptions of' and the like, you could argue that the only way I could possibly do that—if you want to argue at one extreme—would be to resign from the Raiders board. You could argue that. But I believe the steps I took were quite appropriate and I am confident that I am not in breach of any code of conduct.

Senator ABETZ: Would you agree, or do you understand, that agency heads have an extra responsibility to act as role models in avoiding real or perceived conflicts of interest?

Mr Richardson: Yes I would indeed. And I think I have been open and transparent in everything I have done in that respect.

Senator ABETZ: Can I acknowledge that, yes, you have been open and transparent, but that does not remove the perceived conflict of interest that you are now dealing with. But, look, you have told us that you took leave without pay. How much time did you take?

Mr Richardson: I took half a day. The reason why I took a half a day was because the meeting with Huawei was about an hour and a half and I thought it was just best to take the full half day.

Senator ABETZ: And I am sure you would have put in leave forms, et cetera for that—that is all documented?

Mr Richardson: Whatever had to be done was done. The key fact is, I was not paid for that half day. I specifically asked for my pay to be docked and for me to be on leave without pay.

Senator ABETZ: So clearly, the potential for a conflict of interest was there in your mind. As a result you asked for your pay to be docked. But did you think that there might be graver considerations at stake than just docking your pay?

Mr Richardson: I took the steps that I took; if you or anyone else think there was a conflict of interest, there is nothing I can do about that. I do not believe I am in breach of any code of conduct. If you believe I am in breach of any code of conduct you are entitled to pursue that in whatever way you wish. But I can only state to you the facts as I know them. If you do not believe that then there is not much that I can do about it.

Senator ABETZ: The code, I remind you, does ask you to avoid these conflicts of interest.

Mr Richardson: And I believe I have.

Senator ABETZ: Would you agree that Huawei is in the vanguard of Chinese economic diplomacy by entering emerging markets around the world?

Mr Richardson: I am not going to get involved in what I may or may not think in respect of Huawei, China or economic diplomacy of that kind.

Senator ABETZ: But see, your great difficulty is that you are secretary of the department that deals with these matters and you should be able to advise this committee as to the advice the department—your department, which you have control over—might have in relation to Chinese diplomatic efforts and the use of certain companies in those efforts.

Mr Richardson: Senator, as you know, classified material and things that are confidential are not something that are spoken about publicly. I think the government has made its decision in respect of the particular matter clear; that is on the public record. Obviously, I have nothing to add to that.

Senator ABETZ: You would say it is only a matter of confidential discussion as opposed to public knowledge and acceptance that this particular company is in the vanguard of Chinese economic diplomacy? I would have thought most people that follow foreign affair, Mr Richardson, would acknowledge that that is part and parcel of what this particular company does.

Mr Richardson: You can have that view; other people might have different views. I would simply note that Huawei is a company that operates in Australia, and in other countries around the world. It has won, on commercial terms, certain business in Australia. It has done that in the normal course of commercial activity. With respect to the NBN, the government took a particular decision. That decision is publicly known—

Senator ABETZ: We will get on to that.

Mr Richardson: and I have nothing to add to what has already been said publicly.

Senator ABETZ: When I put to you, 'Would you agree that this company is in the vanguard of Chinese economic diplomacy', you indicated that that might be my view. Did you indicate what your view was, as secretary?

Mr Richardson: No.

Senator ABETZ: Do you have any view as secretary of the department?

Mr Richardson: No, I didn't—because, quite frankly, I have not discussed the issue of whether this company or that company is in the vanguard of a foreign country's economic diplomacy. I have not discussed that on any matter with anyone in the department or outside the department. The only discussions I have been involved in that relate to Huawei within government are those matters that pertain to my responsibilities as a member of the Secretaries Committee on National Security and as an advisor to government, amongst other people, on those matters. Beyond that, I make no judgment about what Huawei does or does not do in the commercial arena.

Senator ABETZ: If you make no judgment, can you at least tell us that you are aware that Huawei has been described as being close to the Chinese government and Chinese military?

Mr Richardson: I am aware that it has been described in some articles like that.

Senator ABETZ: But you will not tell us whether you agree with that or not.

Mr Richardson: That is the first time you have asked me that question.

Senator ABETZ: I know, and that is why I am moving on.

Mr Richardson: The previous question you asked me was whether they were part of economic diplomacy. I gave you the answer on that.

Senator ABETZ: That's right. And now we have moved on to closeness to the Chinese government and military. We have a number of questions. I will not be asking the same question all the time.

Mr Richardson: I am aware that the founder of Huawei is a former member of the PLA, and I am aware that, like many private companies globally, including in Australia, Huawei does have a relationship, the kind of which I do not know in detail, with the Chinese government. But they obviously deal with the Chinese government. As to how that differs from the way companies here deal with our government, I do not the detail of that.

Senator ABETZ: You would agree that the way the Australian government deals with Huawei can have diplomatic consequences?

Mr Richardson: Yes.

Senator ABETZ: Yes. And we know that courtesy of the NBN situation, where a decision was taken, and without telling us why, undoubtedly the decision to exclude Huawei from the NBN was part of the discussions that the Secretaries Committee on National Security.

Mr Richardson: Sorry, what was part of the discussions?

Senator ABETZ: To exclude Huawei from the NBN.

Mr Richardson: Yes, it was certainly discussed.

Senator ABETZ: And you were part of those discussions.

Mr Richardson: Yes.

Senator ABETZ: Yes. And one assumes that the decision to exclude Huawei was based on sound advice.

Mr Richardson: Yes.

Senator ABETZ: For good reason, Huawei was excluded from the NBN rollout.

Mr Richardson: That is right.

Senator ABETZ: Yes, thank you.

Mr Richardson: That is on the public record—the government has stated that.

Senator ABETZ: Yes. And it was not for any technical reason—that they could not put the optic fibre out or whatever else they might be tasked to do; it was not for those practical, technical reasons that they were excluded, was it?

Mr Richardson: I have nothing to add to what the government has already stated publicly.

Senator ABETZ: All right. Well, did you give any advice to the government on the handling of this issue?

Mr Richardson: I am a member of the Secretaries Committee on National Security, so the department is therefore involved in the advice that goes forward.

Senator ABETZ: And once the decision was made, which we are agreed was based on good, sound reasoning, did a Chinese foreign ministry spokesman accuse the government of obstruction?

Mr Richardson: I do not have that. That is possible. Offhand, I am not aware of that.

Senator ABETZ: Can I refer you to—

Mr Richardson: I am aware that Chinese government spokesmen did make comments. What precisely they said, I do not have in front of me.

Senator ABETZ: In case you want to read, during the lunch break or whatever, the *Australian Financial Review* of 28 March 2012, it will tell you—

Mr Richardson: That does not constitute a transcript. I go by transcripts, not by media reports. But that does not mean I have not seen it. I am sure the department would have a record of whatever was said.

Senator ABETZ: Yes. Well, you are aware that there was some Chinese pushback.

Mr Richardson: Yes.

Senator ABETZ: Yes, thank you. Would you agree that Huawei's conduct internationally can also have possible diplomatic ramifications?

Mr Richardson: Senator, the conduct of any foreign company, from any country in the world, can have diplomatic consequences.

Senator ABETZ: Thank you. Just so we get the timeline right: when was the discussion about Huawei and the NBN at the Secretaries Committee on National Security?

Mr Richardson: I cannot tell you that offhand. I would need to take that on notice.

Senator ABETZ: Before or after the Raiders' pitch?

Mr Richardson: I would need to take that on notice. What I can say to you is that my advice to the secretaries committee in relation to Huawei was as soon as I became aware of the Raiders' interest re Huawei. I then advised the secretaries committee.

Senator ABETZ: What I think we need to know as well is whether or not you had any concerns about national security issues with Huawei at the time that the pitch to Huawei was made on behalf of the Canberra Raiders.

Mr Richardson: Senator, I was aware of discussions going forward in the context of the NBN. I would note that Huawei does conduct commercial transactions in Australia that are of no interest to the government in a national security context. So Huawei's business, as with any telecommunications company's business, can range from areas of no national security interest through to areas of national security interest. So it is not a unidimensional matter; it is broad.

Senator ABETZ: Yes, but Huawei was discussed at the Secretaries Committee on National Security.

Mr Richardson: Yes.

Senator ABETZ: So there were national security issues clearly raised. We have agreed that companies can give rise to diplomatic issues from time to time. Can you indicate how you would handle such an issue now, given your association with the Raiders, which is dependent on Huawei for a \$1.7 million sponsorship deal?

Mr Richardson: Senator, you are so far off track I am amazed. The best way I could answer that is to refer to people who have been with me when those matters have come up with Chinese authorities. I am an employee of the Commonwealth government, and if a foreign government discusses with me a matter relating to government decision making, I am paid by the taxpayer to explain, defend and prosecute the decisions taken by the Australian government. I take that responsibility seriously and I do not do a bad job of it.

Senator ABETZ: The issue with the Public Service code, of course, is to avoid perceptions of conflict of interest. Do you agree that Huawei has entered into an agreement, for \$1.7 million of sponsorship, or a figure thereabouts, with the Canberra Raiders, of which you are a board member?

Mr Richardson: I am not appearing before this committee as a director of the Raiders and, if you want to ask questions about what the sponsorship arrangements are between the Raiders and Huawei, you should direct your questions to the CEO of the Raiders. I can confirm, in terms of the question, that it is true that a sponsorship deal has been done between Huawei and the Raiders—that is on the public record. The precise amount of that is whatever was announced by the Raiders and Huawei at the time. If that is \$1.7 million then it is \$1.7 million. If it is \$1.6 million then it is \$1.6 million. But it is some amount.

Senator ABETZ: Did it give you any concern that Huawei was seeking to sponsor a team in the national capital? As opposed to all the other teams they may have been able to sponsor, they picked out the one that plays in the national capital. And, given that the players had their photographs taken with a new Huawei logo, in front of the Australian Parliament House, does that give you any indication or flavour that there may have been Foreign Affairs matters involved in Huawei's sponsorship?

Mr Richardson: Senator, we are crossing a lot of things here. I don't know how much you know about the NRL, and I don't know how much you know about football and football teams and the way they operate, but I can assure you there is nothing unusual in Canberra football teams being photographed, with their sponsors, in front of Parliament House. That is not unusual. The Canberra Raiders have been around since 1982. That is not the first time the Canberra Raiders, or the Brumbies for that matter, have been photographed in front of Parliament House. Indeed, in times past, both the Raiders and the Brumbies have had functions, with their sponsors, in the Great Hall. So I will simply leave it at that.

Senator ABETZ: Huawei came to Australia in 2004?

Mr Richardson: I don't know when they came to Australia.

Senator ABETZ: In 2004 who was the head of ASIO.

Mr Richardson: In 2004, I was.

Senator ABETZ: Right.

Mr Richardson: But that does not mean—

Senator ABETZ: Did ASIO give any advice that Huawei should be excluded from the NBN on grounds of Australia's national security?

Mr Richardson: You know as well as I do that I am not going to answer that question—and Senator, with due respect, those questions would need to be addressed to ASIO, not to me. I cannot speak for any advice that is provided by another agency.

Senator ABETZ: Can I simply conclude this bracket of questions by asking you: given all the questioning today, don't you acknowledge that there is, at a minimum, a perceived conflict of interest that you have now, unwittingly, got yourself into?

Mr Richardson: My response to that is no. Secondly—

Senator ABETZ: Not even perceived?

Mr Richardson: Secondly, if you believe, Senator, that I am in breach of any code of conduct or anything else, I would simply suggest that you take that forward in whatever way you see fit. I believe that I have conducted myself properly. I believe I have properly separated out my different responsibilities. I acknowledge that there may well be some people who consider that there is or may be a perception of a conflict of interest. I cannot control what is in other people's minds. I can control my own actions, and if you believe my actions have been in breach of any code of conduct then I would invite you to pursue that with the proper authorities.

Senator ABETZ: Well, you see, you can control your behaviour and it would have been very easy simply not to go to that pitch—

Mr Richardson: I have made my decisions—

Senator ABETZ: and as a result—

Mr Richardson: I make no apology for it—

Senator ABETZ: If I can finish—

Mr Richardson: and I am not backing away from it, and I would do the same thing again, Senator.

CHAIR: Order! One at a time. Senator Abetz, have you got a question or can we complete this area of questioning?

Senator ABETZ: Thank you. I think we are agreed that you can control your behaviour, as we all can. As a result of which, do you accept that you could have avoided any conflict of interest, real or apparent—I stress the apparent in this case; the apparent conflict of interest—by simply not being part of the Canberra Raiders pitch to Huawei?

Mr Richardson: If I wished to remove any question in anyone's minds then, yes, that is something I could have done. Whether it would have removed the questions in all minds, I do not know. I suspect the only thing that I could do in some people's minds would be to resign from the board of the Canberra Raiders. Now, if I were deemed to be in breach of any code of conduct, if I were deemed to be in an impossible conflict of interest, I would do that. I am not aware of that, therefore I am not. I make no apology for my actions on this matter. I believe I have conducted myself properly. If you think otherwise, I invite you, for the umpteenth time, to take it up with whoever you wish.

Senator ABETZ: But, see, as a head of a department, you have a huge responsibility to lead the way, and it is not an issue of whether there was a real conflict of interest; the issue is whether there was an apparent or a potential or a perceived conflict of interest. And given some of the discussion in the media about this, one would have to agree, would one not, that a number of people believe that there is a perceived conflict of interest? I do not put it stronger than the perceived conflict of interest. And I want it make it clear that all my questions have been on the basis of a perceived conflict of interest.

CHAIR: Mr Richardson, if you could respond to that and then I suggest we move on. We have been on this issue for over 45 minutes now.

Mr Richardson: Yes. Senator, I in fact disagree with you on that. The reason I disagree with you on that: from memory, and I stand to be wrong, I think there was one story in the *Canberra Times* on the Saturday after the announcement of the sponsorship was made. That was under the banner headline something like 'Ex ASIO Director-General helps Raiders', and that quoted properly from it. I do not believe it made any suggestion that I had been in conflict of interest. It put a number of questions to me; I answered them.

The only other occasion on which I can find public reference to it was in an article the week before last in the *Financial Review*, I think in the Saturday edition of perhaps last week, where a reference—an incorrect statement—was made. It was talking about Huawei. It was all about Huawei. It did not go to the question of conflict of interest; it simply made the incorrect statement that I had 'negotiated' the sponsorship, which of course I had not. I am not aware of any other media pursuit of this matter—there may I have been, I just have not seen it—so I disagree with the premise of your question.

Senator ABETZ: Minister, do you agree you run a Twitter account?

Senator Bob Carr: Yes.

Senator ABETZ: Your tweets refer people to your personal blog, *Thoughtlines with Bob Carr*. Is that correct?

Senator Bob Carr: That has always been the case, and that tweet goes out automatically from my blog. It is separate from tweets I might issue.

Senator ABETZ: As a minister?

Senator Bob Carr: Yes.

Senator ABETZ: None of your ministerial tweets direct people to your thoughtlines blog?

Senator Bob Carr: That is right.

Senator ABETZ: If that is what you tell me, I accept that. I move on to questions about from where you conduct most of your work or where you have your principal office. Is that in Blich Street, Sydney?

Senator Bob Carr: Yes, that is my Senate office.

Senator ABETZ: Does that combine as your electorate ministerial office?

Senator Bob Carr: No, that is my office as a senator.

Senator ABETZ: Do you have a ministerial office in Sydney?

Senator Bob Carr: That is under preparation, I understand.

Senator ABETZ: You don't have a ministerial office in Sydney?

Senator Bob Carr: For four meetings I have had as minister, I have used, on a temporary basis, a small office, a dogbox, in the department's Sydney office in Pitt Street.

Senator ABETZ: Your electorate office is the one that you previously occupied as a lobbyist?

Senator Bob Carr: Yes, as a former premier.

Senator ABETZ: And as a lobbyist.

Senator Bob Carr: I registered as a lobbyist because I had contact with members of government and was required to. But my principal business was strategic advice.

Senator ABETZ: From where was that conducted?

Senator Bob Carr: From Bligh Street.

Senator ABETZ: From the same office which is now your electorate office?

Senator Bob Carr: Yes.

Senator ABETZ: Does RJ Carr Pty Ltd do anything besides lobbying?

Senator Bob Carr: It had been the registration I had for my various activities which were journalism, writing a book all proceeds from which went to charity, strategic advice, remunerated lectures, sitting fees.

Senator ABETZ: You conducted that business from Bligh Street which remained the registered office of RJ Carr Pty Ltd until what date?

Senator Bob Carr: I ceased all commercial directorships and all commercial activities on 5 March.

Senator ABETZ: That does not answer the question as to where the company conducted its business from.

Senator Bob Carr: It conducted its business from that Bligh Street address until it ceased business. No business was conducted—none at all, not one iota—after 5 March. The GST registration was cancelled and the dormant company entity's place of business is being amended with ASIC.

Senator ABETZ: Why is it that the registered office changed company details if it is dormant? Why is the company being kept, and its registered office was changed from your electorate office to another address—62 Burwood Road, Burwood—on 24 May this year, which happens to coincide with when Senator Scott Ryan raised this matter at ministerial and parliamentary service estimates? Serendipity?

Senator Bob Carr: Madam Chair, I say again: there has not been one iota of commercial work done by me or that entity since I ceased, with letters of resignation, all business work on 5 March. The process of excising that reference from the record of ASIC is a matter between my business accountant and ASIC. But to imply that any commercial work has been done from government premises is utterly false and a reflection on public servants, two public servants in particular, who work in those offices, because I have done no commercial work—

Senator ABETZ: It is no reflection on anybody other than yourself.

Senator Bob Carr: It could only be, because I can tell you: I have done no commercial work—and why would I?—since I resigned all directorships and terminated all commercial relationships on 5 March based on legal advice.

Senator ABETZ: Can you tell us why—and I got that wrong about the registered office; it is the principal place of business address—that was changed on 24 May, immediately after Senator Scott Ryan raised that matter at estimates?

Senator Bob Carr: That is just an office detail.

Senator ABETZ: It is an office detail, is it?

Senator Bob Carr: Absolutely because, again, I have had no business work since 5 March.

Senator ABETZ: You say that you have divested yourself of directorships. Do you agree that the ministerial code of conduct paragraph 2.9 dealing with shareholders says:

... these Standards require that Ministers divest themselves of investments and other interests in any public or private company or business ...

Senator Bob Carr: If you say that is the case, without the document in front of me, I accept that.

Senator ABETZ: So we had a change of directorship, you tell us, in this company RJ Carr Pty Ltd. Is that correct?

Senator Bob Carr: I would need to check the detail, but I divested myself of all directorships. I ceased all commercial activity. Why would I not do that?

Senator ABETZ: Why didn't you divest herself of the more important aspect of the shareholding in the company? You are still the registered shareholder, the sole shareholder, of the company, are you not?

Senator Bob Carr: The company is dormant.

Senator ABETZ: Why does it, then, have a principal place of business? Why is it still registered? Are you just holding it dormant so that you have got something to go back into after your stint as foreign minister is over?

Senator Bob Carr: My advice is that that company is dormant. It is with my accountant. It does not work. It receives no income because I am doing no commercial work—none at all.

Senator ABETZ: Is it still putting in any returns?

Senator Bob Carr: I leave that to my accountant.

Senator ABETZ: So you cannot tell us whether it is putting in returns, but you tell us it is dormant. There will be nothing if it is dormant.

Senator Bob Carr: Whatever is legally required is done. It is with my accountant. I have done no commercial work since 5 March.

Senator ABETZ: But the ministerial code of conduct does not talk only about commercial work. It also talks about divesting oneself of shareholdings, something that you clearly have not done in relation to your previous lobbying company.

Senator Bob Carr: I have divested myself of all shareholdings. I do no commercial work. It is absurd to suggest otherwise.

Senator ABETZ: Are you saying you have divested yourself of all shareholdings? Did you just say that?

Senator Bob Carr: Yes. You are talking about a family entity in the charge of my accountant which has received no income from commercial activity because I ceased it all on 5 March, before being sworn in as minister.

Senator ABETZ: But you are still a registered shareholder, are you not?

Senator Bob Carr: But this is a bit of paperwork. This is simply a bit of paperwork. I do no commercial work.

Senator ABETZ: I am sure that some other ministers in the past would have been happy to be able to say, 'It was just a bit of paperwork.' You cannot dismiss it as lightly as that, Minister. There is a requirement that you should divest yourself of all shareholdings in private companies. You clearly have not done that. Why is that not in reach of the ministerial code of conduct?

Senator Bob Carr: Madam Chair, this is absurd. I am the single shareholder in my own dormant company, which has done no work, which is not trading, which is not registered for GST. I could not have been more emphatic. Again, guided by legal advice, on 5 March I resigned all commercial directorships and ceased all commercial activity. I challenge Senator Abetz to nominate a single piece of commercial activity I have engaged in since 5 March.

Senator ABETZ: That is a completely and utterly irrelevant and indicative of the minister's obfuscation. The question is, is there a requirement under the ministerial code of conduct to resign shareholdings? If so, why have you not resigned your shareholding and only resigned your directorship?

Senator Bob Carr: Madam Chair, this is absurd. There is no trading. There is no business activity.

Senator ABETZ: That is irrelevant.

CHAIR: Let the minister reply.

Senator Bob Carr: The paperwork is in the hands of my accountant. The senator acknowledges that he agrees the evidence confirms I have given up all commercial activity on 5 March.

Senator ABETZ: No, I do not know that, but I am willing to accept it.

Senator Bob Carr: I think you should accept it, because there is no evidence to the contrary. I am giving you that as unchallengeable fact.

Senator ABETZ: I would draw your attention to paragraph 2.9 of the Standards of Ministerial Ethics in relation to shareholdings and also then ask you, if everything is in the hand of your accountant, have you signed a document divesting yourself of your shareholding in this company?

Senator Bob Carr: I will take his advice and rest on the legal advice I have received about the comprehensive nature of everything I did, adhering to the obligations for pecuniary disclosure on 5 March.

Senator ABETZ: You cannot hide behind legal advice. You have an obligation under the ministerial code of ethics to abide by this ethics. You have been misadvised by a legal adviser, so be it. I do not know that—do not want to get into that. But it is clear that you should divest yourself of all shareholdings. You have patently not done so. Also, can you therefore tell us, whether you have divested yourself of that shareholding?

Senator Bob Carr: Madam Chair, I am advised that legally and by my accountant to the letter everything I was required to do in anticipation of my election to the senate and my swearing in as minister was done.

Senator ABETZ: In recognition of your collective responsibility that ministers bear in relation to cabinet decisions, these standards require that ministers divest themselves of investments and other interests in any private company or business. Can you advise this committee whether you have divested yourself of your shareholding in the private company known as RJ Carr Pty Ltd?

Senator Bob Carr: I rendered the company dormant. It has received no income. It does no work. It is parked with my accountant. The legal and accounting advice is that I have done everything required. The senator cannot point to any commercial activity—the very notion is absurd—I have engaged in since I have been Minister for Foreign Affairs.

Senator ABETZ: Whereabouts in paragraph 2.9 is it a requirement that you only divest yourself of private interests if they are actively engaged?

Senator Bob Carr: I am happy to have a look at it.

Senator ABETZ: Yes, and come back to us notice. That would be good.

Senator Bob Carr: Do not laugh in that sinister fashion.

Senator ABETZ: Thanks a lot, Chair.

Senator Bob Carr: Do not laugh in that sinister fashion. I think I have answered comprehensively the question.

Senator ABETZ: All absolute nonsense.

CHAIR: I think we have traversed this issue at length. Thank you, Senator Abetz. Are there any further questions in general overview?

Senator KROGER: I will just alert Mr Richardson that over the break I was advised by my office that it was the DFAT media unit that organised the press conference at the Willard hotel for the then foreign minister, Mr Rudd.

Mr Richardson: I do not accept that, as a starting point. Your office may be of that view—as I said, I will take these questions on notice; I stand to be corrected—but according to the brief inquiry that I made in the interim the press conference at the Willard was put together by the minister's staff who were travelling with him.

Senator KROGER: I look forward to getting those answers.

Senator FAULKNER: Mr Richardson, from your experience, whether it be with the current minister, Senator Carr, the previous minister, Mr Rudd, his predecessor, Mr Smith, or, for that matter, his predecessor, Mr Downer, is it common or uncommon for there to be an involvement of officials from DFAT—so we are talking about public servants—in ministerial press conferences? Is that a common occurrence or not? I am not speaking about the involvement of a departmental liaison officer from the minister's office, but you might care to comment on that too. Your question goes beyond that to the involvement of officials from the department. I might say that as defence minister when I did press conferences certainly from time to time Defence officers were present, but obviously on other occasions they were not. That tended to be fairly commonplace, but you might explain to the committee if there is a normal practice here.

Mr Richardson: Certainly when any minister travels abroad an embassy provides them with comprehensive assistance. An embassy the size of the one in Washington has a public affairs area and it is normal for the embassy to assist in the setting up of a press conference. That is not unusual.

Senator FAULKNER: In fact, I could not imagine it would be possible to hold such an event without some logistical support. It is not like holding a news conference in Parliament House—let's be frank—when a minister is overseas. I had assumed that this would be standard operating procedure, effectively. The resources are not

available to a prime minister, frankly, not just a Minister for Foreign Affairs or, I would have thought, any portfolio minister. That support is generally provided by posts.

Mr Richardson: I have been involved in assisting ministers, prime ministers, opposition leaders and also sometimes opposition spokespersons. Embassies provide the assistance. Particularly with ministers and prime ministers, embassies are normally very much involved when it comes to media arrangements. Whether they were on any particular application I would have to check.

Senator FAULKNER: No, I would not ask you that. I am just talking about general practice, because my own experience leads me to suggest to you that it would be virtually impossible for any Australian parliamentarian to hold a news conference overseas without the support of the relevant post—and therefore, it is fair to say, DFAT officials.

Mr Richardson: Yes.

Senator FAULKNER: Is there a distinction between that practice with a prime minister, a minister for foreign affairs, another portfolio minister, a leader of the opposition or another parliamentarian that might occur overseas—in this case, the Minister for Foreign Affairs—and what might occur at a Minister for Foreign Affairs press conference here in Parliament House? I mentioned the four recent ministers for foreign affairs we have had in Australia. Is it fair to say that different practices apply depending on the location?

Mr Richardson: That is right.

Senator FAULKNER: In the normal course of events—apart from perhaps departmental liaison officers, who work physically within the office of the Minister for Foreign Affairs in Parliament House—it would be perhaps not unprecedented but less common for DFAT officials to attend such a news conference.

Mr Richardson: Yes, that is right as a general proposition. A lot depends upon, as you acknowledged, the nature of the function, the size of it. For instance, I have certainly seen ministers launch various publications and launch various initiatives in the mural hall in Parliament House and government officials have assisted because of the size of the function, what was being launched and the like. But as a general proposition what you said is right.

Senator FAULKNER: It is, as I understand it anyway, a primary obligation of your department to provide such support, not only to your own minister but to other ministers and other office holders, including the Leader of the Opposition and the like, when they are on international business.

Mr Richardson: Yes.

Senator FAULKNER: I draw from this that it would be more remarkable if it was not done than if it was done.

Mr Richardson: That is right, and at the time in question—I know you are not going into specifics—when Mr Rudd gave his press conference at the Willard hotel he was a minister of the Crown and remained a minister of the Crown for a little while after. So we obviously had obligations in terms of providing whatever assistance we did.

Senator FAULKNER: Sure. But even if that were not the case you would provide support, even if it were a former minister for foreign affairs or former office holder. It would be standard operating procedure, surely, for the department to provide such support. For example, if Mr Howard, as a former Prime Minister, was in that position it would be quite remarkable, wouldn't it, if the department did not lend support?

Mr Richardson: We would do what we could to help.

Senator FAULKNER: Yes. Thank you.

Senator KROGER: I do not think the essence of my questions went to the why; it was more about the substance of what was actually provided. I understand also that your media unit were the ones that put out the media alert. If you could just help with that sequence, the time line of those events, that would be very helpful.

Mr Richardson: Yes, we can.

Senator KROGER: Minister, in the last couple of years in estimates there has been considerable discussion and questioning of the travel arrangements of the foreign minister and as much about the process of that—the determination and how it is organised. In response to questions on notice, we have been advised that the former foreign minister would run past the Prime Minister his travel plans and costs associated with them. Clearly, to fulfil your obligations, international travel has to figure into that, but it is the way in which it is most effectively applied. I am interested to know which countries you have travelled to this year. I am happy for you to take that on notice—I do not need to take up the time—but I am interested in the way in which they were prioritised to date since you have been foreign minister.

Senator BOB CARR: I took the advice of my department. It was clear that a visit to Washington commended itself as having the highest priority but setting a date required the negotiation of a mutually convenient time—specifically a time when the Secretary of State was going to be present in Washington and not on travel herself.

Senator KROGER: It is helpful.

Senator BOB CARR: Yes. When that date was set I found that I had time for a visit to several of the ASEAN member states. Singapore, Cambodia and Vietnam commended themselves and their foreign ministers were available to meet me. That became the first travel. Following that we set North Asia in the agenda, but while I was going to be in Washington there was some important work at the UN to complete, not least because we are seeking a seat as a non-permanent member of the Security Council and a ballot is to be held in October. So I visited New York as well as Washington.

Thereafter the priority of North Asia clearly needed to be addressed and I visited China as soon as Foreign Minister Yang was available in Beijing for a meeting. I followed that with a trip to Japan.

Senator KROGER: In the various outcomes we will pursue questions in relation to the various regions. Have you scheduled the rest of the year for your priorities and where you will be travelling?

Senator BOB CARR: In broad terms, yes.

Senator KROGER: Are you able to provide us with that schedule? Once again I am happy for you to take it on notice for you to provide your travel plans for the rest of the year.

Senator BOB CARR: Yes, in broad terms—and I will follow-up—I am going to Burma next week and I will follow that by attending a meeting of the Commonwealth Ministerial Action Group in London. I will visit the nuclear non-proliferation conference in Turkey on my way back to Australia.

Senator KROGER: Going back to the organisation coordination of travel, have you been provided with any guidelines for the way in which travel is organised and booked? I understand the department is involved in this as well, but have you been provided with guidelines which would be peculiar to you as foreign minister because of the significance of your overseas visits? For instance, we were just talking about the Willard. In previous estimates we have been assured where possible that the foreign minister stays with the ambassador in the visiting country. Clearly, the then foreign minister did not stay with Ambassador Beazley in his last visit, but such arrangements have costs—and we have talked about high-end excessive costs with individual hotels that have been nearly \$2,000 a night. Have you been given any broad guidelines as to what would be appropriate?

Mr Richardson: If I could add a broad generalisation, historically there is no consistency in respect of whether ministers have stayed with heads of mission or not. Historically, travelling ministers, including travelling foreign ministers, have not stayed as a matter of course with heads of mission. Mr Rudd was the first foreign minister in many years to make a practice of staying with heads of mission more often than not. If you go back—

Senator KROGER: That might have been indicative of his fairly intensive travel schedule, though.

Mr Richardson: For whatever the reason, I am just making the point that we certainly did not provide Minister Carr with any advice saying, 'Look, you should as a matter of course seek to stay with heads of mission.' Mr Smith did not make a practice of that, Mr Downer did not make a practice of that, Mr Evans did not make a practice of that and Mr Hayden did not make a practice of that. Mr Street did not make a practice of that and Mr Peacock did not make a practice of that. Some of them did, from time to time, stay with heads of mission who they knew well or were friends with. But as a matter of course, over that period of time, foreign ministers did not normally stay with heads of mission. So what you saw with Mr Rudd, in terms of his practice of staying with heads of mission, was something unusual rather than something that was common.

Senator KROGER: The point of my question, Minister, is that what the taxpayer wants to see is that we are not tossing money up the wall unnecessarily. We have seen the practice in the past couple of years where there has been excessive use of taxpayer money in terms of top-end hotel accommodation, when good accommodation at a much lesser cost would also have been appropriate. So what I am seeking from you is, firstly, whether you have had this discussion already—because I understand through previous estimates that, in the end, the former foreign minister did pass his travel schedule and costings past the Prime Minister's desk. Has a similar practice been sought from you? Secondly, what will your overall approach be in considering the costings for travel? Thirdly, has there been any guidelines in relation to the use of VIPs or commercial aircraft?

Senator Bob Carr: Okay. They are all reasonable questions. First, all requests for travel go to the Prime Minister, and need to be approved by the Prime Minister. I take the advice of my department on accommodation, and the best flights. I have stayed in residences in New York—the residence of our permanent representative to the UN—and in London. I rely on the advice of the department for hotel accommodation. I think taxpayers expect

a foreign minister to achieve the right balance between travelling economically and taking account of the needs of security and representation. Above all, we are aware that we are answerable to the Senate, through this committee.

Senator KROGER: Have you met with Dr Henry to discuss the *Australia in the Asian Century* white paper?

Senator Bob Carr: On three or four occasions, yes.

Senator KROGER: What involvement does the department have in the determination of that paper?

Mr Richardson: We have little involvement in the determination of it. We have an input into it. We have an SES officer on secondment to the group set up in PM&C.

Senator KROGER: Sorry, you have one—

Mr Richardson: Yes, we have an SES officer in the group set up, supporting Ken Henry in PM&C. I am on a secretaries' committee—myself, Ian Watt and Martin Parkinson with Ken Henry. A Deputy Secretary, Heather Smith, sits on an advisory group which meets from time to time with Ken Henry. So they are the major structural links that we have into it.

Senator KROGER: Were you or the department, Mr Richardson, sought for advice upon the appointment?

Mr Richardson: No.

Senator KROGER: Were you advised of the appointment before it happened?

Mr Richardson: I think I was aware of it before it was announced. I think I was, but I cannot be certain of that. Certainly, our advice was not sought.

Senator KROGER: Were you advised that there was consideration being given for the development of the white paper itself?

Mr Richardson: I was aware that the initiative was going to be announced, yes.

Senator KROGER: Can you provide us—because I presume that you do not have it in front of you—with when you were advised that the white paper was going to be commissioned?

Mr Richardson: Yes, I can.

Senator KROGER: And if that was at the same time you advised that Mr Henry had been commissioned to undertake it?

Mr Richardson: Yes, I can do that.

Senator KROGER: Minister, could you also provide when you met with Mr Henry? If you have met with him two or three times, when those dates were placed?

Senator Bob Carr: Certainly.

Senator SINGH: Just quickly, Mr Richardson, DFAT provided a submission to the white paper?

Mr Richardson: Yes.

Senator SINGH: That traversed the range of issues that the terms of reference were referring to, one would presume?

Mr Richardson: From our perspective, yes.

Senator EGGLESTON: I have a question on a completely different subject, which is the United Nations Framework Convention on Climate Change. I just wondered if you could please tell us whether or not DFAT has an opinion about whether we are any closer to a global, legally-binding agreement on the reduction of carbon emissions?

Mr Richardson: Our position on that is that we do not have an independent opinion beyond what the government has stated publically.

Senator EGGLESTON: Were you happy with the outcomes of the Durban conference?

Senator Bob Carr: That is the responsibility of my colleague, the Minister for Climate Change. He has briefed me on the outcome of the Durban conference and on plans arising from that, and the network of negotiations beyond that.

Senator EGGLESTON: He has briefed you. Are further conferences scheduled? Will Australia be a participant?

Senator Bob Carr: Australia will be a proud and active participant in any world conferences shaping a global response to climate change.

Senator EGGLESTON: We have had Copenhagen, we have had Cancun and we have had Durban with, it seems, little positive outcome, and yet we still participate in these conferences.

Senator Bob Carr: I disagree with the view that Durban had little significant outcome. Its outcome was a commitment to a world treaty that is (1) binding and (2) applicable to all nations—developing and undeveloped. That is a big step forward, and that is most certainly the view of my ministerial colleague. Australia and all the nations represented there are committed to the continuing negotiations to achieve that goal.

Senator EGGLESTON: Who bears the costs of Australia's attendance at the conferences? Does it come through DFAT or does it come through the Department of Environment and Climate Change?

Mr Richardson: Normally, departments would cover their own cost. So Minister Combet's travel is covered by the Department of Finance and Deregulation and his staff are, as per any other minister travelling. Normally, whatever departments are represented at a conference like that the cost is picked up by the individual departments.

Senator EGGLESTON: Could you take on notice any costs incurred by DFAT for the Copenhagen, Cancun and Durban conferences?

Mr Richardson: Sure.

CHAIR: The committee will now suspend for lunch and return at 1:30. Thank you.

Proceedings suspended from 12:29 to 13:32

CHAIR: We will resume proceedings. I understand that there are no further questions under portfolio overview so we will proceed through the program to outcome 1, and program 1.1: North Asia.

Senator FAWCETT: Mr Richardson, can I just confirm that you are aware of the US-China strategic and economic dialogue?

Mr Richardson: Yes I am.

Senator FAWCETT: When was the first time a proposal surfaced for a similar China-Australia dialogue? In recent times.

Mr Richardson: I think it was certainly being discussed amongst officials last year.

Senator FAWCETT: Would that have coincided with the Prime Minister's visit to China?

Mr Richardson: The Prime Minister's visit to China last year was, I think, at the end of April. There might have been some informal discussion; different individuals were interested in the idea prior to that, but I suppose there was more serious discussion last year, yes.

Senator FAWCETT: Okay so we will take April last year as—

Mr Richardson: No—around that time. It might have been a bit later, I am not sure.

Senator FAWCETT: Sure. The model that was being discussed at that time—was it similar to the US model in that you had, I think, their Secretary of State and the Chinese equivalent? Was it a similar model that was being proposed for Australia?

Mr Richardson: A little different. Others might disagree, but my own personal view is that I think it would be a bit unrealistic of us to expect a copy of the model of US-China. They do have a particular relationship and, as you know, their dialogue started out some years ago under the Bush administration. Initially, Secretary Paulson initiated the economic dialogue. Then the Department of State had a senior dialogue led at deputy secretary level. Then after the change of administration, at the beginning of 2009, they put a proposal to the Chinese to have a strategic economic dialogue, which is now jointly led by Secretary Clinton and Secretary Geithner. When they meet they sometimes have up to 10 or 15 cabinet-level people at the table, and it goes over a couple of days. So we would not be looking at copying that per se.

Senator FAWCETT: But in broad concept there is support at both the Chinese side and our side for a meeting of cabinet-level people on an annual basis to discuss strategic and economic issues?

Mr Richardson: The proposal is to enhance the high-level machinery within which the relationship is taken forward.

Senator FAWCETT: Where are those discussions up to at the moment?

Mr Richardson: They are still at a relatively early stage. The minister discussed the matter when he was in China recently, and that is on the public record. There are to be further follow-up discussions behind the minister's discussions.

Senator FAWCETT: So after the initial discussions in April, in the process between then and now—it has been more than a year—have there predominantly been issues at the Chinese end or have there been issues at our end that have stopped that from developing?

Mr Richardson: It was only put to the Chinese in the most general of terms last year. We were still developing the thinking. Then Minister Carr, I suppose, really put it on the table in a concerted way on his recent visit to Beijing. While we have been talking about it for a while, it has only been formally on the table with the Chinese for a short time.

Senator FAWCETT: The former foreign minister was pushing the concept of the global China dialogue. Has that been cancelled?

Mr Richardson: It has not been cancelled but it has been put off for the time being.

Senator FAWCETT: Why was that?

Mr Richardson: I think we felt there were other priorities.

Senator FAWCETT: Who made that decision?

Mr Richardson: The minister.

Senator FAWCETT: What work had been undertaken prior to that decision being taken?

Mr Richardson: There had been identification of people who might be invited. A timing for the dialogue had been identified on one occasion. That had been postponed, so there was communication around that. There had been identification of a possible timing with a hotel and the like. But there had been no definitive commitments.

Senator FAWCETT: Had invitations been sent out?

Mr Richardson: For the first time, yes. For the second time, no.

Senator FAWCETT: How many were sent out? I am happy to take it on notice, but could you list who they were sent to?

Mr Richardson: Yes, we will take that question on notice.

Senator FAWCETT: How many people had confirmed that they would attend?

Mr Richardson: From memory, but again if I can take it on notice, I think around 30 had. Maybe 30 or 40. At the time of postponement I think it was around that number.

Senator FAWCETT: Had anyone declined?

Mr Richardson: Yes, a few people. The timing just did not fit and the like.

Senator FAWCETT: And they were not able to send subordinates, at least?

Mr Richardson: I would have to check the record on that.

Senator FAWCETT: If you could place on notice who declined, that would be useful. How much has been spent on the process to date and on those couple of abortive, if you like, conferences?

Mr Richardson: If I could take that on notice? There was certainly some expenditure.

Senator FAWCETT: Just to get a sense of the scale of effort, how many people within the department were involved in working towards the dialogue? Was that one-tenth of their workload or was that pretty much a full-time job for them?

Mr Richardson: No. I think we had three people at one point working on it full-time. But that varied, depending upon where we were up to et cetera.

Senator FAWCETT: Did the Australian government offer to cover part or full costs for any of the participants who were invited?

Mr Richardson: Certainly, some of the participants—not all of the participants.

Senator FAWCETT: On the list that you provide could you indicate those who were offered?

Mr Richardson: Yes, I will take that on notice.

Senator KROGER: Was it accepted?

Senator FAWCETT: Yes, as Senator Kroger says, if it was accepted or not by them would be useful, and also what it covered and how much? With China, going to Tibet—

Senator Bob Carr: Would it be helpful if I made a brief contribution on the conference, because I made the decision not to proceed with it.

Senator FAWCETT: By all means.

Senator Bob Carr: I formed the view that a disproportionate amount of time and effort would be required to make this conference a success. I formed the view that the international calendar was very much overloaded with conferences and meetings. I thought we could put an enormous effort into attempting a conference and find that attendance was disappointing. I thought there was too much competition around the world, and that a conference hosted by Australia to look at China would have been competing with an enormous amount of multilateral, NGO and private sector activity.

There are heavy demands on the resources of the department and I did not think that a conference exploring the future of China held in Australia and hosted by Australia would pass a cost-benefit analysis. The decision was mine.

Senator FAWCETT: I am glad to hear that concern about the costs involved in pulling a conference together. Have you ever accepted the role of key speaker at a conference? In your current role.

Senator Bob Carr: In this role? There may be some in the diary, I do not think I have done so so far.

Senator FAWCETT: Specifically, has there been a role that you accepted but then did not attend the conference?

Senator Bob Carr: I am not sure.

Senator FAWCETT: Would you take that on notice for us?

Senator Bob Carr: Sure, happy too.

Senator FAWCETT: You made a comment in response to a question in the Senate, that you would request an authorisation from the Chinese government for a visit by the Joint Standing Committee On Foreign Affairs, Defence and Trade to Tibet. Mr Richardson, could you indicate whether the department has received such a request?

Senator Bob Carr: Again, I can answer that. We have not had that. I said this in Beijing when I was there a couple of weeks ago: we have not had that request met.

Senator FAWCETT: Has the request been made, though?

Senator Bob Carr: Yes. The request was made by our ambassador in Beijing, and the request was to visit Tibet for the purpose of inspecting Australian aid projects and talking to people, and separately for a parliamentary delegation from Australia to go to Tibet. I can give you the dates when that request was made by Her Excellency, our ambassador, Frances Adamson, but there has been no positive response to those requests.

Senator FAWCETT: I guess that I am probably more concerned with the Chinese government's response. Other than it not being a positive response, did they respond at all? Did they express concern about why? Did they raise any other issue?

Senator Bob Carr: No. From memory, I think that there might have been a response from some non-government sources reported in the Chinese media to the comments I made in the Senate.

Senator FAWCETT: And what were those responses in the media?

Senator Bob Carr: I cannot recall, but they were critical of Australia expressing an interest in Tibet. They came from a publication called the *Global Times*. I should emphasise that my advice from the embassy is that that is one voice and not an official voice. It is normal for ambassadors to China to visit as much of China as possible—and that includes Tibet—during their postings, and the ambassador is seeking her first visit since commencing her appointment in August 2011.

Senator FAWCETT: Mr Richardson, are you aware of any similar requests made in the past to China, specifically for Foreign Affairs, Defence and Trade delegations, and then specifically to Tibet?

Mr Richardson: I am not aware myself in terms of Defence and Trade delegations. I am aware, of course, of requests made to the Chinese previously for our ambassador in China to visit Tibet. It normally takes quite a while for the Chinese to respond to these requests. In the past, ambassadors have certainly visited Tibet.

Senator FAWCETT: Minister, did you specifically seek advice from the department before you gave that answer to Senator Hanson-Young in the Senate?

Senator Bob Carr: I had a briefing note from the department, yes. And my answer reflected the Australian government position.

Senator FAWCETT: To be specific, though, did the briefing note advise that a visit by the Foreign Affairs, Defence and Trade Committee was justified, had precedent, was something we should be seeking? Or was that something that you decided to announce?

Senator Bob Carr: I would need to check the advice but, whether in that briefing note or somewhere else, it was confirmed that there was a precedent for the parliamentary committee visiting Tibet. I am certainly under the impression that Australian parliamentarians, in that guise or in that role or in others, have visited Tibet.

Senator FAWCETT: Was any advice provided specifically that a visit by the Foreign Affairs, Defence and Trade Committee either had precedent or was a recommended course of action?

Mr Rowe: I would have to take that on notice, but I can certainly say that the department would see it as appropriate for a parliamentary delegation to apply to visit Tibet. The Autonomous Region is open, so there is no reason why we should not seek the right to go there.

Senator FAWCETT: And I would welcome the opportunity for that committee to go. I think it would be a very good thing.

Mr Rowe: Indeed.

Senator SINGH: Minister Carr, I just want to pick up on what Senator Fawcett was asking in relation to the delegation. From your answer and from Mr Richardson's answer, I gather that no date is yet set for that delegation to visit Tibet. Is that correct?

Senator Bob Carr: No, there is no date.

Senator SINGH: But it is being sought at this point in time?

Senator Bob Carr: We have sought it, but we have had no response.

Senator SINGH: You would probably be aware of the latest immolations last Sunday, which were the first in the capital, Lhasa, and which demonstrate, I think, the escalation and the spread of the Tibetan protests. I understand that on 19 March in the Senate you announced that our ambassador will be seeking to travel to Tibet—obviously to see for herself, you say, the grievances that have given rise to the self-immolations. Is there a date set for her, or has she already gone into Tibet?

Senator Bob Carr: No, there is not. She has not received approval to visit Tibet. We would see it as desirable for her to visit Tibet to inspect Australian aid and talk to officials and with others.

Senator SINGH: You also alluded to the fact that the deputy head of mission was making a request to the Szechuan foreign affairs office to inspect Tibet establishments in that province—again, to investigate the grievances. Has that occurred?

Senator Bob Carr: No, it has not occurred.

Senator SINGH: So, what further actions can the Australian government take to investigate the situation in Tibet? The situation has obviously given rise to these distressing forms of protest of 37 Tibetans who have set themselves on fire in demand of the freedom of Tibet.

Senator Bob Carr: The role of the embassy is to maintain contact across the board with Chinese society. A visit to Tibet would be helpful and it will become appropriate for the ambassador to make a request again at some time.

Senator SINGH: At some time in the future. In the next few months? Is there any kind of timeframe on that?

Senator Bob Carr: I think I would leave it to the ambassador to determine when it is appropriate to lodge another request.

Senator SINGH: You would be aware of Secretary of State Hillary Clinton's public comment in November 2011—I think it was at the APEC meeting in Honolulu—in relation to this issue, where she clearly highlighted that she was alarmed by recent incidents in Tibet of young people lighting themselves on fire in desperate acts of protest, as well as the continuing house arrest of the Chinese lawyer Chen Guangcheng. She said:

We continue to call on China to embrace a different path.

That was a fairly public statement to make. Is that something that you would consider as well?

Senator Bob Carr: Indeed. I did. I made a public statement at a media conference in Shanghai before Australian and other media. I was talking about the history of Australian representations, when it comes to Mr Chen, and talking about the general principles behind our concern with his case. I underlined in that media conference, as I did in an interview in Australia with the Chinese language media, our focus on the importance of the human rights dialogue we have with the Chinese as an orderly and systematic way of discussing with the Chinese our concerns. In my meeting with the Chinese foreign minister, Foreign Minister Yang, I repeated the importance we attach to a meeting of the Australia-China Human Rights Dialogue.

Senator HANSON-YOUNG: Minister, could you just clarify this. You said that approval has not been given for the ambassador's visit. Has it been sought, though? I just want to clarify.

Senator Bob Carr: It has been sought.

Senator HANSON-YOUNG: Have we had any response?

Senator Bob Carr: We have not had a response, as I just said.

Senator HANSON-YOUNG: So we have not had a response. We have not had a 'no'; we just have not had a 'yes' yet.

Senator Bob Carr: That is right; yes.

Senator HANSON-YOUNG: I just wanted to make that clear.

Senator Bob Carr: Yes, that is fine.

Senator HANSON-YOUNG: Once the ambassador is able to visit—and also once we have the delegation visit—will the reports of those visits be made public?

Senator Bob Carr: Certainly the parliamentary delegation would be publicising its discussions but I would not expect the ambassador's report to be public.

Senator HANSON-YOUNG: Would you look to make a statement once the ambassador had come back and briefed you, about what was seen and what was discovered?

Senator Bob Carr: Possibly, but I am sure that any answer I would give in the Senate, for example, after the ambassador had made a visit, would be informed by her first-hand knowledge.

Senator HANSON-YOUNG: Yes, okay. Will you be meeting with the new elected leader of the Tibetan parliament-in-exile, when they visit towards the end of June?

Senator Bob Carr: No, I will not.

Senator HANSON-YOUNG: Could you explain, Minister, why that will be?

Senator Bob Carr: I would be happy to. In fact, I do not envisage any ministerial or official involvement with Dr Lobsang Sangay. The reason is that Australia acknowledges China's sovereignty over Tibet as a consequence of the establishment of diplomatic relations in 1972. Australia does not recognise the Tibet government-in-exile, of which Mr Sangay is a political leader. Australia's acknowledgement of China's sovereignty over Tibet does not prevent us from taking a strong and consistent approach to engaging the Chinese government on the human rights situation in Tibet. We regularly raise our concerns with China—our policy has not changed on that—through senior political leaders, diplomatic channels and the Australia-China Human Rights Dialogue.

Senator HANSON-YOUNG: Minister, if you are worried about having a formal meeting and what is going on, particularly the immolations in the various provinces and now in Lhasa, would you not see this as an opportunity to have a briefing from those directly impacted by this?

Senator Bob Carr: No, I do not think it would be useful. No member of my department will meet Dr Sangay. As I said, Australia does not recognise his status or the government he represents. Since 1972 we have very explicitly recognised Chinese sovereignty over Tibet, as does every government with diplomatic relations with China, as has every Australian government since 1972. Nothing could be gained from meeting someone of a government in exile. The most effective way of responding to human rights concerns in Tibet is through the next meeting of the Australia-China Human Rights Dialogue and by observations that our ambassador will make.

Senator HANSON-YOUNG: There is no intention of meeting anybody within the Tibetan community who has direct knowledge of this?

Senator Bob Carr: I said we would not meet the Tibetan government in exile.

Senator HANSON-YOUNG: Does your department have guidelines for those individuals you will meet and those you will not meet?

Senator Bob Carr: The judgment of the minister in an elected government is the determinant. I would take advice from my department seriously, but I am the Minister for Foreign Affairs and I will determine ultimately who I will meet and who I will not meet.

Senator HANSON-YOUNG: Have you met with any heads of international companies since becoming Minister for Foreign Affairs?

Senator Bob Carr: What do you mean by 'met'?

Senator HANSON-YOUNG: Have you had a scheduled meeting with any CEO or board member of any companies with Australian and international enterprises?

Senator Bob Carr: I could hardly begin to list them all. In New York, the day after I arrived, I addressed a lunch of the American-Australian Association that embraced a battalion of representatives of international companies. Part of my job as foreign minister is to talk up Australia as a place for investment.

Senator HANSON-YOUNG: I would expect so.

Senator Bob Carr: In China I had meetings with the Australian Chinese Chamber of Commerce in Shanghai and Beijing. I met Australian entrepreneurs and business people in Shenyang. That is only touching the surface.

Senator HANSON-YOUNG: I expect that is part of your role as our head diplomat. That is why I am puzzled about why you draw the line at not meeting a representative of the Tibetan people, simply because they are the head of a government you do not recognise. I understand that is Australian government policy, but you meet other members who are not representatives of their nation's elected parliament.

Senator Bob Carr: I think you fail to understand a distinction.

Senator HANSON-YOUNG: The distinction is your discretion.

Senator Bob Carr: No, the distinction is this: none of the company heads I meet are challenging the territorial sovereignty of governments with which Australia has diplomatic recognition. If there were a representative of, say, the Acme Corporation, a pilfering multinational arguing that Utah ought to be torn out of the heart of the United States and set up as a separate sovereign republic, and the interests of the company were dedicated to that purpose, I would give deep offence to our friends in Washington were I to sit down and eat a lamb chop with the CEO of Acme.

Senator HANSON-YOUNG: So the reason that you are not willing to meet with a representative of the Tibetan people is that you are worried about offending China?

Senator Bob Carr: No. That is certainly not the case.

Senator HANSON-YOUNG: That was the parallel you just made.

Senator Bob Carr: No. It is my judgment that meeting a representative of the Tibetan government disputing the territorial sovereignty of China would not reflect an Australian foreign policy that has been in place, adhered to by governments on both sides of politics—and adhered to by every government in the world which has diplomatic relations with the People's Republic of China—since 1972.

Senator HANSON-YOUNG: I respectfully put to you that meeting with the representatives of the Tibetan people might enlighten you to the fact that the Tibetan parliament in exile, whether you accept that definition or not, are not asking for independence. I will leave it there.

Senator Bob Carr: That depends on the definition of independence. There are people in the government who have a definition of autonomy that veers pretty close to independence. Australia's position is clear; it has been clear since 1972: Tibet is part of the People's Republic of China. Nothing would be achieved by meeting with someone from a government in exile whose very purpose is based on a disputation of that diplomatic fact of life.

Senator FAWCETT: Mr Richardson, the minister just talked about the judgment of the ministers and how that is a very important part and how executive government works and that sometimes that can override the advice of departments. We have several members of the executive government who disagree. Obviously that presents a conundrum for departments. Are you aware of any disagreement within the executive government that contributed to the delay in establishing this annual dialogue with China?

Mr Richardson: I do not think it would be appropriate for me to discuss what I may or may not know in terms of relationships within the executive arm of government. I think it would be quite inappropriate.

Senator FAWCETT: So you will not deny the veracity of the report in the *Canberra Times* that talked about the disagreement between the Prime Minister, the Treasurer and the then foreign minister around the form of that dialogue that held up direction to the department in terms of progressing with the Chinese the arrangements?

Mr Richardson: No; I said I would not comment.

Senator FAWCETT: That is fine. Could you comment on some facts then? Has China imposed an economy-wide carbon tax or emissions trading scheme?

Mr Richardson: Not an economy-wide one.

Senator FAWCETT: Has a timetable been announced for a broad—

Mr Richardson: I would need to—

Senator Bob Carr: I can respond to that. I am aware of plans for three carbon trading schemes in China. They are the responsibility of the National Development and Reform Commission. I am not sure whether they are

explicitly acknowledged in the 12th five-year plan, a copy of which, one-third read, sits on my desk in this building, but certainly the most vigorous measures to achieve energy efficiency targets and a shift to renewable energy ride very high in that plan. But China's commitment to three regional carbon trading schemes has been well documented.

Senator FAWCETT: Is all very well to have a commitment; have their emissions actually reduced in the past year or the past decade? If not, what has the rate of growth in their emissions been?

Senator Bob Carr: I am happy to take that question on notice.

Senator FAWCETT: If you could, thank you.

Senator Bob Carr: But it is separate from the first question.

Senator FAWCETT: Sure. Thanks, Chair.

Senator EGGLESTON: I went to a renewable energy forum in Beijing about three years ago and they certainly are very heavily committed to renewable energy. At that stage they were not very keen on a carbon tax, but I believe they are experimenting with setting up an ETS in some provinces. Do you have any comments on the fact that we have not established a free trade agreement with China when I understand New Zealand managed to do so four years ago?

Senator Bob Carr: The biggest issue for us is whether we want a free trade agreement that applies only to agricultural produce—as I understand it, the New Zealand free trade agreement does—or whether it goes beyond that, a more ambitious, higher quality free trade agreement offering improved access to the exporters of Australian services.

Senator EGGLESTON: That is an interesting answer. Do you think we will be able to resolve these issues in the near future?

Senator Bob Carr: That is a good question. I canvassed it with representatives of Australian services in the three cities in China I visited. I would need to consult my colleague the Minister for Trade before I could give you the quality answer you would want and I am advised he is in China at this moment.

Senator EGGLESTON: We might ask that question again in the trade section. Would you like to make any comments about the implications of the forthcoming change in leadership in China in terms of Australian-Chinese relationships?

Senator Bob Carr: The change in leadership expected in the second half of this year will result in themes of continuity in policy being emphasised. I had the honour in Beijing of meeting with Vice-Premier Li, who is expected, if media reports are to be believed, to be Premier of China. We canvassed our perspectives on our bilateral relationship and on developments in the world. Again, that meeting confirms my view that the new leadership is likely to be emphasising continuity rather than any breaks in policy.

Senator EGGLESTON: The only other question I have concerns the Boao conference. These questions might have already been asked.

Senator KROGER: If I can just follow up on your trip to China, you mentioned you were in Beijing and Shanghai, and you said that there were three cities. Where else did you go?

Senator Bob Carr: Shenyang. It is the capital city of Liaoning province, which happens to be the province where Vice-Premier Li cut his teeth in politics and public administration. He was very interested in the fact that I was paying a visit there. The purpose of the short visit there was to meet provincial leadership, because provincial leaders can emerge as national leaders in China, and to meet a brace of Australian businesses focusing on services. It was very interesting. There was one representative at our meeting heading an Australian company that was marketing hotel management in China. There was also a provider of educational services, a university college, and a representative of an architectural firm. They were ensconced there in Liaoning province, in the city of Shenyang, and I think it gave them some encouragement for them to meet me. They had met our ambassador, who had been there on at least one previous occasion.

Senator KROGER: In your discussions with different people it was reported in the paper, I recollect, that the Chinese raised their concerns about Australia's decision to have the US troops based in Northern Australia, up in Darwin. Can you confirm that that was raised with you?

Senator Bob Carr: In three meetings I had with Chinese leaders—the three meetings other than the one I had with Vice-Premier Li—the concern was expressed in terms of what my Chinese interlocutors saw as tightening or strengthening defence ties between Australia and the United States. I interpreted this to mean the rotating presence of US marines in Northern Australia. I explained to my Chinese partners that Australia's relationship with the United States is very deep-seated and that just as, I acknowledge, you can explain a lot of Chinese

foreign policy by reference to Chinese history, in a similar way you can explain Australia's treaty relationship with the United States by reference to Australia's history.

Mr Richardson: Could I just add to that, simply for the record, that there are no US troops going to be based in Australia.

Senator KROGER: Posted.

Mr Richardson: It is not semantic. The word 'based' implies a permanent presence, and it will, as the minister said, be a rotating presence—six months a year, each year. But there will be no base.

Senator KROGER: I appreciate that. I perhaps used the wrong terminology, but I appreciate the clarification.

Senator Bob Carr: If I could be allowed to elaborate: I have said that our Chinese friends, our Chinese partners, are entitled to raise this as a matter of concern. In a spirit of friendship I undertook to explain our treaty relationship with the United States. I took opportunities in China to explain that, in the words of the secretary, this is not a base; it is a rotating presence; that it is for training and for exercises, and there is an opportunity for joint exercises with other nations; and that President Yudhoyono of Indonesia himself raised the prospect of disaster relief exercises involving the US marines when they are being rotated through Northern Australia. The defence minister, my colleague, raised the prospect of other nations, including perhaps China, participating in military exercises. This is not far-fetched; we have a high-level defence dialogue with the Chinese, something that I touched on in my exchanges with my Chinese interlocutors.

Senator KROGER: This will be explored under the trade outcome, but I understand you also have raised the prospect, in relation to the free trade agreement with China, that you believe it would be desirable if a resolution in relation to that could be struck by the end of the year. Is that right?

Senator Bob Carr: I think I was asked by media whether I would like to see that, and my response was that certainly it would be desirable. But we have got to weigh the desirability of a rapid conclusion, a fairly quick conclusion, with the desirability of having a quality outcome.

Senator KROGER: The negotiations have been underway for some time, but we will explore that later under the other outcome. Mr Richardson, in light of the Chinese activist who sought refuge in the US embassy not so long ago, I was hoping that you could furnish me with what our process would be in dealing with the matter if that happened to us.

Mr Richardson: We can provide that to you in writing. We have not had a similar experience.

Senator KROGER: I understand, and I am not suggesting that we have, but I am interested to know what the Australian—

Mr Richardson: We will provide the protocols that we would follow.

Senator KROGER: That would be helpful, because it does show that we live in dynamic times and it would be very helpful to know what our process is. Thank you very much.

CHAIR: Are there any further questions on China or this area in North Asia?

Senator EGGLESTON: Could I just ask about the Boao Forum, which I understand is a significant meeting of Chinese businesspeople. It was held in Perth last year, in fact. Usually it is held in Hainan island, I gather. Does our government regard it as an important conference?

Senator Bob Carr: We do. It was held in March, so we did not attend, because it was during the interregnum with foreign ministers. But, when I was in Beijing, the head of the forum, Ambassador Zhou, invited me to the next one, and I accepted. I think Australia should be represented there. It would be my intention to be there as foreign minister.

Senator EGGLESTON: That is very good, because it seems to be a pivotal conference. I have one other question in relation to China, and that is about the floating currency. I understand that the Chinese are seeking not to float their currency but to encourage people to use the yuan in contracts. The ANZ has apparently given some support for this. I believe that some of the mining companies are considering having contracts written in yuan. What are the implications when China fixes the rate of its currency rather than using a floating-value currency like the US dollar for such international agreements?

Senator Bob Carr: I think we should acknowledge that there has been a significant rise in the value of the Chinese currency in recent years. The approach we take when this matter is raised is to invoke the G20 as the forum where currency policy can be aired and considered. I will ask Mr Rowe to speak on the facilitation of currency movements between trading partners.

Mr P Rowe: I was just going to say that we support it, but the internationalisation of the renminbi is an issue we would not be handling bilaterally. We do not have the United States's problems with the currency in the way that they do. Most of our big contracts are still negotiated in US dollars, but the banks have been interested in wider currency swaps so that savings can be made and business more efficiently done. Where mining companies are buying Chinese equipment, if they can complete their contracts in renminbi, it is an advantage.

Senator EGGLESTON: I just think it is interesting that it is not a floating currency and it is now being proposed as an international currency in which contracts will be written. It seems an unusual move. That is all.

Mr P Rowe: It is just to complete contracts. I think the Chinese aim is eventual full internationalisation, but they have got a long way to go. Then they have not liberalised their capital account. There are a lot of steps—some quite painful and difficult—that China will have to go through before it is an international currency.

Senator EGGLESTON: I now want to ask about the Koreans, first of all, about the implications of the planned rocket launch by North Korea of a long-range missile, which I gather was due to overfly Australia but in fact exploded before it got into the air. Is that the case?

Senator KROGER: It was heading for Perth.

Mr Richardson: If I could just say, by way of background, it was not going to go over Australia. If it had gone according to plan, it would have landed somewhere to the north, I think. But it was coming in our direction.

Senator EGGLESTON: That is really the issue. Was Australia consulted about the potential flight path of that rocket?

Mr Richardson: The North Koreans unfortunately do not abide by what other countries would consider to be normal international interaction.

Senator EGGLESTON: So they just set the rocket off and it was going to land in the South China Sea somewhere?

Mr Richardson: They just do what they do and they make an announcement. They advise the general direction et cetera, but they do not have a very good history in this respect.

Senator KROGER: When you say, 'they make the announcement,' how do they make an announcement?

Mr Richardson: I am not clear; Peter might know the details.

Mr Rowe: They have an official newsagency, newspapers—

Mr Richardson: Yes, and that is the worry that we all share—they do not abide by international norms that the rest of us operate under. This is the challenge we face. Here they are: they have an active nuclear weapons program, they have a missile program and they were claiming that they were test firing a rocket to launch a satellite. Other people had a different perspective on that, and there was genuine regional concern about it.

Senator EGGLESTON: Are there any comments you would like to make for the purposes of this meeting about the change of leadership in North Korea and the implications for the region and any consultations with other governments in the region about North Korea?

Senator Bob Carr: It is an intriguing question. I have discussed it with members of the Japanese government and at a very interesting exchange with members of four Japanese think tanks—non-government organisations headed by professors and, in one case, a former ambassador. I have also discussed it in Washington at meetings with the CIA, with the President's National Security Advisor, Mr Tom Donilon, and with other sources. I do not think that, in all those discussions, I have got any definitive or even reliable advice on what the change in leadership might mean or on who holds real power in the hermit kingdom. Among the 193 nations of the world, this one is sui generis and moves according to its own mysterious dynamics.

Senator EGGLESTON: And, from what you are saying, nothing is going to change.

Senator Bob Carr: A very senior member of the US administration recommended that I read a novel called *The Orphan Master's Son* as the best guide to what goes on in this most of mysterious countries.

Senator SINGH: Could you repeat that?

Senator KROGER: Is it factual or fictional?

Senator Bob Carr: The senior American says yes, and the author has just recently met Hillary Clinton, I am advised. Someone might Google it—Adam Johnson, *The Orphan Master's Son*. I got halfway through it, and then I was distracted by—

Senator KROGER: Estimates.

Senator Bob Carr: —more concrete things.

CHAIR: Are there any more questions in the North Asia region? If not, we will move to Southeast Asia. I note that Senator Ludlam indicated that he wants to ask some questions about Burma. Does anybody else have questions? Senator Kroger?

Senator KROGER: Thanks, Chair. I want to lead off with some questions about Indonesia. I am interested to know if the Indonesian embassy has made representations to the department or the minister's office regarding the detention of Indonesian minors in Australia.

Mr Richardson: Yes, they have.

Senator KROGER: When were those representations made and by whom?

Mr Richardson: Certainly President Yudhoyono raised the matter at his meeting with Prime Minister Gillard in Bali in November of last year, the Indonesian foreign minister has raised it and the Indonesian ambassador has raised it. It is an understandable concern on their part.

Senator KROGER: Do you know how many Indonesian minors there are? I realise that this is probably a question for Immigration, but are you aware?

Mr Richardson: The number of minors; there are—

Senator KROGER: It depends on the definition, for starters?

Mr Richardson: Yes. The government is committed to seeking to resolve the outstanding cases where a question of age still exists. The government is committed to resolving those cases as quickly as possible. We understand the concerns that the Indonesian government have. The Indonesian government has been rightly forceful in making those concerns known to us, and we have been responding. Hence, there was the announcement by the Attorney-General just last week that another three minors had been sent back, and I think the government have stated that there are still more cases that they are working through, but we are committed to getting them resolved quickly.

Senator KROGER: Our definition of a minor is clearly someone who is under 18. Is that the same in Indonesia? Is that their definition of a minor?

Mr Richardson: I do not know whether that is their definition. But certainly I do not think there is any dispute about age as such. It is—

Senator KROGER: The veracity of whether they are minors or not?

Mr Richardson: There have been a couple of cases—and the Prime Minister has spoken about it publicly and so has the Attorney—where minors have been held in detention in Australia for longer than what a sensible person could defend. The government is committed to getting the cases resolved as quickly as possible.

Senator KROGER: I realise that this may be a question for DIAC as well but, if you could get an indication of how many minors are held that you are aware of on notice, it would be helpful.

Mr Richardson: I will.

Senator KROGER: Minister, when were you advised of the Indonesian President's decision to reduce Schapelle Corby's sentence?

Senator Bob Carr: I think it might have been on the Friday or over the weekend before it was made but it had not been confirmed.

Senator KROGER: Was that advice from our ambassador in Indonesia or was that directly from the Indonesian government?

Senator Bob Carr: It would have been through the embassy.

Senator KROGER: Who was responsible, then, for notifying Schapelle Corby's family?

Mr Richardson: The prison governor was the formal mechanism of advice. But in fairness I understand from the media that she might have been aware before she was formally advised by the prison governor.

Senator KROGER: So the department, through the foreign minister's office, has not taken on board any contact with her family in this process?

Mr Richardson: Let us be clear. It is an Indonesian jail in Indonesia. It is their sovereignty. It is their system. They have paid us certain courtesies and I believe the family were properly notified and properly advised. But obviously it was not up to us to inject ourselves into communication with Ms Corby herself.

Senator KROGER: If I can just get this right: you were advised of the decision prior to its being announced by the Indonesian government, by the President himself.

Mr Richardson: Yes.

Senator KROGER: If you have the time line there, that would be helpful.

Mr Richardson: We would need to take that on notice.

Senator KROGER: If you could provide the time line of when you were advised and when the public announcement was made—

Mr Richardson: Yes, we will take the time lines on notice.

Senator KROGER: I understand it is Indonesian jurisdiction. Are you aware of whether Schapelle Corby's family were advised of the decision prior to the public announcement of the decision?

Mr Richardson: As to the precise timing of that, again I think it is best if we take it on notice so we get it absolutely right and do not mislead you.

Senator KROGER: In the normal course of events—and I understand that that is a very loose description—wouldn't the department be in touch with the families concerned in relation to matters that are beholden to determinations of overseas jurisdictions? We would still be in touch with them, is that correct?

Mr Richardson: Yes. Again, we have to be careful in certain situations not to do anything which could be perceived by the host country as cutting across their proper responsibilities. If we did that, we would actually make the situation worse for the Australian individual.

Senator KROGER: I appreciate that. In this instance we are speaking about Schapelle Corby, but I guess I am speaking in a broader context as well. Wouldn't those discussions take place when that advice is given to us in terms of who is contacting the family and when it would be appropriate or not appropriate, as the case may be, for any Australian authorities to speak to the families concerned?

Mr Richardson: That is right. Again, in terms of precise timing we would need to take that on notice so that we get the sequence precisely right.

Senator KROGER: But I am right in assuming that, in the normal course of these matters, it would be contact by whichever nation had jurisdiction, but that would be coordinated between us and them? In some instances it might be us, not the jurisdiction, that gets in touch with the family.

Mr Richardson: That could happen in some cases. In other cases the jurisdiction is, rightly, sensitive about its prerogative.

Senator KROGER: I appreciate that. If you could give me the timeline of all that it would be greatly appreciated. In the discussions in relation to the Indonesian minors who are currently detained in Australia or who have already been released, did the subject of Australians in detention in Indonesia come up at the same time?

Mr Richardson: I am not aware of that.

Senator KROGER: So at no stage in the discussion in relation to those Indonesians detained in Australia did the implications for Australians who may be detained in Indonesia come up? And I understand that there are quite a number.

Senator Bob Carr: I should answer that. In every meeting, I understand, between Australian representatives and Indonesians, at every level, discussing the bilateral relationship, Australians have had on their agenda Schapelle Corby and other consular cases and, in recent years, the Indonesians have had on their agenda the treatment of minors. I said this in interviews I gave about the Schapelle Corby case. For my part, coming to this relatively late, but early in my time as Foreign Minister—in March this year; in fact, I think it was the week before I was sworn in—there was never linkage between them. It was not in the exchange, and there were a lot of people present at the formal meeting at which the two defence ministers and the two foreign ministers, with departmental heads and advisers packed in tightly behind us, went down the checklist of mutual concerns. At no stage did I as Foreign Minister believe there was a linkage between the two—that if we moved as we wanted to move on minors it would trigger a consideration by the Indonesians of Schapelle Corby's case or the cases of the other Australians held in Indonesian jails. When the news about Schapelle Corby broke I said quite openly and candidly that if our treatment of minors was said to have created a climate of goodwill towards Australia and its concerns in Jakarta then that is a happy outcome. Frankly, on this question of whether there is a deal, I would be uninhibited if there had been a deal about standing up in public media and saying two good outcomes have been achieved but there was not.

Senator KROGER: Are you aware that there has been increased contact to the embassy in Indonesia from families who have family members detained in Indonesia following the decision that has been made in relation to Schapelle Corby's case?

Senator Bob Carr: I have not had that reported to me but it would not surprise me. In candour, I should say, the question of minors is a very, very big concern with the Indonesians. It has been raised with me in recent days by the Indonesian foreign minister. They are pressing it very, very strongly. It is a high priority for them. It is based on compassion; it is a lively interest in Indonesia. They are certainly pressing it strongly. We accept that on humanitarian grounds and in respecting the bilateral relationship we should assess, as fast as we can, the status of Indonesian minors held in Australian adult prisons. The Indonesians have got a very valid case. They are absolutely entitled to raise it with us as strongly, as they have been. In fact, my most recent conversation with the Indonesian foreign minister was yesterday about this. Indeed, I had another call this morning, and he is right to raise it.

Senator KROGER: Thanks for that, Minister. I have another matter on Indonesia, if I may, and that is that DFAT's travel advice has been lowered to the same level as it was before the Bali bombing. Is that correct?

Mr Richardson: I do not know whether it is precisely the same level.

Ms Ganly: The travel advisory levels have actually varied since that time but it has changed to a level comparable to what was in place in 2002. We have changed the levels. We had five levels up until November last year; we now have four levels. Prior to that, in 2002, it was a different structure completely.

Senator KROGER: I can only presume by that that the current threat assessment is promising.

Ms Ganly: Yes, it is. We keep all our travel advisories under constant review, but with the Indonesian travel advisory over several years it has come up as to whether or not we would be able to reduce the level. Everything came together this year with regard to the threat assessments, with regard to information from our post in Jakarta and also with regard to information that we had generally with regard to the Indonesian's capability and willingness to work together towards combating terrorism. With that, we were able to reduce the level to what we believe is now an appropriate level for Indonesia as a whole. There are still certain areas of Indonesia at which we have retained the level 3 or 4.

Senator KROGER: The higher levels, yes. It is very encouraging, though. You have just prompted me—are there any plans afoot for the 10th anniversary of the Bali bombing?

Mr Richardson: Yes, there are. They are in early stages at present but, yes, the 10th anniversary is coming up on 12 October and there will obviously be a service in Bali.

Senator KROGER: Will we have a service here? Is there a plan to have a service here as well?

Mr Richardson: There is also a plan to have something here in Australia as well.

Senator KROGER: Are the coalition going to be invited to be included in the anniversary, Minister, in Bali?

Senator Bob Carr: Bipartisanship is my middle name.

Senator KROGER: I am delighted to hear it.

Mr Richardson: I might add, the record of successive governments has been very good here. When the embassy was bombed on 9 September 2004, both Foreign Minister Downer and opposition spokesperson Kevin Rudd were up there the day after. They both spoke at an embassy function that night and I think both sides of politics have been very concerned to keep it that way.

Senator Bob Carr: It is worth noting that when I have been to Bali commemorations there have been people there from both sides of politics. I think it is a useful reminder that that principle should be applied to the forthcoming one.

Senator KROGER: I have visited the memorial a couple of times myself and it is quite a moving space.

Mr Richardson: Could I just add, so there is no misunderstanding, that it is possible that the service in Bali will not be at the memorial itself. It is more likely to be in the space where the services were held in 2003, 2004 et cetera, simply because the Indonesians have concerns about properly managing a large service at the memorial.

Senator KROGER: The logistics of the location.

Mr Richardson: That is right.

Senator KROGER: Do we assist families and coordinate the families who wish to attend? Do we provide consular assistance for that?

Mr Richardson: They are not eligible for consular assistance; it is a question of whether they receive other assistance. Assistance was provided on a one-off basis. After the attack on 12 October 2002, families of victims—correct me if I am wrong, Paula—were given assistance by the Australian government to visit a memorial service once in the first five years. That was assistance with both airfares and accommodation and it was a one-off.

Senator KROGER: I was thinking not so much of financial support but a coordination or advice role—logistical advice.

Mr Richardson: Yes, certainly that. Clearly the 10th anniversary will be big. Australians will go to Bali and the government will have an interest in the service being organised and properly conducted. The Indonesians, because it is on their soil, will of course play a big part in that. Yes, we will.

Senator KROGER: Thank you.

Senator EGGLESTON: Minister, what would you say the state of our relationship with Indonesia is? It has had a rocky history, and the live cattle export ban and the logging legislation last year did not seem to help that very much. I wonder how you see the future of our relationship with Indonesia.

Senator Bob Carr: I think it is very good, but it is challenged by issues that some in Australia have raised. I think the live cattle issue, the political controversy here about refugee flows and what to do about them and the related issue of minors being held in Australian prisons are challenges we have to deal with. I think on both sides of politics we should be attempting to see that this relationship is dealt with, defined and talked about in terms above these transactional issues. I think that is the principle that should shape our consideration. Indonesia is growing at six per cent per annum and some projections say that by 2030 or 2040 it is going to be a big global economy. I think it is already bigger than the Australian economy.

Mr Richardson: In PPP terms—GDP measured on PPP terms.

Senator Bob Carr: I think there should be a view on both sides of Australian politics that it is a relationship we need to work harder at.

Senator EGGLESTON: That growth in the economy is very important. As you say, it is six or 6.5 per cent. I notice that the former vice president of the Australia Indonesia Business Council, Ross Taylor, has said that he feels our relationship is shallow at the political level. He points to the projected growth in the economy and says that Indonesia is turning to the north. This is from an article in the *Financial Review* of 6 March this year. The article quotes him as saying:

Indonesia is turning to the north because it is getting no real sense from Australia that it is a valued neighbour.

I think that is a pity, but how is the government proposing to improve that relationship and encourage more business interests in Indonesia?

Senator Bob Carr: I have got to resist that view. There have been, in the estimate I recall, over 40 ministerial visits to Indonesia since 2007. Indonesia is the biggest recipient of Australian aid. We have built, are building, thousands of schools in Indonesia, and Indonesia is a big recipient of scholarships to Australia. The 2+2 meeting here in March—defence ministers, foreign ministers—was very cordial, very productive. The two Indonesian ministers are very familiar with Australia, and I can nominate three ministerial colleagues who have been in Indonesia in the last month or so. I think we are investing very significantly in Indonesia as a government.

On the question about Indonesia turning north: every nation in South-East Asia is thinking, as we are, about the their relationship with China, an economy that is going to be three or four times bigger than it is now by 2030. Why wouldn't they be? But that does not mean the relationship with Australia is any less significant. Indeed, we invest a great deal in it.

Mr Richardson: I might add that last year, after the EAS meeting in Bali last November, Prime Minister Gillard and President Yudhoyono met in the first of what is agreed will be annual leaders meetings. The second leaders meeting will take place in July in Australia. With due respect to Mr Taylor, any notion that the political relationship between Australia and Indonesia—what were his words?

Senator EGGLESTON: He says it is shallow.

Mr Richardson: I really think that is bizarre. It is truly bizarre. In fact, I think quite the reverse. I think the economical relationship is underdone, and that is why the two governments have committed themselves to the negotiation of a comprehensive economic partnership. Those negotiations are getting underway, but they will take a while. Historically, the political relationship between Australia and Indonesia has sat well ahead of the economic relationship. I think it is right to puzzle over that. Given where Indonesia is going, our two-way trade and our two-way investment is quite underdone. But politically it has been a fairly strong and in-depth relationship for a long time.

Senator EGGLESTON: That may well be. There is another quote in this article, which is: Indonesia President Susilo Bambang Yudhoyono warned in his 2009 speech—in Australia, in the House of Representatives—

that the relationship was fragile and characterised by mutual suspicion ...

So how do we—

Senator KROGER: Reconcile that?

Mr Richardson: I do not see any contradiction there. I think you would have heard President Yudhoyono's speech. It was masterful.

Senator EGGLESTON: Yes, it was.

Mr Richardson: Here he was in a foreign country, speaking in a foreign tongue to a foreign parliament. It was one of the most impressive speeches you could hear from a foreign leader, and he had just come from a lunch in the great hall, where he spoke in Indonesian. If you read the full text of his speech, I think that speech reflected the depth of the political relationship. It is precisely because of the depth of the political relationship that President Yudhoyono spoke so frankly to the Australian parliament and the challenges he outlined in terms of the relationship were spot on.

Senator EGGLESTON: As we have said, the growth is predicted to be six to 6.5 per cent per annum and Indonesia will become a very major economy in the next two years. I suppose the question is: is Australia really devoting enough attention to Indonesia on all levels, political, trade and diplomatic, to maximise the benefits? Should this a national priority?

Senator Bob Carr: Again, I think it is a national priority. There have been over 40 ministerial visits since 2007, the contact at the highest levels, those annual dialogues, the attention to one another's needs—not always to one another's satisfaction—and a view that the political and diplomatic contact is probably ahead of the business contact. I would throw down a challenge to the Australian business community to think about trade and investment opportunities presented by Indonesia and not to reflect that somehow the Australian government or the Australian diplomatic service is not rising to the challenge. We are. Business should be as enterprising and as forward looking when it comes to trade and investment.

Senator LUDLAM: Last month Australia's policy regarding trade and investment in Burma changed from a position of not encouraging trade or investment—we have had debates across this table many times over the last couple of years about our policy on trade—to a normalisation of trade and investment relations. Is that a correct characterisation of Australia's trade policy with Burma now?

Senator Bob Carr: The Australian government recognises the vital contribution the private sector can make to help develop Burma's economy. We are going to encourage Australian companies to look for opportunities and to bring with them the highest standards of corporate social responsibility. We would expect them to adhere to the OECD guidelines for multinational enterprises and the UN's guiding principles on business and human rights. We want increased trade and investment with Burma. I note that in April the UN Secretary-General Ban Ki-moon said at the introduction of the UN Global Compact in Burma that the best way for the international community to support reform in Burma is to invest there.

Senator LUDLAM: Minister, I understand you have not been to Burma. I think that your predecessor was there once last year and had intended to visit the country subsequently this year. Is that in your diary somewhere?

Senator Bob Carr: Timely question. I will be in Burma for three days next week, where I will be meeting, I hope, His Excellency the President and, I hope, Aung San Suu Kyi—if not them, other figures in government—and the opposition. At this stage, I am also scheduled to meet Burmese government ministers. It is a good opportunity to assess Burma's progress towards democratic reform and to do what I can to encourage further progress on human rights and the resolution of ethnic conflicts. But I will certainly be looking at how we can boost our engagement with the Burmese government to support the reform process, including through our aid program. Yesterday, I visited AusAID in Canberra. During the walk around, I spent some time with the team devoted to Burma, who are very committed. We discussed the initiatives that I hope I will be able highlight when I am in the country next week.

Senator LUDLAM: My understanding is that Daw Suu has actually left the country for the first time in more than 20 years.

Senator Bob Carr: Yes, she is in Bangkok.

Senator LUDLAM: You might struggle to get into her diary, but I hope that trip goes well.

Senator Bob Carr: Yes.

Senator LUDLAM: Minister, I am interested in the normalisation of trade and investment relations. In one of your earlier statements, not too long ago, you pointed out that the easing of travel sanctions was reversible, which I support. That is a lever that you can flip back the other way if there is backsliding in the regime or if democratic

reforms do not continue. Are you concerned that shifts in business dealings and investment contracts being signed are effectively irreversible—that it is much more difficult to levy sanctions or return to the policy that we have had—if we are encouraging deals to be done as quickly as possible?

Senator Bob Carr: Well, you cannot have it both ways. You cannot be inviting Australian companies to invest in Burma and somehow contriving that they do so only if the investment decision can be reversed.

Senator Ludlam: That is kind of my point.

Senator Bob Carr: Yes. But I think we have to live with that. I think we have to accept that. The ASEAN nations I have spoken to have said explicitly that they believe the progress of reform in Burma is irreversible. Most recently, the Thai foreign minister said that to me; he said that on Monday. He spoke about significant infrastructure investment that will see Burma develop a port and a road system linking that port with Bangkok and ultimately with Vietnam. If you are looking at investments on this scale you cannot insert a clause that renders them easily reversible.

Senator Ludlam: Yes, that was essentially my point. We are trusting that these reforms are irreversible and that they will continue. Do you have an estimate of how many political prisoners are still incarcerated in Burma?

Senator Bob Carr: I quoted a figure some months ago. I really should give you the benefit of an update.

Senator LUDLAM: That would be good, if you can. I know you are not going to be able to come up with the precise number; I am not even sure if the pro-democracy movement knows.

Senator Bob Carr: I can quote an NGO, and that is the Thai based Assistance Association for Political Prisoners (Burma), which estimates that there are still 473 verified remaining political prisoners, with a possible 465 others unverified: 'A network of recently released political prisoners in Rangoon maintains a working list of 445.' Other estimates place the figure slightly higher at 500. It goes on: 'The Burmese government contends that 120 remaining prisoners considered to be political prisoners by governments and human rights organizations have in fact been convicted of security offences or violent crimes.'

Senator LUDLAM: Yes. There is still some pretty slippery language surrounding those numbers. The premise I will put to you, and then we will get to the detail, is that we are now participating in an investment stampede, that we are seeing infrastructure, ports, road and rail being proposed so that extractive industries can get into Burma. We have seen this kind of resource curse in West Africa and parts of our region, and it now appears that an investment stampede to just chop it down, blow it up and get it out of the country as rapidly as possible is being joined before the democratic transition is remotely complete. That, I suppose, is my premise—and feel free to utterly disagree with it if you will. But there is still my question about the reversibility of travel sanctions. We are not there yet. We have maybe 500 political prisoners, an exceptionally flawed constitution, seats in the parliament reserved for the military, and pro-military-regime MPs making up the majority there. Have we not moved far too soon to normalise trade relationships?

Senator Bob Carr: I think your perspective is fundamentally wrong. The only way to lift the poorest people in South-East Asia out of entrenched poverty is by private-sector investment that delivers them jobs.

Senator LUDLAM: How is that working out in Nigeria?

Senator Bob Carr: That is the only way. There is no other way.

Senator LUDLAM: How has that worked in Bougainville and Nigeria and all the other places where unregulated extractive industries went in and just ripped the place apart? Is that what we are seeing in Burma?

Senator Bob Carr: Every country in South-East Asia—

Senator LUDLAM: You do not need to wave your finger, Minister.

Senator Bob Carr: Every country in South-East Asia would have been a candidate for an investment ban in decades past, given the standard you apply. Thailand, Singapore, Malaysia, Taiwan, South Korea—the Asian tigers which took off in the 1960s and 1970s—would have been subject to investment bans and would have been trapped in poverty, given your test.

Senator LUDLAM: You answered a completely different question to the one that I put to you.

Senator Bob Carr: No, it is precisely your question.

Senator LUDLAM: But I am used to it.

Senator Bob Carr: It is precisely your question, and my proposition is this: the way to see that democratic freedoms and reforms take off is to see that an economy is modernised. With economic modernisation comes political diversity. No gain for human rights will be secure in Burma if the people remain trapped in poverty, and the only way to elevate them out of poverty is private-sector investment going in there; building the roads and the

ports; getting them into jobs; and seeing that manufacturing starts there, that processing of their food products proceeds, that they become an export-oriented economy and that they follow the trajectory of other South-East Asian nations towards higher living standards.

Senator LUDLAM: All right. Maybe we should take this debate about the fundamentals of neoliberalism somewhere else. You mentioned at the outset the highest possible standards. We have agency over Australian investors; there is not a great deal we can do about what Chinese investors or whoever else does there. You mentioned OECD standards as well. How will those be enforced? How can we be sure that, in particular, extractive industries—oil and gas industries and so on—going in there actually spread the wealth to local people rather than simply extracting the resources and leaving?

Senator Bob Carr: In the end that is up to the government of Burma—the government of Myanmar—to enforce. That is up to them to enforce.

Senator LUDLAM: Okay.

Senator Bob Carr: As the government becomes democratised, it will enforce those standards, because it will not be supported by the people if it does not.

Senator LUDLAM: All right.

Senator Bob Carr: On your broader point, let me quote someone who should be the final reference point on this, and that is Aung San Suu Kyi, who said on 13 April that the President 'is genuine about democratic reforms' and 'the suspension of sanctions is the right way to respond to this' and 'would strengthen the hand of the reformers'. UN Secretary-General Ban Ki-moon addressed the Burmese parliament on 30 April and said that the international community should 'go even further in lifting, suspending, or easing trade restrictions and other sanctions'. It is not viable for us to tell Australian investors not to proceed to put their money into Burma if there is an opportunity to do it. I am talking about ethical investment that meets the OECD standards. I think you can trust Australian investors to do that. I have seen their operations, and they have lifted standards. It is not an option for us to tell them that they can enhance democracy by penalising the living standards of Burmese.

Senator LUDLAM: Thanks, Minister. You will be aware that the UN special rapporteur on human rights in Burma, Tomas Quintana, has raised concerns about new investment in Burma causing new human rights abuses there. He is particularly concerned about oil and gas, hydroelectric dams and extractive industries in particular. You will be familiar with the pattern where sometimes these things can go wrong and have done so in our region before. The trust that you place is impressive, but I am afraid I do not share it. Given the lack of domestic laws in Burma to protect people from human rights abuses, can you just give us some concrete steps rather than saying these will all be ethical investments that will meet OECD standards. What steps will we actually take to validate, monitor and regulate if necessary from the Australian side—or is this all over to the Burmese government from now on?

Senator Bob Carr: Ultimately the Burmese place standards on investment coming into their country. Bear in mind which party won the raft of by-elections. As their government is democratised, I would expect those standards to be rigorous.

Senator LUDLAM: Do you believe slave labour—

Senator Bob Carr: Senator, I think you are completely overlooking the trajectory of development in the last 40 or 50 years in South-East Asia.

Senator LUDLAM: I am talking about Burma.

Senator Bob Carr: You should consider that the trajectory of development has lifted standards in what used to be called the Asian Tigers, because they once had living standards comparable with those in Burma today.

Senator LUDLAM: Sure.

Senator Bob Carr: But, by opening their economies and welcoming foreign investment, they lifted the living standards of their people.

Senator LUDLAM: I have heard this before; that is okay.

Senator Bob Carr: You have heard it before and it is absolutely valid. The living standards of Singapore, Malaysia, Thailand, Taiwan and South Korea all make my point. You are not going to lift living standards by delaying foreign investment.

Senator LUDLAM: Well, what was the purpose of maintaining sanctions and our ambiguous trade policy in the first place?

Senator Bob Carr: It was the Burmese government that was locking out investment. The Burmese government—

Senator LUDLAM: No, it was not. We have trodden very cautiously.

Senator Bob Carr: The Burmese government was maintaining a closed economy. Our sanctions were directed at hurting the leadership of that regime and getting them to confer liberties on their people.

Senator LUDLAM: So are you confident that Australian investors heading into Burma are not going to be implicated, for example, in slave labour conditions or child labour?

Senator Bob Carr: Are you saying—

Senator LUDLAM: No, please do not put questions back to me, Minister. You did that this morning.

Senator Bob Carr: Are you saying that an Australian investor, by definition, is a criminal?

Senator LUDLAM: That is one of the daftest things that I have ever heard in one of these hearings.

Senator Bob Carr: You have just asked me to give a guarantee that Australian investors, Australian companies—

Senator LUDLAM: Can be confident.

Senator Bob Carr: Listed companies on the Australian Stock Exchange—

Senator LUDLAM: can be confident in—

Senator Bob Carr: are going to go into Burma pursuing child labour?

Senator LUDLAM: No.

Senator Bob Carr: That is a ridiculous defamation of the Australian business sector. You might nominate for me which Australian businesses you think will be going into Burma with a quest for child labour, and we might then keep an eye out for them in particular. But what Australian company would go into Burma with an intention of enslaving Burmese children?

Senator LUDLAM: That is a remarkable response to a question that I did not ask.

CHAIR: Get back to a question-and-answer format, Senator Ludlam.

Senator LUDLAM: I would love to, Chair. That would be—

CHAIR: You do put an essay into your questions sometimes as well, so you can expect the response that you got. Let us keep it to questions and answers.

Senator LUDLAM: Minister, are you completely confident in Burmese labour standards as far as Australian investors are concerned? Can they have total confidence in the labour rights standards in the country?

Senator Bob Carr: That is a different question. But I do know that the way to lift Burmese labour standards is to see that you get ethical investment—

Senator LUDLAM: Great.

Senator Bob Carr: and I believe Australian investment would be ethical and it is very, very likely that the labour standards you will see in an Australian owned factory or mine in Burma will be higher than you see anywhere in Burma at the present time.

Senator LUDLAM: Can you give us a bit of info—I have some questions on notice, so you might have something at the table with you—about an Australian business delegation to Burma? Is that part of your trip later in the week—

Senator Bob Carr: No.

Senator LUDLAM: or is that a separate thing? It is separate, okay. Is that being organised or coordinated by DFAT, or does our ambassador there have any role in putting that mission together?

Mr R Smith: At this stage, we are not in the process of organising a business delegation visit to Burma.

Senator LUDLAM: Are you being consulted on it or is it being led by somewhere else?

Mr R Smith: No, I do not believe there is any such delegation being organised. There is obviously some interest from some Australian companies, and we will provide what advice we can, but there is no delegation being organised.

Senator LUDLAM: That is interesting, thank you. I have missed the opportunity to put this to the AFP, but I understand that, based out of our embassy, the AFP had a small presence working in counternarcotics work. Since

the democratic changes have begun there, quite significant shifts, has that made any difference to our work in counternarcotics? Has it made any significant difference to the opium trade out of Burma?

Senator Bob Carr: I could take that question on notice. Can you answer it though, Rod?

Mr R Smith: No, I think we would have to get a view from the AFP and from the embassy in Rangoon.

Senator LUDLAM: All right. I will put it on notice to you in two parts, if I could. One is the broader policy question: have we seen any changes or shifts in the way that that industry operates since the changes that have washed through there? And what difference has that made in an Australian policy context to the people that we have there? Thank you very much.

CHAIR: Just while we are on Burma: I understand that three of the newly elected NLD members of parliament from Burma were recently in Australia at the University of Sydney attending a course. I think they were sponsored by the Australian Labor Party. Is the department doing anything to assist newly elected members of parliament, particularly from the opposition in Burma, to take advantage of what Australia has to offer in terms of political education?

Mr Richardson: I think you might need to direct that to AusAID later.

CHAIR: Okay, I will do that.

Mr Richardson: Certainly we have a substantive development assistance program, as you know, or we are developing one, and a lot of that is focused on governance, but the precise detail AusAID will know.

CHAIR: Thank you for that. Are there any further questions on Burma? If not, Senator Di Natale has some questions on East Timor and West Papua.

Senator DI NATALE: I would like to discuss a request from Professor Fernandes, who requested that secret cables that were written by Australian diplomats in Indonesia be released to him. I understand that DFAT requested Minister Roxon to block the release and that in fact a certificate was signed suppressing the release and suppressing the reasons for the release. The question I have is: is it common for DFAT to apply for these certificates?

Mr R Rowe: In this particular matter, the request for the release of documents by Professor Fernandes was made to the National Archives. It is totally normal practice for the National Archives to consult the agencies that have contributed the documents to those archives as to whether or not they have any views as to their release. In the case of the particular documents that were requested, the Department of Foreign Affairs and Trade did have some views which were reflected in an affidavit, but that is only, you might say, advisory. The actual decision on the release of the documents is for the National Archives itself to make. It has made several decisions in relation to the documents that have been requested and, as you would be aware, those are under consideration, under appeal, in the AAT, the Administrative Appeals Tribunal. Insofar as the certificate is concerned, that is a matter for the Attorney-General to act upon. The Attorney has, I understand, issued such a certificate. What I am saying is that it is not the prerogative of the Minister for Foreign Affairs, for example.

Senator DI NATALE: Sure. But is it common for the department to apply for these certificates?

Mr R Rowe: In relation to the department of foreign affairs, in my experience, no, because this certificate is issued by the Attorney-General in relation to this particular matter.

Senator DI NATALE: On how many occasions would there be disagreement between the department and the Attorney-General?

Mr R Rowe: Between our department and the Attorney-General?

Senator DI NATALE: Yes.

Mr R Rowe: I am sorry; I am not quite sure what you mean—'disagreement'?

Senator DI NATALE: I suppose if there is an application for a certificate and it is denied. Does that occur?

Mr R Rowe: I am not aware of that situation arising, no.

Senator DI NATALE: Are you aware of how many times the Attorney-General has intervened in matters like this?

Mr R Rowe: No, I am not. You would have to ask the Attorney-General's Department.

Senator DI NATALE: Okay. Getting back to that issue: I am just getting a sense of whether this is a highly unusual case, as it seems to be, or whether it is common practice for politically sensitive documents—for example, some documents obtained under FOI—to be released in redacted form. Firstly, how common is that?

Mr R Rowe: Generally, in relation to FOI requests that are made of the department of foreign affairs, we, like other departments and agencies, consider those requests in conformity with the freedom of information act. Certainly our department has a pro-disclosure approach to the new FOI reforms but of course, as you would be aware, under that act we need to assess the releaseability of documents taking into account the various provisions in the act. There are, as you would be aware, very clear grounds for exempting certain documents. We do, in relation to various requests from time to time, exempt documents from release, and that is a very normal application of the act.

Mr Richardson: If I could add to that: it is not uncommon for us to redact, the reason being that we are dealing with a lot of classified material. A lot of our work is classified. Therefore it is not uncommon for some of our responses to FOI requests to be in redacted form.

Senator DI NATALE: I am surprised then—was that an option in this case?

Mr Richardson: The judgment was taken that, no, that was not an option.

Senator DI NATALE: Was there any particular reason why that was not an option in this case?

Mr Richardson: Because of the material within it and the classification of it.

Senator DI NATALE: Was there any consideration given to lowering the document's level of classification without declassifying it completely?

Mr Richardson: No, that was not an option.

Senator DI NATALE: Not an option?

Mr Richardson: No.

Senator DI NATALE: What about releasing the documents to certain parties? Is that ever done?

Mr Richardson: That was not an option.

Senator DI NATALE: Is that ever done though? I just want to get a better understanding of how all this works.

Mr Richardson: In the context of FOI, I am not aware of that.

Senator DI NATALE: I suppose one of the reasons for asking the question, and I think it is reasonably obvious, is that many of the documents relate or are highly likely to relate to the murders of the Balibo Five. Has the department considered releasing only those documents which relate to ongoing criminal investigations—for example, the Balibo Five investigations currently being undertaken by the AFP—and only to certain parties; in this case, those being the AFP investigators?

Mr R Rowe: The AFP is conducting, as you mention, an investigation, so the department is cooperating with the AFP in its investigation. But, frankly, I cannot go into aspects of that cooperation. It is a matter that you would have to ask the AFP about because they are the lead agency in that regard.

Senator DI NATALE: On a situation like this, a sensitive matter, would the department discuss with other departments or would it make its decision unilaterally?

Mr Richardson: It depends upon the nature of the material. It may involve discussions with other departments from time to time. Of course, in the context of AFP investigations, that is a matter for the AFP. It would be quite wrong of us to release material, even selectively, in the context of a police investigation. That is a judgment for the AFP.

Senator DI NATALE: Do you have any specific criteria or do you do these things on a case-by-case basis?

Mr Richardson: It is case by case in accordance with the act.

Mr R Rowe: That is exactly right.

Senator DI NATALE: Who actually makes the decision to request an extension to the classification? Whose final decision is it?

Mr R Rowe: Sorry, Senator—to request an extension to the classification?

Senator DI NATALE: Yes.

Mr R Rowe: I do not quite understand what you mean.

Senator DI NATALE: Who makes the final decision in the end to make a recommendation about what should be done about a request?

Mr R Rowe: When an FOI request is received in the department, for example, a decision maker is appointed, and that decision maker then reviews the documents and makes recommendations. Those are then considered, if

required, by senior officers in the department and the documents are then released in whatever form the decision maker has recommended. Throughout the process the decision makers are given very clear and precise guidelines which are totally in conformity with the act, but the prerogative is with the decision maker to come to his or her own determination about what should or should not be released.

Senator DI NATALE: So, in a case like this, which is clearly sensitive, you are saying that the secretary of the department or the minister would not be involved?

Mr R Rowe: That is correct, yes. Normally that would not be the case at all, no.

Senator DI NATALE: So in this situation would it be fair to say that this decision maker was appointed and they made the decision in accordance with what we have discussed previously?

Mr R Rowe: In relation to the particular documents you have referred to, the National Archives consulted the department, and the department's view, as I understand it, would have been determined at the decision maker level and it would have been conveyed to the National Archives.

Senator DI NATALE: I am aware that the Human Rights Law Centre, together with Human Rights Watch, in November last year wrote an open letter to the foreign minister in the lead up to the 50th anniversary of West Papua's unofficial independence day calling on the government to ensure full and free access of journalists; to deploy embassy staff to monitor and observe events; to reiterate the government's support for the rights of freedom of expression, assembly and association; and to release all persons detained in Papua for the peaceful expression of their political views. Following on from that, in February of this year the Human Rights Law Centre, together with International Lawyers for West Papua, wrote to the government urging them to raise concerns about the criminal trials of Papuan activists and to deploy embassy staff to observe the legal proceedings for those activists who were detained for, ostensibly, peaceful assembly. Did the department take any of these steps in response to that request?

Senator Bob Carr: The answer is that the Australian embassy officials routinely visit the Papuan provinces of Indonesia and last did so in March. Australian embassy officials also make representations to the Indonesian government on human rights in the Papuan provinces and last did so in April. The matter was most recently raised during the Australia-Indonesia two plus two ministerial dialogue on March 15, which I attended with my Indonesian counterpart, Dr Marty Natalegawa. The Prime Minister discussed human rights with President Yudhoyono back in November last year in Bali and we continue to register with Indonesia the importance of access to the Papuan provinces for credible observers and the importance of ensuring that the human rights of all Indonesians are respected. We have got a significant AusAID program in those two provinces as well. While we do not support the political objectives of the five men who were convicted and sentenced to three years imprisonment for subversion, Australia has a consistent and universal position of upholding the right to express political views freely and peacefully. Australian embassy officials in Jakarta raised our concerns over the convictions with the Indonesian government on 4 April 2012.

I should repeat though, as I have done almost ritualistically—and did so when I answered a question on this subject in the Senate on 20 March 20—that the government does not support independence for the Papuan provinces. We have long recognised the territorial integrity of Indonesia, including its sovereignty over these provinces. This is a bipartisan position. It is outlined by the signing and ratifying of the Lombok treaty with Indonesia in 2006 and 2008 respectively. The best chance for a secure and prosperous future for the people of the provinces of Papua and West Papua lies within an integrated Indonesian state.

Senator DI NATALE: I am pleased to hear that concerns have been raised about the detention of the Papuan activists. Were there any embassy staff actually employed to observe the legal proceedings for the purpose of ensuring that the protesters received a fair trial?

Senator Bob Carr: No.

Senator DI NATALE: So the concerns were expressed after the verdict was handed down?

Senator Bob Carr: The concerns were expressed. Whether it was afterwards, or during the process, I do not know.

Senator DI NATALE: How would you express concerns during the process if they had not been convicted?

Senator Bob Carr: By repeating the Australian position that, while not supporting the aspirations and political objectives of the five men involved, Australia does not believe that the expression of political views should be treated as a criminal offence.

Senator DI NATALE: But you are not sure if you made those views clear before the verdict or afterwards?

Senator Bob Carr: No. I do not think much hinges on that. We made our views clear and they are consistent.

Senator DI NATALE: I suppose it depends on whether they listened or not.

Senator Bob Carr: There would be a stronger case in human rights terms for making them clear before there was an outcome of the court.

Senator DI NATALE: That is right. So I would be interested to see when that approach was made. Could you perhaps take that on notice and let me know when that discussion was had?

Senator Bob Carr: I am happy to do that.

CHAIR: Are there any further questions on the South-East Asian region? There being none, we will break for afternoon tea and resume at 3.45 pm with questions on the Americas. Thank you.

Proceedings suspended from 3.25 pm to 3.54 pm

CHAIR: Having concluded our questions about South-East Asia—

Senator FAWCETT: I was away at the end of the last session, Chair. I have some more questions about South-East Asia if that is okay.

CHAIR: Okay.

Senator FAWCETT: During the visit of the Thai Prime Minister were any discussions held regarding the Karen refugees along the Thai-Burma border? In particular, was there any discussion of recognition and the ability for other nations to work with them in terms of getting aid, resettlement et cetera?

Senator FAWCETT: I just wanted to follow up, in relation to the visit of the Thai Prime Minister, whether any discussions were held regarding the Karen refugees along the Thai-Burma border, particularly going to issues of recognition and the ability for other nations to work with them in terms of getting aid, resettlement et cetera.

Senator Bob Carr: The short answer is no. I would be happy to receive any submissions on the subject.

Senator FAWCETT: Would any of the officials wish to add to the current state of affairs? If it was not raised during this visit, are there any updates from the last time I raised the question in estimates?

Mr Smith: The issue, particularly of cross-border aid, as you know is an issue that AusAID has primary responsibility for, so you might want to take that up with them.

Senator FAWCETT: I am aware they are responsible for delivering it, but in terms of establishing the relationship and opening the door, correct me if I am wrong but I would have thought that was more of a foreign policy issue for DFAT in terms of a relationship with a foreign nation.

Mr Smith: I am sorry, Senator, I am not sure what the question is.

Senator FAWCETT: You have said I should direct all questions about aid to AusAID. But for AusAID to be able to work, the door needs to be open, and that is the prerogative of the host country—in this case Thailand—and I would imagine that DFAT would have a role in engaging with the Thai government to make sure that door is open for AusAID to then go and do their work.

Mr Smith: In terms of the mechanics of how that would be managed, I think that is something that AusAID would work with the host government on.

Senator FAWCETT: Okay, I will follow it up with them. Thanks, Chair.

Senator EGGLESTON: Could I ask a quick question on the trials of the former Khmer Rouge leaders in Cambodia and Australia's ongoing support for that process, both financial and in terms of personnel. Will that support continue, and are those trials going to proceed? I heard some suggestion that they might not, except for the leader, Duch.

Senator Bob Carr: When I was in Cambodia I made a short visit to the scene of the extraordinary Chamber of Justice and witnessed part of the trial of Khieu Samphan, with the war criminal Duch in the witness box giving evidence against Khieu Samphan—I think the former Khmer Rouge chief of state. I made representations to members of the government of Cambodia about the importance of continuing these trials—and you know the trials are a joint undertaking involving the government of Cambodia and the UN. I made it clear that we saw them as being very, very important. We are aware of the resignation of two of the judges, and we acknowledge that selecting and appointing replacements is an issue for the UN and the Cambodian government. I am operating under the assumption that nothing has happened since I was there in March to suggest that the trials would not continue, as I think the world expects them to continue.

Senator EGGLESTON: Thank you. So they will continue, and Australia will continue to provide finance and personnel?

Senator Bob Carr: Yes. When I was there, briefly seeing the trial I described taking place, I had an opportunity to talk to a group of school children watching the trial. Several of them confirmed that they had lost grandparents during the rule of the Khmer Rouge, so the trial was a very poignant experience for them and it confirms the importance of the trials continuing.

Senator EGGLESTON: Thank you.

CHAIR: Thank you, Senator Eggleston. There being no more questions on South-East Asia, we will now move to the Americas. Senator Fawcett?

Senator FAWCETT: I would just like to understand what dialogue has occurred, if any, with the United States with regard to our cuts to the Defence budget.

Senator Bob Carr: It has never been raised with me by Americans I have been in dialogue with.

Senator FAWCETT: Mr Richardson?

Mr Richardson: It has not been raised with me either.

Senator FAWCETT: Was any briefing provided, from a Foreign Affairs perspective, as opposed to the Department of Defence, to the United States with regard to our plans for the Defence cuts and the impacts that may have on our capabilities?

Mr Richardson: No.

Senator FAWCETT: Okay. Thanks, Chair.

CHAIR: Thanks, Senator Fawcett. Are there any other questions in this area?

Senator SINGH: I have a question in relation to the Rio+20 conference coming up. I am not sure whether that applies here, because it is in Rio—

Mr Richardson: It comes later on.

Senator SINGH: Is it part of international organisations?

Mr Richardson: Yes, that is right.

Senator SINGH: Okay, I will wait until then.

CHAIR: Thank you, Senator Singh.

Senator KROGER: Minister, were you briefed on the circumstances around the tragic death of the Brazilian student?

Senator Bob Carr: No, it was not a matter for the Department of Foreign Affairs and Trade; it was a New South Wales Police matter.

Senator KROGER: So you were not briefed by the department on the incident? The reason I asked is that you did make some public comments on it, particularly in reference to the student's family, which were not accurate. I was wondering whether you had received any advice before or after.

Senator Bob Carr: Senator, the matter had nothing to do with the department of foreign affairs; it was a New South Wales Police matter broadcast on the media. It had nothing remotely to do with the department of foreign affairs.

Senator KROGER: My question is not so much whether it had anything to do with the department of foreign affairs; it is to do with the fact that you did comment on it.

Senator Bob Carr: Senator, I find that an utterly extraordinary—and, if I might say, heartless—question. I heard on the morning news that day that a Brazilian student had died as a result of an incident with a Tazer gun. It had nothing to do with the department of foreign affairs; they were not to brief me. They cannot be held responsible for not briefing me. Helena and I heard the news on TV in my hotel room in Canberra, and Helena said to me, 'That's awful.' I said, 'I can't believe it.' In a busy day, on the day I was sworn in, I found myself later in the day at a reception at DFAT, meeting all the ambassadors and high-commissioners in Canberra. And I was introduced to the Brazilian ambassador. I put my hand on his shoulder and said, 'Please convey to the parents of that poor young man killed in Sydney my condolences.' I put to you, Madam Chair, that that was the most natural thing in the world. There was no way I was going to be briefed on a New South Wales Police matter—it had nothing to do with DFAT. As a result, when I was on TV later that night and I was asked about it, still moved by the event, I said on 7:30, 'I've just seen the Brazilian ambassador and I put my hand on his shoulder and said "Please convey to the parents of this young man my condolences"'

Senator KROGER: Minister, I appreciate the comments that you make—and we would all share the empathy that you demonstrated. I guess it goes to the heart of what you should be briefed on, because I understand it did raise diplomatic concerns.

Senator Bob Carr: It did not raise the remotest diplomatic concern; it was not a diplomatic incident. Nor did the Brazilian representative in Australia raise it with me. It was a human matter and I reacted, if I might say so, humanly.

Senator KROGER: Are you aware that there were concerns expressed on the ground in Brazil?

Senator Bob Carr: I just find this line of attack quite extraordinary. I note that your Senate leader, Senator Abetz, has said that no criticism of me could be made for this supposed error. I say again: I heard news on the media that there had been a tragic death. In a crowded day—the day, I think, I was sworn in, or the day immediately after—I saw the Brazilian ambassador. I made the statement. It was not a matter for DFAT to brief me on. It was a New South Wales police matter. I do find it very regretful that anyone in the opposition would think that this constitutes the grounds for an indictment.

Senator KROGER: I am not suggesting that it constitutes the grounds for an indictment, but it does beg the question as to what you should be suitably briefed on and across, because the situation, as you have reasonably suggested, was an extraordinarily sensitive one and it was a terrible circumstance that happened. Making comments about parents that also had died—it was reasonable to suggest that that was considered to be insensitive in itself.

Senator Bob Carr: I will err on the side of compassion any day.

Senator KROGER: Given the media commentary and public commentary—and there has been significant public commentary about it as well—do you believe it would be reasonable to seek your office to be across such matters so that you could be appropriately advised, so that insensitive comments were not made, no matter how inadvertent they were and all in good faith? Do you believe it is reasonable to request your office or the department to be across such matters so that they could brief you in an expeditious way?

Senator Bob Carr: No. It was not a DFAT matter. It was a Sydney police matter, reported on the media.

Senator KROGER: I understand it was not a DFAT matter, but it was a matter that related to a foreigner who was on Australian soil and who lost their life on Australian soil.

Senator Bob Carr: I cannot ask my department to investigate and report to me on state police matters.

Senator KROGER: Have you sought any information on the matter at all subsequently?

Senator Bob Carr: It is not a matter for me as Minister for Foreign Affairs.

Senator KROGER: That is not the question, though. Have you sought any information on the matter subsequently?

Senator Bob Carr: No, I have not.

Senator KROGER: Thank you.

Mr Richardson: I would just like to put on the record—I just think it should be on the record—that the Brazilian ambassador has not raised with us any concern about the minister's expression of condolence. I believe the ambassador fully understood the sentiment that the minister was expressing and it has simply not been an incident in terms of the two countries.

CHAIR: Are there any further questions in this portfolio area, the Americas? As there are not, we will move to Africa.

[16:08]

Senator RHIANNON: Morocco has announced officially that it will no longer cooperate with the UN Secretary-General's Special Envoy for Western Sahara, Mr Christopher Ross. Does the government still support the efforts of Mr Ross and will it encourage Morocco to continue to cooperate with him to resolve the longstanding conflict in Western Sahara?

Senator Bob Carr: Let me seek advice.

Mr Robilliard: Yes, we are aware of the comments reported by a Moroccan official that they will not continue to cooperate with Mr Christopher Ross, the United Nations Secretary-General's special envoy on the Western Sahara. We would ask Morocco to seriously consider that decision. The next round of informal talks are due to be held in June. We certainly hope that Morocco will continue that round of informal discussions with Mr Christopher Ross.

Senator RHIANNON: You said that Australia will be asking Morocco to work in this way. When will that advice be conveyed?

Mr Robilliard: We do not have a fixed appointment with Morocco to convey that advice, but I am sure that we will find an appropriate opportunity to do so.

Senator RHIANNON: What does 'an appropriate opportunity' mean?

Mr Robilliard: It means an occasion that may arise within the context of our discussions in New York, for example.

Senator RHIANNON: What is the position of the government regarding the idea of including human rights monitoring in the mandate of the UN mission in Western Sahara?

Mr Robilliard: We fully support that.

Senator RHIANNON: What action is being taken to demonstrate that support?

Mr Robilliard: We welcomed the adoption of Security Council Resolution 2044 in April this year, which has a specific reference to human rights.

Senator RHIANNON: Has the government raised the issue of human rights abuses in Western Sahara during the recent universal period review of Morocco by the UN Human Rights Council?

Mr Robilliard: Our consistent position has been to support UN efforts to resolve the situation in Western Sahara, including the addressing of human rights. As I noted, we have certainly welcomed the UN Security Council resolution most recently passed. I am not aware that we spoke specifically on the question though in the meeting you refer to.

Senator RHIANNON: Considering that was the opportunity to do that, is there any reason that that was not done?

Mr Robilliard: I am not aware of one, no.

Senator RHIANNON: Would there be anybody else here who could inform us why, considering that it was the opportunity for Australia to express its position?

Mr Richardson: We will take notice that on notice and get back to you.

Senator RHIANNON: If you could expand on that, it would be appreciated.

Mr Robilliard: Certainly.

Senator RHIANNON: What is the position of the government concerning the importation of Australian companies of phosphates from the non-self-governing territory of Western Sahara without benefit to the indigenous population and as it is against their wishes, which has been expressed on a number of occasions?

Mr Robilliard: I would note that the United Nations has not imposed any sanctions on such trade and the government has not imposed any restrictions on the importation of phosphates.

Senator RHIANNON: However, there has been considerable international opposition expressed to that trade. Is Australia aware of that opposition?

Mr Robilliard: I am aware that there has been opposition raised, yes.

Senator RHIANNON: What is the assessment of that opposition?

Mr Robilliard: As I said, the government does not impose any restrictions on the importation of phosphates.

Senator RHIANNON: Is that a contradiction considering, although no country nor the UN recognises Western Sahara as being part of the national territory of Morocco, the government of the Kingdom of Morocco has imposed sovereignty over Western Sahara for 35 years? Doesn't the issue of the sovereignty of Western Sahara need to be addressed here considering resources from the land are being removed by Morocco?

Mr Robilliard: I think we are talking about two very distinct issues here. On the one hand, the government does recognise the UN classification of the Western Sahara as a non-self-governing territory, and the government's policy is that we do believe the people of Western Sahara have a right to self-determination. That is the political situation. The other side of that and a separate issue is the fact that we do not impose any restrictions on the importation of phosphates.

Senator RHIANNON: The International Court of Justice said in 1975 that Morocco had no claim to the territory of Western Sahara and reaffirmed the people of Western Sahara's right to self-determination. Does Australia recognise that position?

Mr Robilliard: We do believe that the people of Western Sahara have the right to self-determination, as I said.

Senator RHIANNON: If they have the right to self-determination, shouldn't that also include the right to manage their resources as they wish?

Mr Robilliard: As I said, I think we are talking about two different elements of the situation on the ground.

Senator RHIANNON: I understand the OECD has guidelines for multinational enterprises which show that the responsibilities of companies extend right down the supply chain. Maybe this question goes to the minister. Are these principles that the government recognises and advocates that Australian companies follow?

Senator Bob Carr: I would like to take that question on notice.

Senator RHIANNON: Thank you.

CHAIR: We will move on to Europe.

Senator FAWCETT: Could I ask about the Australian ambassador to the Vatican. How many people were considered for the position of Australian ambassador to the Vatican?

Senator Bob Carr: The ambassador I appointed, Mr John McCarthy QC, was the candidate who was about to be appointed by my predecessor. Kevin Rudd told Mr McCarthy and told me that he was his choice, and it was a choice I was very happy with. Mr McCarthy is eminently qualified, as a papal knight, as a QC and as someone who has had a leading role in community organisations, in sport, in universities and in the Sydney Olympics.

Senator FAWCETT: I do not dispute Mr McCarthy's role, nor your degree of happiness with his appointment. My question is how many candidates were considered.

Mr Richardson: I do not know the precise number, but a number of people from within the department applied when the job was coming up. We advertised it in the normal way. I spoke to the then minister, Kevin Rudd, about that. He indicated that the government was considering a number of people from outside the department. I do not know how many that was, but he did advise me before he resigned that he wanted us to take forward the nomination of John McCarthy.

Senator FAWCETT: Did DFAT make a recommendation to the government as to their preferred candidate?

Mr Richardson: No, we did not put forward a recommendation of any specific person.

Senator FAWCETT: Is it usual practice that DFAT would not be involved in the screening or assessing of a short list of candidates that the government had come up with from outside the department?

Mr Richardson: No. Successive governments have always had the prerogative to make an appointment from outside the department to any position. It has happened over the years. It has happened in respect of Zimbabwe, Washington, London, France and the Holy See.

Senator Bob Carr: In fact, the examples which bear on this perhaps most usefully are the appointment of former Minister Amanda Vanstone to Rome and the appointment of Richard Alston, former minister, to London, but probably most relevantly of all, the appointment of former Deputy Prime Minister Mr Tim Fischer to the Vatican—a former National Party MP, leader of the Nationals and Deputy Prime Minister under John Howard. These precedents would suggest nothing remarkable at all about the appointment of Mr McCarthy—as I said, the choice of my predecessor, as he has confirmed to me, and, on the steps of St Mary's Cathedral, to Mr McCarthy.

Senator FAWCETT: That is fine, thanks, Chair.

CHAIR: Thanks, Senator Fawcett. Are there any further questions in the Europe region? Senator Kroger.

Senator KROGER: Yes, thank you. I am interest to know whether the department has undertaken or contributed to an assessment of the consequences of the collapse of the European common currency, or the European union, and the effect that that will have on our national interests?

Mr Richardson: We are involved in assessments of that kind. We do not believe at this point that the European Union is at risk, nor even the eurozone—which is the issue more immediately at hand, given the forthcoming Greek election. We do follow that closely and we are involved in that.

Senator KROGER: Can you furnish us with your views about the imminent Greek elections?

Mr Richardson: I do not think it would be appropriate for us to publicly speculate about the outcome of the election in Greece. I would simply note that we do not have any inside knowledge beyond that which is publicly available, in terms of the likely outcome. The polling is publicly available; assessments from different commentators are publicly available.

Senator KROGER: Have you provided the minister with briefings on what you think the possible consequences to our national interests will be in relation to, as you have mentioned in particular, the eurozone?

Mr Richardson: It has been discussed. But again, the first thing is the Greek election—the outcome, what government might be formed and then what position they might take in respect of the eurozone. I note that the candidate who was most identified with the so-called 'growth strategy', as opposed to the so-called 'austerity strategy', was in Berlin recently and stated publicly that he wanted Greece to remain within the eurozone. So I think there is a limit to how far you can usefully take your analysis and apply that in terms of national interest. I think it is important not to get ahead of yourself here—I do not mean you personally; I mean generally.

Senator KROGER: Yes. Have you sought for input from, for instance, Treasury?

Mr Richardson: Treasury follows this very carefully. We do not so much seek input from Treasury on that; we communicate with one another on it.

Senator KROGER: It might be the other way around in terms of political—

Mr Richardson: We can provide input in terms of what is happening politically in Greece, and we can provide input in terms of the politics of the economic debate in Greece. But, in terms of the potential implications of that, in terms of the eurozone and then potential feed-in to the global economy and the impact on Australia, that is more within the preserve of Treasury. And they are doing that pretty carefully.

Senator KROGER: So you do not have regular dialogue meetings or collaborative departmental meetings with officers in Treasury, given the significant implications for Australia?

Mr Richardson: Yes, we do. The questions you raise are spot on. There is an interdepartmental process at the moment in respect of Greece. That is obviously because in a worst-case scenario government needs to be properly connected up, so at the bureaucratic level that is what we have done.

Mr Myler: Over the last couple of weeks we have had a number of meetings both internally within the department and externally with other stakeholders about how we might respond to an unexpected event around the Greek elections, as the Secretary indicated. In fact, all three major parties competing in the Greek election support remaining in the eurozone, they just have a different view as to how they would remain in the eurozone. SYRIZA is of the view that compliance with the current deal with the eurozone would not allow them to remain within the eurozone. There is a consensus about staying in the eurozone. That said, there is obviously an underlying level of what I think has been described in the press as a jog on the banks—people are withdrawing funds and there are some issues around. Were there to be any miscalculations by government or panic by the public you could rapidly see a situation where, for example, banks might shut down the number for a days and the ATM network might close. In that context, obviously, we would have travellers, we have a lot of people drawing Australian pensions in Greece—we have a whole lot of people who would be impacted by not being able to get access to their funds. So we are in dialogue with Treasury, with the Department of Human Services and with other agencies that might have an impact on that.

Senator KROGER: Have the concerns for those who might be drawing on pensions for instance in Greece who are citizens of Australia required any support? I have noted, having followed it, the tightening of the system and so on. Has that required us to deal with that in any special way? Has it required departmental resources to be more proactive with citizens who originally came from Greece?

Mr Myler: I think that is a question you would have to put to the Department of Human Services, but certainly they are very aware that they have in Greece 13,181 pensioners who are drawing down \$9.16 million per month in Australian pensions. This is a tangible amount of money and there is certainly a discussion—

Senator KROGER: Sorry, how many did you say?

Mr Myler: 13,181. It is a substantial customer base.

Senator KROGER: Yes, it is. It is not inconsiderable.

Mr Myler: They are certainly giving thought to ensuring, without wanting to create any panic or concern, that those clients are aware of options for receiving their money.

Senator EGGLESTON: I believe former foreign minister Alexander Downer has a role in the division of Cyprus. Have that division and dispute been resolved?

Mr Myler: There are two parts to the question. Yes, Alexander Downer is the UN Secretary General's special envoy, and, no, it is not making a lot of progress.

CHAIR: Mr Downer failed! Sorry, Senator Eggleston.

Senator KROGER: Now, that hung in the air.

Senator EGGLESTON: It is a long-term dispute between the Turks and the Greeks; it is pretty hard to resolve those sorts of differences. Perhaps you could provide us with some background on that dispute, which does not have any relevance to Australia.

Mr Myler: We obviously have a large Cypriot community here, from both ends of the island. It is our longest AFP deployment. I think the deployment started in 1964—and it is continuing; there are 15 AFP members deployed there at the moment. We have had a long engagement in trying to facilitate dialogue. You might be aware that based out of Monash University there is a Cyprus academic dialogue, which the high commission supports with some modest logistical support and funds. This is around trying to get academics from Turkey, Greece and all communities in Cyprus together. But, at the end of the day, this is probably not an issue that we are going to resolve by ourselves, and I suspect that Europe has a larger part to play than we do.

Senator RHIANNON: On 29 May the *Australian* ran a story that said the authorities in Sri Lanka had detained 113 asylum seekers and six organisers as they prepared to leave for Australia. Did the present Australian High Commissioner or other Australian Embassy officials supply information to the Sri Lankan authorities to assist in stopping the boat?

Senator Bob Carr: I would need to get advice on that.

Ms Stokes: I am terribly sorry, I do not have information on that with me.

Senator RHIANNON: If you do not have information on that specific incident, are the current Australian High Commissioner or any other embassy officials supplying information to the Sri Lankan authorities to stop boats leaving that are suspected of having Tamils onboard who are seeking asylum in Australia?

Mr Richardson: Senator, we will take the detail of that on notice. As a general proposition, if we have information that would prevent the departure of people seeking illegal entry into Australia we would seek to pass that on to the relevant authorities, as was made clear in the statement by our former High Commissioner in Sri Lanka some months ago.

Senator RHIANNON: But don't we recognise that these people have a right to seek asylum in Australia? Aren't we obliged to meet our international obligations?

Mr Richardson: If someone arrives in the Australian immigration zone we have an obligation to hear their claim if they make any claim. We do not have an obligation to take that all around the world wherever anyone may be thinking of making a claim. At the point where someone is leaving a country to come to Australia they have not entered Australia's immigration zone and we do not have an obligation to hear any claims that they might down the track be thinking of making.

Senator RHIANNON: But do we have an obligation to report their suspected intentions to the Sri Lankan authorities?

Mr Richardson: We do not have an obligation. But the government would consider—and I agree—that we have a national self-interest in doing so, as we seek to discourage people from making long voyages in vessels that are sometimes unseaworthy. We have seen the tragic consequences of people seeking to make such voyages and the government takes an active interest in seeking to discourage people from undertaking such voyages.

Senator RHIANNON: Do we also have a national responsibility to assist people who are in danger of discrimination, violence, and kidnappings?

Mr Richardson: I do not believe we have a national responsibility to apply that principle without regard to circumstances right around the world. If we did that right around the world, then it would be interesting in terms of movement flows to Australia. We certainly take an active interest in people who are discriminated globally. We certainly take an active interest in people who are subject to human rights abuses around the world and we pursue our responsibilities in that respect through the proper forums such as the UN and the like. We also make representations to relevant countries on human rights abuses.

Senator RHIANNON: You have just identified the importance of human rights and the making of decisions on reporting the possible movements of Tamils leaving Sri Lanka. Is there an understanding that the reasons Tamils are leaving their country of birth by boat, often in dangerous circumstances as you have mentioned, is the threat of discrimination, violence, and kidnappings that they may face at the hands of Sri Lankan officials?

Mr Richardson: It still does not impose on us, at that point, an obligation to encourage or assist, or to facilitate, their movement to Australia. Where we have information that people might be seeking illegal entry to Australia we pursue that with the local authorities. Equally, where we have reason to believe that people are suffering human rights abuses in a country, we do take that up with the relevant country and also in other forums such as the UN.

Senator RHIANNON: Could you outline how you have taken up this issue with the Sri Lankan officials?

Mr Richardson: We have discussed that at different points, both with the Sri Lankan representatives here in Australia and also in Sri Lanka itself. In terms of chapter and verse, I would need to take that on notice.

Mr Robilliard: In recent months, on 8 May, deputy secretary Grigson raised our concerns with the Special Envoy of the President of Sri Lanka on Human Rights, Mr Mahinda Samarasinghe, who was visiting Australia at the time. On 3 May the Minister for Immigration and Citizenship, Mr Chris Bowen, who was visiting Sri Lanka primarily in association with his responsibilities for and interests in people smuggling, raised this with Sri Lankan ministers. Again, as the secretary has indicated, we have raised this recently in April with the high commissioner here in Canberra on, at least, two or three occasions in the last three months. We also raised it with the Sri Lankan secretary for education who was visiting Canberra in March this year. I think there is a fairly consistent record and pattern of representations.

Senator RHIANNON: You spoke about the high commissioner. In the *Australian* on 29 May, the Sri Lankan High Commissioner to Australia said that 'certain organisations were funding the travel of Tamil asylum seekers to Australia'. In these discussions that you have had with the high commissioner or in other discussions, have you spoken about these claims and the basis on which he makes them?

Mr Robilliard: I am not aware the high commissioner has raised them directly with the department.

Senator RHIANNON: But as this is a public statement that is being made about certain organisations who are funding the travel of Tamil asylum seekers to Australia—and we have heard today and on many other occasions about the efforts that the High Commissioner in Sri Lanka is putting in to stopping Tamils leaving Sri Lanka, would it not be a priority to understand and ascertain more information about what was meant by certain organisations, who they are and how they work?

Mr Richardson: Is that a report in the *Australian* on 29 May?

Senator RHIANNON: Yes.

Mr Richardson: That is yesterday.

Senator RHIANNON: Yes.

Mr Richardson: Today is the 30th, so the next time we meet with the Sri Lankan high commissioner, we can take up that matter.

Senator RHIANNON: I apologise.

Senator KROGER: I think he has actually raised that point before.

Mr Richardson: I do not know.

Senator KROGER: I think he raised that some months ago.

Mr Robilliard: We will follow that up and check.

Senator RHIANNON: What I would like to quickly check and also I will just ask: are you planning on taking this matter up with the high commissioner regarding these claims?

Mr Richardson: When we speak to him we will certainly raise the matter with him.

Senator RHIANNON: Thank you. Just to stay with the high commissioner, in April an Australian man—Mr Gunaratnam—was kidnapped in the Sri Lanka by the Sri Lankan authorities, before reappearing and then coming back to Australia. The high commissioner said at the time:

He has not been kidnapped and we do not have kidnapping by our government.

Mr Gunaratnam, however, said he was kidnapped and sexually tortured by Sri Lankan secret police. Have you had any discussions with the high commissioner about his claims and the basis on which he makes such claims about Australian citizens?

Mr Robilliard: I will have to check that point for you, as to whether we have discussed that specifically with the high commission.

Senator RHIANNON: So you will take that on notice?

Mr Robilliard: I will check it for you, yes.

Senator RHIANNON: In February, the high commissioner Mr Samarasinghe spoke at a function in this parliament and said:

The Tamil migrants in Australia are raising funds to support future Tamil Tiger activities.

Again, have you had any discussions with the high commissioner about his claims and the basis on which he makes such claims about Australian citizens?

Mr Richardson: That we will take on notice.

Senator RHIANNON: Those comments were in February. They are quite serious comments. I just wonder whether there is anybody here who might be able to expand on that.

Mr Richardson: It does go to responsibilities of other agencies, who would be better able to deal with that issue.

Senator RHIANNON: Which are the other agencies?

Mr Richardson: Quite obviously ASIO are one such agency. They are aware, because there have been cases in the past where some people have sought to engage in activity relating to other countries and the sort of matter he is implying is a matter that would be the responsibility of that agency.

Senator KROGER: Mr Richardson, that might well be the case, but it also would not be unusual for him to raise it with the foreign minister or you.

Mr Richardson: I will check to see whether he has raised it with us.

Senator RHIANNON: Just a bit of a generic question: is it appropriate that a high commissioner of a country is able to make antagonistic claims about Australians?

Mr Richardson: He can. There is nothing to prevent him making such claims. We allow free speech.

Senator RHIANNON: I think it is worth asking: have you any examples where a high commissioner or an ambassador has made antagonistic claims about Australians? It would seem that is not what they do.

Mr Richardson: No. There have been—

Senator RHIANNON: They are diplomatic.

Mr Richardson: There have been umpteen examples over the decades where ambassadors from different countries have made claims in relation to Australians.

Senator RHIANNON: Can you give us a couple of recent times?

Mr Richardson: In recent times, I cannot. But if you go back through the years, there have been examples.

Senator RHIANNON: My understanding is that they are rare and that, when they do happen, Australia defends its citizens and responds. That is what I am trying to understand here. Has there been a response?

Mr Richardson: We do not always respond generically. I said that we will ascertain the details of what precise discussions we have had with him about what precise topics. That is the best I can do.

Senator RHIANNON: Have you briefed the Prime Minister about the high commissioner's claims, including the basis of these claims?

Mr Richardson: We certainly have not.

Senator KROGER: I have a question on Sri Lanka. I apologise if this was already covered, but I had to duck out at the beginning to take a call. I am not sure if Senator Rhiannon asked about the status of Sri Lanka's Lessons Learnt and Reconciliation Commission report. Did you touch on that?

Senator RHIANNON: No.

Senator KROGER: I understand that the Australian government supported the findings of the report, that the Sri Lankan government would consider them and that they were supported by the United Nations. Does my memory serve me correctly?

Mr Robilliard: In March, we cosponsored a resolution at the United Nations Human Rights Council which called on the Sri Lankan government to implement the findings of that report, yes. So we are on the record in a very forceful way in cosponsoring that resolution.

Senator KROGER: Can you provide me with an update on the status of that report?

Mr Robilliard: I will do that.

Senator KROGER: You cannot furnish us with any information now?

Mr Robilliard: I do not think I will do it straightaway; I will make sure I get something that is comprehensive and provide you with a full update.

Senator KROGER: Was there a time line included in that report? I do not think there was, from memory; I am actually just asking you to jog my memory. Was there a time line included in that report with the recommendations?

Mr Robilliard: With the commissioning of the report, there was also the launching of a National Action Plan for the Protection and Promotion of Human Rights. That is due to run from the period 2011 to 2016. But there were not, as my recollection serves me, any specific time lines in terms of the report to which you are referring. But let me check that and confirm it.

Senator KROGER: Okay. When we cosponsor a motion such as that, do we just leave it there, or, if it is felt, through the UN, that it may not be being advanced, do we actually follow that through and take further steps? I just want to know what happens from here.

Ms Stokes: I might just mention that Sri Lanka is due to appear in front of the Human Rights Council later this year for its universal periodic review. That would be the logical opportunity for hearing from Sri Lanka about its commitments to follow up on the lessons learnt report and also in response to the resolution adopted by the Human Rights Council.

Senator KROGER: Thank you very much.

Senator FAWCETT: Minister, I would like to go to your statement providing at least in-principle support to the French suggestion that military intervention in Syria may be warranted. Could you talk to me about the exact meaning of your statement and what you believe the outcomes of such intervention could be.

Senator Bob Carr: I would deprecate any attempt to talk this up at this stage. I was asked at a media conference at midday what I would say in response to reports of a French statement to that effect. I must have spent 80 per cent of my answer pointing out the difficulties of military intervention in Syria. The immediate requirements with Syria are implementation of the Kofi Annan peace plan. That means the essence of the plan, a ceasefire, and political dialogue in Syria. That is the most urgent priority, and that is the direction of our efforts at the United Nations. Beyond that lies consideration of further sanctions and another possibility—United Nations action to send to the International Criminal Court the massacre that has just been revealed at Houla. I pointed out that while one could not rule out the world's deciding that military intervention was an option to be considered there were huge difficulties in the way of that—political difficulties of opposition on the Security Council; the disinclination of America to embark on another war in the Middle East; the formidable military strength of the Syrian government, not only its large land army but its surface-to-air missile defence system—which renders their position fundamentally different from that of the Gaddafi regime in Libya. I do not think I need to go on, especially talking to someone with a military background.

Senator FAWCETT: I guess the question is you have not actually ruled out whether or not Australia would support a military intervention.

Senator Bob Carr: There is no proposal for a military intervention.

Senator FAWCETT: If a military intervention were to be proposed, would you be inclined to support it?

Senator Bob Carr: Probably not.

Senator FAWCETT: Going to the broader issue of the situation in Syria, clearly at the moment the world's attention is focused on the actions of the Assad regime and rightly condemning those as you have done. In terms of the people who are opposing the Assad regime, do you have any sense of the identity of or if, in fact, there really exists an identifiable leadership for the forces who are fighting on the ground, given the diverse number of minority groups and interests in Syria.

Senator Bob Carr: The consensus seems to be that it is impossible to identify a unified opposition coalition, that the Syrian National Council may not be accepted by forces on the ground within the country's borders. Divisions among the opposition inside and outside Syria are said to be marked. There are reports of—I think we can safely assume that among the forces opposing the regime are forces that we would not want to align ourselves with.

Senator FAWCETT: I am pleased to hear that. Going to another part of the Middle East that is very much on the agenda at the moment—Iran—has the Australian government implemented all United Nations sanctions on Iran that we are in a position to do?

Senator Bob Carr: Yes, we have. I signed off on another raft of sanctions, which take us to the European benchmark. Sanctions are biting; they are hurting.

Senator FAWCETT: Sorry, I missed that last part.

Senator Bob Carr: The sanctions are biting. They are hurting the government and hurting the economy of Iran and they may be a factor in the negotiations in Baghdad and before that in Istanbul.

Senator FAWCETT: What is the government's official position towards Iran in terms of not only its nuclear program but its human rights record? What steps are you taking to engage with them on that front?

Senator Bob Carr: We have said that the key point is Iran urgently complying with UN Security Council resolutions—six of them—and cooperating fully with the IAEA. Both those bodies—the Security Council and the IAEA—require Iran to suspend enrichment activities. The UNSC requires Iran to suspend heavy water related activities and both bodies require Iran to ratify and implement fully the safeguards Additional Protocol with the IAEA—Iran has not done that. We welcome the resumption of those P5+1 negotiations in Istanbul and Baghdad as a renewed opportunity to resolve this Iranian nuclear issue, but we note that, sadly, after some events that inspired optimism out of Istanbul, the second round of talks in Baghdad appear to have had disappointing outcomes. Meaningful progress and a further round of talks will be important in meeting the concerns of the community. We believe the onus is on Iran to restore confidence that it is not committed to acquiring nuclear weapons. I will get a report on the important other matter you raise, and that is on the Australian record of registering human rights concerns with Tehran.

Senator FAWCETT: I have another question, just before we move on to that one. Given the current climate, where people are very concerned about nuclear weapons development in Iran and the potential for yet another regional war, which nobody wants, has the department formulated a position and advice to government about whether it should or should not be supporting taking military options off the table?

Senator Bob Carr: What we have said is that we want a resolution by negotiations. I have referred to the American position, which is that no option should be taken off the table. I have said that that is the American position; we acknowledge that. Our own position is: negotiate.

Senator FAWCETT: Okay, and the human rights?

Senator Bob Carr: Let me get advice on that. It is a serious question. I would like a report on the record of our mission in Tehran in raising human rights records.

Senator FAWCETT: Specifically, the Senate passed a resolution earlier this year calling on the government to raise with Tehran concerns around an actress and, more specifically, Pastor Nadarkhani, who has been sentenced to death on the basis of apostasy. Was that passed on? What has the response been?

Mr Richardson: We can take that on notice.

Senator FAWCETT: So a resolution of the Senate is not something that anyone sitting here in this room has knowledge about, in terms of a direct request through DFAT, through the foreign minister, to speak with another country about an issue of human rights?

Mr Richardson: It is better if we take it on notice.

Senator FAWCETT: I will just put on the record that, frankly, that surprises me. It does raise the issue of how the department views resolutions of the Senate.

Senator KROGER: How does the department view resolutions of the Senate on foreign affairs matters?

Mr Richardson: I am treading into water that is a bit beyond my pay grade, but I think the relationship is between the Senate and the government. And the department's relationship with the Senate is via the government.

Senator KROGER: Are they brought to your attention?

Mr Richardson: Normally that would be the case. Again, whether it was in this particular case,--and what we did—I would need to take on notice.

Senator FAWCETT: My recollection is that the President of the Senate spoke to the foreign minister and passed on the terms of the resolution. I recall seeing a letter back from the foreign minister noting it and stating that action would be taken. I cannot remember the exact wording, but my sense was that that loop had been closed. Hence my question to you: what action has been taken?

Mr Richardson: Hence I would like to take that on notice.

Senator FAWCETT: Okay.

Senator KROGER: Can the department actually advise us on the status of this pastor himself—his personal circumstances?

Mr Richardson: I am not sure. I would need to confirm that for you.

Senator KROGER: Thanks.

Senator FAWCETT: Could you do that today?

Mr Richardson: We will certainly endeavour to do that today.

Senator FAWCETT: Thank you. On a similar matter: in other countries in the region where we are seeing a significant degradation of human rights, what kind of monitoring or ongoing watch is the department doing? Iran

is one that has been flagged several times. There is also the unfolding situation in Egypt, where the minorities there, particularly the Copts, are coming under some pressure and being quite public about their concerns. In Syria the Bishop of Aleppo has indicated that, should the regime there fall, essentially they—and probably the Druze population—would have a very difficult time in the future. In the West Bank the Christians have recently, again, come under attack from other communities. What kind of watching brief does DFAT keep on those kinds of issues as part of Australia's engagement with the broader international community around human rights?

Senator Bob Carr: I am very proud to say that the first phone call I made to an Australian embassy as foreign minister—actually before my swearing-in—was on 6 March, when I spoke to the Australian ambassador in Cairo, Dr Ralph King, specifically to raise the issue of the safety of the Coptic population. I asked the ambassador to visit Coptic churches, monasteries and offices so he could give me a reliable report on the status of the Coptic population. I was reassured when he was able to tell me that this was a continuing concern of the embassy in Cairo, and indeed I note that there is a history of representations and concerns of Australian diplomats and, indeed, government ministers raising in Egypt the protection of the Coptic population.

Senator FAWCETT: Concern is terrific. I was interested to see, for example, the Prime Minister's comment that our aid to Afghanistan may well be linked to a consideration of human rights. Have there been any similar linkages or discussions held with other countries, many of which we have been talking about, who receive aid in various sizes and forms?

Senator Bob Carr: We will raise human rights because that reflects Australian values.

Senator FAWCETT: The question is: has there been any linkage?

Senator Bob Carr: I am not going to link it to aid. I think that would be an unwise course. We will raise human rights because it is the right thing to do.

Senator FAWCETT: Was the Prime Minister unwise to link it in the case of Afghanistan?

Senator Bob Carr: We would be providing aid to Afghanistan because that is the right thing to do to one of the world's poorest nations. We will press Afghanistan to respect the rights of women, to commit to a multiparty democracy and to undertake to eliminate corruption from their political system because that is the right thing to do.

Senator KROGER: I have one question on Syria. Are we aware of any Australian nationals, or have you been sought for assistance for any Australian nationals—I do not know whether we have dual nationality—in Syria?

Mr Richardson: We, of course, do not have diplomatic representation in Syria. I believe we have fewer than 100.

Senator Bob Carr: A hundred is the figure I was supplied with today. I was advised that they are—

Senator KROGER: Australian born.

Senator Bob Carr: Australian citizens with long-term residency in Syria.

Ms Ganly: At the moment we have registered 155 Australian citizens. Our consular representation there at the moment is by Hungary, because Canada looked after us under the consular sharing arrangement. We maintain regular contact with the Australians who are registered in Syria. At the last call-around, which was about 10 days ago, we made contact with 147. The others, we believe, may have left the country voluntarily.

Senator KROGER: How do you make contact? I would imagine it would be quite difficult.

Ms Ganly: Yes. We share it around with our missions in the region. They all contact through either email or telephone contact. They use those methods.

Senator KROGER: Thank you.

Senator FAWCETT: I have one further question on this region. Coming to Pakistan, obviously they have a big influence on what is occurring on the ground in Afghanistan, where our forces are engaged. What is our current engagement with Pakistan, particularly over things like resupply routes across the border—which I recognise is predominantly an American concern, but they are part of our coalition—as well as other actions to constrain the transfer of explosive materials that are often traced back to Pakistan yet appear in IEDs?

Mr Richardson: We have talked regularly to the Pakistan government about both matters. Obviously the US is in the lead in terms of the resupply issue; they are the lead coalition partner. But we have raised that with Pakistan also in terms of assistance coming out of Pakistan into Afghanistan for people carrying out acts of terrorism et cetera. We have also raised that with Pakistan regularly.

Senator FAWCETT: I am aware it is a sensitive issue and it is a very sensitive region, but is there a strategy or a direction in which you plan to take our relationship with Pakistan?

Mr Richardson: We seek to engage to Pakistan. We have quite a big aid program with Pakistan. We have military to military connections. We do that to pursue our own national interests. Engagement with Pakistan is a pretty complex formula; it is not a neat equation. You see that being played out on a daily basis in the relationship between Pakistan and the United States, and you can see the complexities and the frustrations involved in that being played out in the US. Our relationship with Pakistan does not have all the complex overlays that the US-Pakistan relationship does, but it does have some of them. On the one hand we seek to encourage Pakistan to do the right thing in terms of groups operating out of Pakistan into Afghanistan and, at the same time, we seek to help a country which has an enormous number of challenges from a development and poverty perspective.

Senator EGGLESTON: I have a question about India. First of all, this relates to uranium sales to India and an article in the *Australian* on 25 May. What negotiations have taken place between India and Australia regarding the sale of Australian uranium since December last year?

Mr Richardson: We have not commenced negotiations yet.

Senator EGGLESTON: That answers the second question, which was: when are negotiations expected to begin? They are not at all happening at the moment?

Mr Richardson: No.

Senator EGGLESTON: Is there a reason for this delay?

Mr Richardson: They are not ready on their side. We have not yet finished processes on our side.

Senator EGGLESTON: When do you anticipate that these negotiations might begin?

Mr Richardson: I cannot say at the moment.

Senator KROGER: Minister, you are known to be a fairly vocal supporter of nuclear energy. Is this one of those issues that you would give priority to?

Senator Bob Carr: I will have responsibility for preparing a cabinet minute that sets out the parameters for negotiation with the Indians. I support the decision of the government to enter negotiations with India for safe nuclear energy.

Senator KROGER: But I would think that in your role you would seek to pursue those things which you consider to be of primary interest and in Australia's primary interest. Is that one of the things that you consider should be prioritised in the scheme of things?

Senator Bob Carr: It is in Australia's interest and it is was the No. 1 priority for India in terms of the bilateral relationship.

Senator KROGER: Indeed, it was.

Senator EGGLESTON: Since we are talking about energy in India, do we know if the Indian government proposes to adopt a carbon tax?

Senator Bob Carr: I am not aware of that.

Senator EGGLESTON: If not a carbon tax, has the Indian government or any of the states indicated that they might establish an emission trading scheme?

Senator Bob Carr: I am not aware they are.

Mr Richardson: There may be some local authorities. We can take that on notice. It is a big, diverse country.

Senator EGGLESTON: Yes. It is indeed. Thank you.

Senator SINGH: Regarding the use of Australian uranium by India, does the Australian Safeguards and Non-Proliferation Office negotiate with India on the nuclear safeguards agreement?

Mr Richardson: Yes. Well, they are involved in the safeguard agreement negotiations. The negotiations with India on the conditions that would allow the sale of uranium, when they do commence, will certainly involve them. They will be centrally involved.

Senator SINGH: Does that come under Australia's network of nuclear safeguards agreements?

Mr Richardson: That is right.

Senator SINGH: But that has not started yet?

Mr Richardson: No.

Senator SINGH: When you mentioned earlier that negotiations had not commenced, that included the—

Mr Richardson: That has to be done. That framework agreement needs to be done before you can actually engage in the sale of uranium.

CHAIR: We will move to the Pacific region.

Senator FAWCETT: Regarding the PALM forum of Pacific leaders. Australia was obviously involved. Was Fiji invited by Japan to attend that forum?

Senator Bob Carr: I understand that Fiji did not attend.

Senator FAWCETT: That was not my question. Were they invited to attend?

Ms Rawson: Yes, Fiji was invited to attend. The invitation was extended to the interim foreign minister of Fiji, Ratu Inoke Kubuabola. In the end, as was said, Fiji did not take up the invitation.

Senator FAWCETT: Was there any communication between Australia and Japan regarding Fiji's attendance?

Ms Rawson: There were a number of discussions with Japan about Fiji's attendance, by Australia and by other countries in the Pacific Islands Forum.

Senator FAWCETT: Did those discussions by Australia seek to dissuade the Japanese from extending the invitation?

Ms Rawson: The discussions with Japan by Australia and other members of the forum centred around the issue that, as this is a meeting that takes place with Pacific Islands Forum members, we and other forum members were concerned that invitations to Fiji be consistent with the position that the forum has taken in regard to Fiji. Therefore, there was concern by Australia and other members of the forum about any invitation being extended to interim Prime Minister Bainimarama.

Senator FAWCETT: Were you involved in any of those discussions with Japan, Minister?

Senator Bob Carr: I was in Japan two weeks ago and I expressed appreciation to Japan for agreeing with our position. It would be inappropriate, given the sanctions applying to Fiji for its suspension of democratic practice, for its bearing down on its freedom of association and for its denial of media freedom to have them participate. I can speak at length about our engagement with Fiji now that it is in a process of transition, and about my recent visit there.

Senator FAWCETT: Mr Richardson, was specific advice provided by the department to the minister regarding this issue?

Mr Richardson: I will refer to Ms Rawson on that.

Ms Rawson: I am not aware of any specific advice provided to the minister on it, although we would need to check the record. Certainly our position on it was conveyed in communications to, for example, our mission in Tokyo. It was conveyed in Canberra to the Japanese mission here.

Senator FAWCETT: That was done directly by DFAT, as opposed to the minister?

Ms Rawson: Yes. I will take it on notice if there is any further advice to be provided on that.

Senator Bob Carr: Just to give a fuller answer: I was advised by the department when I was in Japan that thanking the Japanese Foreign Minister for his and his department's cooperation was appropriate.

Senator FAWCETT: What is the progress with Fiji's plans for a new constitution?

Senator Bob Carr: The government of Fiji is committed to consultation on a new constitution. We spent a little over a day in Fiji with other members of the ministerial action group drawn from the Pacific Islands Forum. We spoke to members of the government, non-government organisations and critics of the government. We said at the end of that process Fiji was in transition. We acknowledged the value of the constitutional consultation. We said we would judge the Fijian interim government according to the breadth of the consultation and the freedom that surrounds that consultation. There should be freedom, for example, of the Methodist conference in Fiji to debate political issues. There should be free coverage of the process by Fijian and overseas media. We do not want foreign media kicked out of the country. We found some of the trends in Fiji encouraging. But the consensus among all members of the ministerial action group—and we worked very closely with New Zealand on this—was that pressure should be maintained to see that Fiji returns to democratic norms.

Senator FAWCETT: Was Australia invited to assist in any way with the formulation of the constitution?

Senator Bob Carr: We have been invited to assist with the expenses involved in setting up the electoral office and in seeing that Fiji can move to an authentic election. We are providing over \$2 million in aid to facilitate that.

Senator FAWCETT: Have we got any input into the nature, role and guidelines around that electoral office, or are we just footing the bill?

Senator Bob Carr: No. We would have input and we will be involved in how that aid is spent. We met with the electoral office when we were in Fiji. The nature of the people who will advise on the constitution—their experience, their backgrounds—is one of the encouraging features of the transition underway in Fiji. We had some discussion of the value of multi-member constituencies elected on proportional representation. That may have some value and may help the country get beyond the challenge of reserved ethnic seats in its legislature.

Senator FAWCETT: And who from Australia will engage with the electoral office as they seek to make these changes?

Senator Bob Carr: Officials of AusAID and the acting Australian High Commissioner.

Senator FAWCETT: Anybody from universities or the AEC—people with expertise in the area?

Senator Bob Carr: As with PNG, we look forward to providing expertise from the Australian Electoral Commission.

Senator FAWCETT: Is that extant in the current arrangement that we have around the \$2 million, or is it an aspiration?

Senator Bob Carr: Not that I am aware of. But I will ask AusAID to investigate that; I think it has value.

Senator KROGER: Minister, I pre-empt my question with a paragraph from the *Sydney Morning Herald* dated 16 March which says:

Bob Carr has sparked a diplomatic crisis in his first days as Foreign Minister after Papua New Guinea dressed down Australia's top envoy in Port Moresby over Senator Carr's surprise threat of sanctions.

You said earlier on that you were sworn in, I think, on 13 March and on the evening of the 14th you raised the prospect of sanctions to PNG? Was it in an interview that you talked about sanctions?

Senator Bob Carr: I would need to check the date.

Senator KROGER: I think it is not so much the date, although that is interesting; it is more the substance. Just over 24 hours after you had been sworn in, you threatened that sanctions would be applied to PNG if the elections were delayed. It does beg the question, what was the response from PNG?

Senator Bob Carr: The response from PNG was that their election date is now set. That is a matter of history. My comments are a matter of history.

Senator KROGER: What was their response to your actual threat though at the time? Did the high commissioner or ambassador come to you or pick up the phone and ask what you were talking about?

Senator Bob Carr: There were some exchanges but the altogether positive fact is, as I said yesterday, PNG despite all its problems—developing country, ethnic diversity, low income levels—is embarked on a democratic process. The country has committed to an election between 23 June and 6 July. All the events in the parliament in Port Moresby have not dislodged what appears to be a very encouraging commitment by not only the Prime Minister but the Deputy Prime Minister to stick to that election timetable. As I said yesterday, it will be a matter of pride for the people of PNG that their country, a developing country with low income levels and all these challenges, is going to adhere to that five-year election cycle.

Senator KROGER: Minister, had you received a briefing from anyone before you made this statement? Had you received a briefing from our high commissioner in PNG or Mr Richardson or even your office? Did you have a discussion with anyone about the status of PNG after you were sworn in and before you made the threat of sanctions?

Senator Bob Carr: I had a lot of discussions.

Senator KROGER: You had a lot of discussions in that 24 hours in relation to PNG?

Senator Bob Carr: A lot of discussions. I could not recall who said what when—that is three months ago—but I think it would be—

Senator KROGER: So you do not minute discussions when times are made to connect over the phone because everybody is very busy? They are not minuted in your diary?

Senator Bob Carr: No, of course not.

Senator KROGER: So you cannot tell me how many meetings you had or who you had discussions with about PNG before you threatened sanctions?

Senator Bob Carr: No, of course not. Unlike Richard Nixon, I do not record my telephone conversations. I have learned from the mistake of the White House circa the early seventies.

Senator KROGER: So you cannot tell me whether you have had—

Senator Bob Carr: I think recorded conversations from my office would put you to sleep.

Senator KROGER: So in your diary there is a blank for that 24 hours; is that what you are telling me? You do not have any meetings recorded in that 24 hours in your diary?

Senator Bob Carr: My diary for every day is bulging with meetings. That is what makes the job so good.

Senator KROGER: I can see it is doing you good. Were there any formal briefings organised on PNG prior to your making that statement?

Senator Bob Carr: I would have to test my memory.

Senator KROGER: Could you perhaps take it one step further and ask your staff, and check your diary, and perhaps the department could also check their diaries, to see whether any briefings had been scheduled on PNG prior to that time? If Mr Flitton is correct, the date that we are talking about is 14 March, when you made the threat.

Senator Bob Carr: I would like to assist you but I am not sure there would be a record in my diaries of all the briefings, all the conversations, I had. But why be so negative about what I think is an overwhelmingly happy consequence of Papua New Guinea's political development in recent times? Irrespective of anything I might have said—it is unrelated to that—the country is wedded to a democratic course. Despite all the distractions, given the nature of the turbulent politics, PNG, according to the latest evidence—including a briefing I had as recently as this morning—seems set on elections across that topographically challenging and ethnically diverse country between 23 June and 6 July, and that is a terrific achievement for a poor, developing nation.

Senator KROGER: Given that you cannot attest to having received any formal briefings, you do not think that your comments were perhaps excessive or slightly extreme, given that you may not have had any briefings from anyone at that point in time?

Senator Bob Carr: The test is this. I have a good relationship with the government of PNG. I spoke about the importance of continuing to adhere to the election timetable and the ill-advisability of conflict with the judicial system with Mr Pala, the foreign minister. I worked with him in Fiji. He was part of the ministerial action group in Fiji. I worked alongside him. I took his suggestion seriously about the position we as a group settled on in respect of Fiji's political transition. I have just been reminded that the Prime Minister of PNG, Peter O'Neill, has now been sworn in. Again that confirms my optimism that, despite all the challenges and the logistical challenges, the country will hold an election as required by the constitution. Australia will participate in that, because we are providing 30 election specialists and providing, with the New Zealanders, helicopters to get them around the country. There will be other Australian observers as well. I think there will be Commonwealth secretariat observers. This is a big exercise—more challenging than elections in Australian states—and, when complete, it will enable PNG to stand high in the forums of the world and say, 'We're part of a community of democracies and we adhere to democratic norms.'

Senator KROGER: I just want to put on the record that I agree with your statement that the developments that have taken place in PNG are very encouraging. I do note, though, with some incredulity, that you seem to be taking full credit for that by single-handedly threatening sanctions—

Senator Bob Carr: I absolutely said the reverse a moment ago. I said, 'independent of anything Australia has said or done'. I specifically said that, and that is in the record of my answer.

Senator KROGER: If I could go back to your threat to impose sanctions—and I am presuming, because you have not been able to suggest otherwise, that it was without any formal briefings in that just over 24-hour period after you were sworn in. Given that you have now been in the job for a few months, do you think that was a wise way to proceed? Would you consider that acting what I could only presume was alone in making these determinations and suggestions without proper, thorough, comprehensive advice, given the sensitivities of your significant role in this government, was an appropriate way in which to conduct yourself and to fulfil your responsibilities as Minister for Foreign Affairs?

Senator BOB CARR: There is no exact science to dealing with a fast-moving political situation such as that in PNG. The events of the last week would seem to confirm that to any sympathetic observer of the scene. Look at the outcomes: PNG is committed to holding those elections. Despite all the speculation and despite the robust exchanges in their parliament, both the Prime Minister and the Deputy Prime Minister have said publicly that the election timetable—the writs have been issued—is inviolable.

Senator KROGER: I will move on from this, Minister, but I would like to make the point that I look forward to your taking on notice, if you can, disclosing any formal briefings that were organised during that time. In my mind and recollection of the events, I do not know that what happened during those 24 hours demanded the

immediate threat of sanctions that you disclosed in your interview with Graham Richardson. I do not understand what the international imperative was at that point in time. I look forward to hearing from you what, at that particular point in time, that Wednesday evening, the 14th, international imperative there was that required flagging a threat of sanctions.

Senator Bob Carr: I am trying to assist, but I doubt if I will be able to provide more information than I have given. Let me stress again, the dynamic by which PNG has adhered to democratic norms—to that election timetable—has nothing to do with my statement. It reflects the good judgment and the cool heads that have prevailed in the political leadership of PNG. The country is adhering to that five-yearly-election timetable. I have said recently, as foreign minister, that they are entitled to hold their heads high in the councils of the nations when that process is complete. Poor, underresourced, ethnically diverse, topographically challenging, they will be able to demonstrate that they nonetheless held free and fair elections.

Senator KROGER: Where did the suggestion of sanctions come from?

Senator Bob Carr: Australia applies sanctions in several situations. We have discussed sanctions—autonomous Australian sanctions—against Iran. We have discussed sanctions against Burma.

Senator KROGER: Did anyone raise with you the option of sanctions against PNG?

Senator Bob Carr: I cannot recall. You asked previously the question: where did sanctions come from? Sanctions have been part of international practice for a long time. But it is always a joy to lift sanctions, as I did recently with Burma, and it is a joy not to apply them.

Senator KROGER: Indeed. Mr Richardson, would you recommend sanctions as—I hate to say this—an easy option? Would you recommend sanctions without serious consideration and thought about the implications, in all sorts of ways, for the application of them or is it something that we can consider as being quite straightforward?

Mr Richardson: It can be straightforward. I have nothing to add to what the minister has said.

Senator KROGER: Do you give advice to the foreign minister, or to the former foreign minister, in relation to the application of sanctions?

Mr Richardson: It depends upon how quickly developments are unfolding. The department often gives advice in that area, but as said I have nothing to add to what the minister has said.

Senator KROGER: Have you ever given advice on the application of sanctions—

Mr Richardson: Have I ever?

Senator KROGER: to the current foreign minister or to the former foreign minister?

Mr Richardson: The department has.

Senator KROGER: Thank you. When was that?

Mr Richardson: I cannot recall precise circumstances, precise times etcetera.

Senator KROGER: So you would not note—it is a pretty significant thing—the department would make no minute of any meeting or briefing in relation to the consideration of and recommendations about sanctions? I would think that this would be something that would not be decided in a fleeting moment. It would be something that would involve a number of stakeholders and officials and the department to consider.

Mr Richardson: I have got nothing to add to what the minister has said.

Senator KROGER: Thanks, Mr Richardson. What is Australia's role in the coming elections?

Senator Bob Carr: Aid—aid assistance. We made a commitment of helicopters. The New Zealanders, to their great credit, have joined that.

Senator KROGER: Is there somewhere for them to land in some of those remote places?

Senator Bob Carr: No, that is the value of rotary wing aircraft. Also, 30 staff—additional personnel.

Senator KROGER: Just back to the helicopters. Are they military? Where are they coming from? Where are they being sourced from?

Senator Bob Carr: They are ADF helicopters. Yes.

Senator KROGER: How many of those are we providing?

Ms Rawson: If I might just add to that. The three helicopters that we are currently providing, it is funding a commercial lease of helicopters.

Senator KROGER: From here? From Australia?

Ms Rawson: No. I think they are based in PNG. It is a contract within PNG, but for the PNG defence forces. There is other aviation support that Australia will be providing to the elections. I do not know off the top of my head whether that would involve any Australian Defence Force helicopters. I think it will certainly involve Australian planes, but I am not sure specifically about helicopters.

Mr Richardson: ADF personnel will be involved in the assistance being provided to PNG. We are providing assistance, as the minister said—quite significant assistance—with their electoral commission. We have quite a number of Australians up there now.

Senator KROGER: Did you, or was it the minister, say 30?

Mr Richardson: Yes, around 30. The ADF will be involved in logistical support for the elections. In fact, some ADF personnel were scheduled to arrive today or tomorrow in PNG to assist as part of that. Yes, I think there will be over 250 Australians providing assistance of one sort or another for the elections—you can check the precise numbers with AusAID.

Senator KROGER: It is quite significant. I can ask AusAID in the morning if you do not have the figure. Do you know what the total budget is for our support?

Mr Richardson: No, I have not got the specific thing.

Senator KROGER: I can ask in the morning.

Mr Richardson: We normally do provide assistance to PNG. Mr Moraitis was the former high commissioner to Papua New Guinea.

Senator KROGER: I know. Indeed.

Mr Moraitis: In 2007.

Mr Richardson: In that election I think we provided a fair bit of assistance.

Mr Moraitis: Yes, we have a tradition of providing assistance to the PNG Electoral Commission through the AusAID system of electoral support, the common role support with the AAC capacity building, helicopter support through both support for private contracts and—as has been noted this afternoon, PNG is an extremely difficult terrain—moving ballot boxes around to provincial capitals. When I was there in the 2007 elections I was in the Southern Highlands in a place called Mendi. That was quite an extraordinary place to be to see how helicopters do make a difference in delivering ballots from one electorate to another and having them counted in a safe and legitimate place. If I may say so, in 2007 I was in a place where there was a state of emergency, with 2,000 troops there. There have always been difficult challenges and PNG always prevails at times like this.

Senator KROGER: In 2007, how long did it take to do a count?

Mr Moraitis: A couple of weeks—three or four weeks. There are always a few ballot boxes that go missing, as you know, and there is a tradition of that, and that is why helicopter support is always good. You have secure sites where you lock up the ballot boxes. We have a tradition of working on all fronts and of course we have many Australians up there as well who provide consultant support and stuff like that.

Senator KROGER: Very good. I will ask AusAID in the morning for more details of that.

Senator FAWCETT: Chair, can I just follow up on a couple of the points raised in that?

CHAIR: Yes.

Senator FAWCETT: Can you just confirm for me, Mr Richardson, when Defence were consulted about the availability of fixed wing assets and what impact that may have on their existing commitments and maintenance schedules?

Mr Richardson: Defence has been involved in the interdepartmental and governmental discussions on the assistance we might provide to PNG for the elections from the beginning, so that goes back some months.

Senator FAWCETT: Which is exactly my point. What changes does DFAT assume may occur now that the government has decided to retire the C138 fleet early, which is probably one of the most appropriate aircraft currently in the ADF inventory, given that they have retired the Caribous? Has DFAT considered the change that that government measure may incur?

Mr Richardson: I cannot answer questions of that sort of detail. That would be more for Defence, but, as Jennifer noted, AusAID is providing support through financial support to engage a privately contracted rotary wing.

Ms Rawson: It is actually Defence.

Mr Richardson: Defence are doing it but it is AusAID money, isn't it?

Ms Rawson: No, it is Defence.

Mr Richardson: Defence money, is it? Okay.

Senator FAWCETT: Sorry, it is Defence money?

Ms Rawson: It is under the Defence Cooperation Program. It is being funded—the lease of the helicopters.

Senator FAWCETT: Is that an absorbed measure, as in taken from another area, or has that always been allocated within the DCP, the Defence Cooperation Program?

Ms Rawson: You would have to direct that question to the Department of Defence.

Senator FAWCETT: Just quickly coming back to the point Senator Kroger was making before: as the minister quite rightly said, we should celebrate the fact that PNG is becoming increasingly wedded to democracy. Australia is also wedded to democracy, and the role of the senior public servants in advising a minister is a key part of that democracy to maintain a depth of knowledge. Could you confirm, Mr Richardson: did you or any of your departmental staff discuss with the minister sanctions against Papua New Guinea at any time between the announcement of his role as foreign minister and the press conference that he gave?

Mr Richardson: As said before, I have nothing to add to what the minister has already put on the record.

Senator FAWCETT: Okay, thanks very much.

CHAIR: Can I just ask whether or not the department has considered whether there is a need to increase consular services in Papua New Guinea to accommodate the influx of Australians going up there for the anniversary celebrations of the Kokoda Track campaign?

Mr Richardson: Paula may be able to answer that.

Ms Ganly: We are keeping that under review at the moment with additional consular assistance and we are discussing the matter with the post, but there has been no decision made at this stage with regard to supplementing the numbers at post.

CHAIR: So those people will start—there would have already been an influx, I guess, for Anzac Day, but later in the year, around August and September are the key dates?

Ms Ganly: Yes. We did not have any issues with regard to the consular assistance over the Anzac Day period and to date it has been managed very well with the post, but we certainly keep under review any major events throughout the world with regard to whether additional assistance is required. We do that in consultation with the post.

CHAIR: Thank you for that. Senator Kroger has sought the indulgence of the committee to return to the Middle East area. I assume those officers are still here.

Senator KROGER: Thank you, Chair. I would like to return to the UAE briefly. Minister, I understand that you are aware that a couple of Victorians are being detained in Dubai. Have you been briefed on their particular circumstances?

Senator Bob Carr: Yes, I have. Their position is of great concern to me. Australia has made strong representations. I am looking at options for visiting Dubai very lively so I can take up the case. Very extensive consular support has been provided to them, as you would expect, beginning on 1 February 2009. Consular staff have been in contact regularly with Mr Joyce and Mr Lee to check on their welfare and they have attended all but one of their court hearings over the past three years. Representations have been numerous—most recently in February by former Foreign Minister Rudd, by Defence Minister Smith as recently as 12 April and by the Governor-General on 24 April. That complements regular representations by our Ambassador in the United Arab Emirates. DFAT staff have raised that case with their UAE counterparts in bilateral consular talks.

Senator KROGER: Are you aware of the civil proceedings that are underway in Victoria?

Senator Bob Carr: I was advised about those.

Senator KROGER: I understand that a judgment is about to be brought down in Victoria either next week or in a couple of weeks. I have read the transcript of a lot of that material in those proceedings.

Senator Bob Carr: The Victorian proceedings?

Senator KROGER: Yes, the Victorian proceedings. They clearly have huge implications for considerations in relation to the matters in the UAE. I understand that, under the ruler's court, the two individuals are not allowed to provide their own evidence per se. What will be the process in communicating the results and deliberations—and I think the deliberations are just as interesting as the judgment that will be brought down—to the authorities in the UAE?

Mr Binns: Normally that would be done by the lawyers for Mr Joyce. Mr Joyce is the one of those two that is involved in those proceedings in Victoria. In fact, his lawyers have already provided transcripts of evidence from the Victorian Supreme Court, which have been translated to the court in Dubai, and the court has agreed to consider those. If there was an outcome, I assume the first thing that will happen is that Mr Joyce's lawyers will want to convey that information to the court.

Senator KROGER: Thank you for that. My concern is that, given the different judicial systems, that may well just end up on a desk. I am interested in knowing whether there is an officer in the department, for instance, who is responsible for communicating that, whether it be to our ambassador and then that to be communicated on. I am concerned about the flow of information. I am being quite cautious with my words here because I do think this is an incredibly sensitive issue and there is a lot at stake. Personally, I think the Australian government should be doing every they can to help and support this case, and I am truly heartened, Minister, to hear you say that it is a priority of yours to personally make a visit, because I am sure that that would be greatly appreciated. But I am interested to know whether the department takes any responsibility in being involved in transmitting the information that will come out of that court case. As I have said, I have already read huge chunks of the transcript and I cannot believe what is being sworn in a court down in Victoria, when the opposite has been said in Dubai. I am interested to understand how that will be sufficiently carried across to all appropriate authorities.

Mr Richardson: That would normally be, as Mr Binns said, the lawyer. It is important for us not to take upon ourselves action that could cut across what a legal representative wants. I do not know whether they have made any approach to us to help with the transmission. If so, Mr Binns might be able to say what, if anything, we are doing.

Mr Binns: We are in touch with his Australian lawyers and although, as I said, they are responsible for conveying that information at the court, we can draw anybody's attention to it. It is a matter of public record. The ambassador there does take opportunities to draw relevant officials' attention to the fact that this material has been submitted to the court, and we have done that in consultation with the lawyers here. I think the fact of the existence of that material is being communicated quite effectively, actually.

Senator KROGER: Mr Binns, are you the officer responsible for overseeing this matter in the department?

Mr Binns: Yes.

Senator KROGER: Are you aware of whether ASIC has looked into the matter? It has been referred to them. I have put questions on notice to the Minister in relation to ASIC. Are you aware of whether they are looking into the matter?

Mr Binns: We are not aware of whether they are.

Senator KROGER: If they were and they had findings, determinations, would that be something you would stay across and be communicating as well? Now I am speaking in relation to the actual company that was involved.

Mr Binns: If there was something to be done in that area, in that domain, I think it would emerge from our consultations, our discussions, with Mr Joyce or his lawyers in the course of our normal consular work. I would not like to talk hypothetically about something coming out of ASIC.

Senator KROGER: Yes.

Mr Richardson: Communication from ASIC—correct me if I am wrong, David—would go from them to whoever are the proper authorities; they would not necessarily pass it to us. Or are we in touch with ASIC?

Mr Binns: No, we would not normally be in touch with them. I suspect that, if we asked, they would not tell us.

Mr Richardson: That is right. We would be told to mind our own business.

Mr Binns: Yes. And from their point of view they are dealing with an entirely Australian matter—if they are dealing with anything. So if we were to hear about it I imagine it would probably come to us via legal advisers to Mr Joyce.

Senator KROGER: Minister, have you had a conversation with the Ambassador about this?

Senator Bob Carr: No. But I am happy to pursue it in any way that you think is appropriate given your contact with the case—perhaps when the Victorian decision is handed down.

Senator KROGER: Thank you. I will take you up on that offer.

Senator Bob Carr: Malcolm Fraser was the one who first drew my attention to it.

CHAIR: We will now go to International Organisations and Legal Issues. We will start with Senator Singh.

Senator SINGH: I would like to ask some questions on a few different issues. I will start by asking about our announcement that Australia has confirmed the outer boundary of our continental shelf, over which we obviously have exclusive economic rights. I understand that this proclamation is consistent with the 2008 recommendation of the UN Commission on the Limits of the Continental Shelf. As you would be aware, Australia withdrew from the compulsory jurisdiction of the International Court of Justice in relation to disputes relating to maritime boundaries in 2002. I think that was under Foreign Minister Downer at the time. I am wondering about the ongoing need for that reservation to the ICJ's jurisdiction—or, at least, the part that exempts all maritime disputes, which is part of our reservation—and whether the proclamation that was made in relation to the continental shelf is consistent with that reservation.

Mr Rowe: The policy of successive Australian governments has been that maritime boundaries should essentially be settled by negotiation, and that was the underlying principle and approach which led to the reservation to the ICJ's jurisdiction that you referred to. The proclamation of the outer extent and limits of Australia's continental shelf is something that is provided for at article 76 of the UNCLOS. As you know, it has been a 20-year process. Australia has followed through with that process by submitting a submission to the Commission on the Limits of the Continental Shelf, which is set up through the Convention on the Law of the Sea. That submission was presented in 2004, and the commission issued its report in 2008. Since then, of course, there has been a process at interagency and government level to provide the legislative basis.

I would say there is nothing inconsistent with what has been proclaimed in terms of the outer limits of Australia's continental shelf, which is totally consistent and compatible with Australian law and the question of how any maritime boundary matters, or disputes relating thereto, might be addressed. I would add too—and I think it is relevant in this case—that, as was pointed out in the statement that was issued by the Minister together with the Attorney-General and the Minister for Resources and Energy, there are some parts of the outer limits of the continental shelf that remain to be formally determined. That is because—and this emphasises and supports the point I have made in relation to negotiation—it is foreseen that there will be further negotiations with respective parties regarding those so-called gaps in the outer limits.

Senator SINGH: But there is a confirmation of limits of 11 million square kilometres?

Mr Rowe: Correct.

Senator SINGH: But there are ongoing negotiations for what—for more area?

Mr Rowe: You will see that there is the area to the north-west of Australia in relation to the boundary between Australia and Indonesia and the boundary between Australia and Timor-Leste. That is because there are bilateral relations with both, which will need to be concluded in due course, relating to the maritime boundaries which would impact and close the gap, so to speak.

Senator SINGH: I still do not quite understand why we would not list that reservation. Regardless of our approach to negotiation, I cannot see why we would remain having that reservation there when I think it was put there in 2002 relating to the newly formed Timor-Leste and some dispute issues that were going on in relation to the Greater Sunrise oilfields at that time. That was 10 years ago. That was obviously settled outside the ICJ process. I am pleased that there is no consistency, but I still do not quite understand why we would remain with that reservation.

Mr Rowe: That was a decision by the government of the day and it has remained the policy position of successive governments.

Senator SINGH: I would like to move on to the Antarctic Treaty consultative meeting to be held in Hobart, in my island state, next month. I understand that many delegates from overseas are expected to attend this meeting. The forward estimates showed that DFAT have budgeted \$1.386 million for the consultative meeting. Is that a positive economic return? What is anticipated from hosting that meeting?

Mr Rowe: Senator, perhaps I could make some remarks in response to your question. Firstly, the total budget for the meeting is \$2.85 million. That, though, is divided between our department and the department of the environment. It is a joint budget because the hosting of the meeting will be jointly shared between the Department of Foreign Affairs and Trade and the department of the environment, SOPAC. That reflects the nature of our engagement in the Antarctic—namely, SOPAC has responsibility for the Australian Antarctic program and the operations of our three stations on the Antarctic continent whereas the Department of Foreign Affairs And Trade has responsibility for the international aspects, the treaty related aspects, of the Antarctic Treaty and the Antarctic Treaty system.

Quite frankly, I would say that is quite a modest amount of money for the return from these meetings. This is a regular meeting of the Antarctic Treaty parties, of which there are 50. All of them, like Australia, are very

strongly committed to the objectives and principles of the Antarctic Treaty, which was concluded in 1961—namely, keeping the Antarctic an absolutely peaceful area preserved solely for scientific research, demilitarised, and protecting the environment. These are really very significant objectives. The treaty meeting—where the parties will be talking about ways to enhance the contribution of Antarctic science to the global situation, how to protect that fragile environment and how to continue ensuring that that very special area is maintained for exclusively peaceful purposes and only used for scientific research—is secured. We are getting a lot of return from our collective engagement in Antarctica.

Senator SINGH: And, presumably, hosting this ATCM would be positive for Australia's standing in the international community.

Mr Rowe: Absolutely.

Senator SINGH: I know there will be a positive return for the Tasmanian economy.

Mr Rowe: Absolutely.

Mr Richardson: When was the last time we hosted it?

Mr Rowe: 1983. This is the third time.

Mr Richardson: Given the amount of Antarctica that we claim, given our interests in Antarctica, hosting this meeting for the first time since 1983 is fairly modest relative to our interests.

Senator SINGH: It is a coup, definitely. I would like to move now to the UN Commission on the Status of Women. I understand that the 56th session of the US Commission on the Status of Women was held from 27 February to 14 March this year. I specifically wanted to ask questions of you, Ms Williams, in relation to your role as Global Ambassador for Women and Girls at the moment. Congratulations. I am interested in the most recent session because I understand that that session failed to reach any agreed conclusions. What is Australia's position towards the commission and what was Australia's position at this session?

Ms Williams: I will give you some context into what was a disappointing outcome in terms of having agreed outcomes from the Commission on the Status of Women. The delegation that attended the two weeks of the commission included me, the Office for Women, AusAID, the Sex Discrimination Commissioner and community representatives. The theme this year was rural women, so we also had rural and Indigenous women as community representatives on the delegation. Catherine Smith, a rural woman and a survivor of domestic violence—her story was quite poignantly shown on *Australian Story*—also joined the delegation.

It was a very successful first week in terms of our participation in a range of side events, including an event that Catherine Smith spoke at arranged by the Sex Discrimination Commissioner. I spoke at a plan event on early enforced marriage. The Australian delegation also undertook some side events with Pacific delegations on education, employment, gender equality and development assistance. It was also an opportunity to engage with my US counterpart and also Michelle Bachelet, the head of UN Women, and the special representative on sexual violence.

In the second week, however, the negotiations began. Usually the outcomes from the Commission on the Status of Women are not agreed by vote; they are agreed by consensus. It was towards the latter part of that week that we started to see that there were conflicting approaches to a few issues that were holding up an agreed outcome. The decision was made into the third week that it was probably better not to have agreed outcomes than to agree to things that were seen by many delegations as a retrograde step. That was very disappointing, given the theme of rural women and how important that is to us and given the fact that we had been able to include some language in the outcome statement that we were very keen on around Indigenous women, women with disabilities and multiple disadvantage for rural women. We had been very active in injecting that language, but there was certainly a sense that it was better not to have agreed outcomes than to have retrograde steps.

We have been discussing amongst ourselves—the Office for Women, AusAID, DFAT and the mission in New York, and the Bureau of the Commission on the Status Women has also asked for our opinion—about the way the session should be conducted. The first week tends to be when you have the senior negotiators and the ministers. I was not there for the second week. It is just the way that practice has come about. I suspect that what has happened is that, over time, people have just expected the agreed outcomes to write themselves, and now it has just given the bureau a bit of a wake-up call that, actually, we might need to think about the structures for this. We might not actually have this quite right. We are doing a lot of thinking now about that and feeding those ideas in. We are also thinking about how we might really make even more of the commission meeting next year. The theme is violence, and we would really like to inject a lot more Pacific participation. We have been talking to the YWCA, which has a very strong Pacific young women's leadership framework, about how we might do that, but also from the other Pacific delegations who were at the commission. It was disappointing.

Senator SINGH: It sounds like a first.

Ms Williams: It was a first. I guess a reminder that—

Senator SINGH: You cannot take these things for granted. What were the main barriers to getting an agreed outcome?

Ms Williams: I think the main issues of concern were around reproductive—

Senator SINGH: Reproductive rights. I have another issue, but does anyone have another question on this?

Senator KROGER: Ms Williams, I was just going to ask what your program is for the next 12 months. What are you planning?

Ms Williams: The last time I appeared at estimates, in February, I was just about to go off to the commission meeting.

Senator KROGER: Yes, you were.

Ms Williams: Then I came back and I went to Fiji for International Women's Day, which was a really great opportunity to be able to demonstrate our commitment to human rights and the rights of women on the ground. I spent the day there with women's groups, including the Fiji Women's Crisis Centre, which AusAID has funded over a long time. The women who run that play an important leadership role across the Pacific in relation to domestic violence. I launched the AusAID report on violence in Melanesia and Timor-Leste. That was for International Women's Day, and subsequently I have been on a visit to Indonesia. That was last month. That was my first visit outside the Pacific in terms of a bilateral visit, and it was really useful to highlight some projects that we are doing there in relation to women's income generation, maternal health and also schooling. It was also an opportunity to engage with NGOs, the National AIDS Commission, women's activists and the minister for tourism and culture, Mari Pangestu, who is known to so many of us, to talk about what we may be able to do in the women's leadership sphere. There are some real opportunities to work with Indonesia beyond the aid program in terms of injecting women more into the bilateral relationship. I have got a forward program that really focuses on some Pacific countries that I have not been to. There are a few. I really need to get to Kiribati and Tonga and then go back to PNG, Fiji and Vanuatu and then also touch on some South-East Asian countries, including, I hope, Cambodia in July. I also need to be able to visit East Timor.

Senator KROGER: They are all countries where there are huge issues in relation to the status of women, domestic violence, trafficking and all sorts of issues. Do you see that you will have an opportunity to directly have input into some determinations of further aid allocations in specific areas? You just focused then on the Pacific. Do you see that as one of your roles?

Ms Williams: Obviously AusAID has responsibility for programming, but they do see me—as the Office for Women does—as an asset, as somebody who is out there on the ground and able to feed things back. I am involved. I do work with AusAID very closely, including on those issues around future programs.

Senator KROGER: It just seems a great opportunity for you to raise awareness, where you are seeing evidence of circumstances on the ground where we might be able to make a real difference, even with small allocations.

Ms Williams: I have been. We work almost daily, including the Office for Women. But, on the point you make about even small amounts, there is a direct assistance program that is run by embassies and high commissions.

Senator KROGER: Yes. It is under \$15,000 or \$10,000 or something.

Ms Williams: We have included in the guidelines that posts look specifically at programs that focus on women and girls. Also, we have asked that our foundations, institutes and councils, like the Australia-China Council, the Australia-Japan Foundation and the Australia-Indonesia Institute—they are not aid money; they can be obviously with a range of countries—have got within their guidelines a focus on women and girls.

Senator KROGER: Very good. Thank you.

Senator SINGH: I would like to put on the record, in ending the discussion about the UN Commission on the Status of Women, the good work that is being conducted by our women and girls ambassador, Ms Penny Williams. The appointment the government made of that position is certainly helping Australia's assistance in the region and our global reputation on the issues of women's rights.

I would now like to move on to the UN Conference on Sustainable Development Rio+20 and ask DFAT, which I understand has some responsibility for Australia's position at Rio+20 along with the Department of

Sustainability, Environment, Water, Population and Communities, if they could outline Australia's priority areas for discussion and achievements of outcomes at the Rio+20 conference?

Ms Stokes: Certainly. I say at the outset that countries and individuals were invited to submit submissions last year and Australia put forward a national submission last year that is available on various websites. That set out our priorities, which remain current. I will mention some of those. We have a major focus on oceans.

Senator SINGH: Is this the oceans policy and blue economy?

Ms Stokes: Yes. There is also focus on food security; the empowerment of women, especially their role in sustainable economic development; recognising the contribution of Indigenous knowledge in land and sea management practices; the role that mining can play in sustainable development; and integrating disaster risk reduction in the sustainable development agenda. Those are just some of the priorities that we are pursuing.

Senator SINGH: I want to ask about the blue economy issues. I understand that Australia has been supporting those issues in our own region through the Coral Triangle Initiative of coral reefs, fisheries and goods security.

Ms Stokes: That is right.

Senator SINGH: And we have assisted with a secretariat? Is that right?

Ms Stokes: That is right. I will say a few words about the Coral Triangle—

Senator SINGH: And also the funding related to that.

Ms Stokes: Yes. The Coral Triangle Initiative is a very good example of the sort of approach that we are promoting in Rio. We draw attention to the Coral Triangle Initiative as an example of the way of the future of regional approaches to marine sustainable development. The Coral Triangle, as you may know, covers Indonesia, Malaysia, Papua New Guinea, the Philippines, the Solomon Islands and Timor Leste. Then there are a number of partners, and Australia is one of the partners together with the United States, the Asian Development Bank, the Global Environment facility and several international NGOs like the Nature Conservancy and the World Wildlife Fund. Australia through the aid program has already committed around \$5.4 million to support the CTI. This money is administered by the Department of SEWPaC, which is what we affectionately call it.

Senator SINGH: So where is this secretariat constituted?

Ms Stokes: I believe it is in Indonesia, but I probably need to have that confirmed.

Senator SINGH: Okay. In the lead-up to Rio+20 civil society has been consulted?

Ms Stokes: On Rio?

Senator SINGH: Yes.

Ms Stokes: In terms of Australia's approach, yes.

Senator SINGH: Or Australia's priorities: the oceans policy and the blue economy priority areas as well as all those other areas that you pointed to earlier.

Ms Stokes: I think it is worth noting that the Rio+20 agenda is a very big one. It covers a very large range of issues relating to sustainable development and the so-called three pillars—economic, social and environmental. The canvas is a very big one.

Senator SINGH: It has been 20 years since the last one in Rio.

Ms Stokes: Yes, but 10 years since the last global sustainable development summit. The department of environment has been in the lead in terms of consultations. That department, together with the UN Association of Australia have organised a number of public events on Rio+20 in each state capital this year, and its minister, Mr Burke, has held two stakeholder roundtables—one with NGOs on 28 May and one with the private sector on 21 May.

Senator RHIANNON: Has Australia attended any of the negotiations at the Commission on Population and Development?

Ms Stokes: I will have to take that on notice. I do not have information on that here today.

Senator RHIANNON: What I am hearing is that Australia never attends these meetings and negotiations. When I have looked on the website at the list of attendees I have not been able to pick up Australia; it has been raised with me. I thought it might be in somebody's head.

Ms Stokes: I am sorry, Senator, we will try to find out and get back to you.

Senator RHIANNON: Maybe if we work out what goes on notice then.

Senator Bob Carr: Could that reply come to me as well? I am interested in the senator's question.

Senator RHIANNON: I am interested in whether Australia has been represented at the negotiations and regular meetings of the Commission of Population and Development. If we have, which ones have we attended? If we have not, why haven't we attended?

CHAIR: Are there any further questions in this portfolio area of international organisations and legal issues? We have seven minutes before dinner and Senator Eggleston wanted to go back to Fiji.

Senator EGGLESTON: I noticed an article in the *Canberra Times* on 20 February, talking about Nauru's unlikely new friends, which suggests that there is tussle going on in the Pacific between some eastern European countries—Russia, Georgia and Abkhazia—offering various forms of aid to Pacific islands. I wonder if we could be enlightened on this a little bit. What is really going on and why are these countries paying this sort of interest to the South Pacific? Since last October Georgia's foreign minister, Grigol Vashadze, has visited Fiji to court the regime and then late last month, just days before Russia's foreign minister, Mr Lavrov, was scheduled to make his first visit to Fiji, a Georgian delegation returned to present the island with 200 notebook computers. There is a list of other eastern European politicians who have been there. Could you tell us something about this?

Mr Richardson: I might give an overview and then follow up with the detail. Essentially, this is unfortunately the good old fashioned attempt to buy recognition from certain South Pacific island countries. In this case it goes back to the conflict between Russia and Georgia in about 2008 or 2009. Part of Georgia claims to be a separate territory of Ossetia and, essentially, Russia has been attempting to buy the recognition of that part of Georgia from certain South Pacific island countries. We have made our views on that known very clearly to Russia and also to South Pacific island countries. I will hand over for more detail.

Mr Myler: As the secretary said, Georgia has had two areas of its territory asserting their independence essentially since the country's establishment. They are South Ossetia and Abkhazia. Both of them have large remnant Russian populations. Obviously, that accelerated following the 2008 conflict. In fact, there has always been some level of Russian troops on the ground in these two areas. In 1997 I did a tour of South Ossetia with the independent observers at the time. It is a longstanding dispute, but certainly since 2008 Russia has stepped up their efforts to get formal international recognition of the two territories as independent countries. At this stage, the only recognition they have achieved has been Nicaragua, Venezuela, Nauru and Tuvalu. The significance of that list is that none of the former Soviet states have recognised. Belarus, Ukraine, Kurdistan, Tajikistan and Turkmenistan are the sorts of places where you would expect a little bit of Russian pressure would lead pretty quickly to a recognition, yet they have refused. So it really is Russia now casting a very wide net in an effort to try to generate this. Of course, the Pacific has been the subject of this sort of recognition tussle before. It is unfortunate.

Senator EGGLESTON: This article says:

The ultimate goal is recognition in the United Nations, with each vote from a member state amounting to another small step on the path to statehood.

Are they looking for these small eastern European states to be recognised as independent countries? Is that the crux of it?

Mr Myler: What they are seeking is recognition of these two subareas, subterritories of the country of Georgia, to be recognised as independent states. As I say, five countries have now done that, including Russia.

Mr Richardson: Our problem, our challenge, in the South Pacific is, quite frankly, that cash changes hands. This is simply a blatant, crude attempt to buy recognition. We do not like Russia doing that and we do not think it is a good thing for South Pacific island countries to be selling recognition in this way.

Senator EGGLESTON: Thank you for clarifying that. Does it have any broader implications in the Pacific in some way—in terms of fishing licenses or other things like that?

Mr Richardson: It would depend what deals were done. As far as we are aware, this has been a straight 'cash for recognition' deal. It is not the sort of thing we want to see in our neighbourhood. It is the sort of thing that China and Taiwan competed on for a while and, after a significant period of representations by us, China and Taiwan have been conducting themselves a lot more responsibly. We very much appreciate the cooperation that China has provided in this area. But this is just bad for our region. It is bad in principle for countries to be selling recognition for cash.

Senator EGGLESTON: Thank you very much for that explanation.

CHAIR: Thank you, Mr Richardson. It being 6.30 pm, the committee will now break for dinner. We will all be back here at 7.30 pm, when we will start on national security, nuclear disarmament and nonproliferation.

Proceedings suspended from 18:30 to 19:32

CHAIR: Contrary to what I said before the dinner break, we are still dealing with International organisations and legal issues.

Senator KROGER: I have read recently that we have recently appointed a new Ambassador for Climate Change. Is that correct?

Mr Richardson: Yes.

Senator KROGER: How long had the outgoing ambassador been in the role?

Mr Richardson: She left a few months ago because she took up an appointment in Ottawa.

Senator KROGER: Are these appointments made for a finite period? Is two years the norm or is it a three-year appointment?

Mr Richardson: I am not quite sure whether it is two or three years. But it is very much in the hands of both the minister for climate change and also the ambassador.

Senator KROGER: Where is the ambassador based?

Mr Richardson: The ambassador is based here in Canberra, in the department of climate change.

Senator KROGER: Do you have details—and I am happy to put this on notice—in relation to the ambassador's planning schedule: what she has undertaken, what travel she has undertaken in the last two years? Or is that a question to be directed to the department of climate change?

Mr Richardson: It is a question for the department of climate change.

Senator KROGER: I am happy to put all my questions to them on notice. That is fine.

Mr Richardson: Fine.

[19:34]

CHAIR: That concludes International organisations and legal issues, so we will now go to National security, nuclear disarmament and non-proliferation, with Senator Fawcett.

Senator Fawcett: Before we move on to that, one of the topics we discussed prior to dinner was what action, if any, the department had taken in response to the two motions in the Senate. For your sake, Mr Richardson, the dates of those motions are: (1) 3 November 2011; and (2) 1 March 2012, with both pertaining specifically to Iran and to human rights issues. So if you could take those on notice and provide some feedback that would be much appreciated.

Mr Richardson: Thank you.

Senator FAWCETT: To national securities, just prior to the budget announcement the defence minister and Prime Minister announced that they would be bringing forward a white paper. Could you outline for me DFAT's contribution to the white paper process?

Mr Richardson: This is the Defence white paper?

Senator FAWCETT: Correct.

Mr Richardson: Defence has asked us whether we will second an SES band 1 officer to Defence to help in the preparation of the white paper, and we will do that. Our involvement apart from that is through membership of the Secretaries Committee on National Security and through the minister's membership of the National Security Committee of cabinet, where the white paper will be worked through. DFAT will be involved in its contribution to Defence in the preparation of and it will also be consulted on the way through and have an opportunity to comment substantively at the back end as well.

Senator FAWCETT: What is the specific role of the SES officer who has been seconded?

Mr Richardson: The role of the SES officer is to work as part of a team in the Department of Defence that is putting together the white paper. What precisely he does will be determined by the head of the group putting it together in the Department of Defence.

Senator FAWCETT: But in a macro sense does he have a particular area of expertise that he will personally provide that input or is he acting as a facilitator to draw resources from across DFAT?

Mr Richardson: It is more the former rather than the latter. He will bring a politico-strategic foreign policy perspective to the work of the group within the Department of Defence.

Senator FAWCETT: Specifically, will he be looking at the various alliances, whether they be ANZUS or the bilateral alliances that Australia has, such as with Indonesia, PNG or the Pacific Islands?

Mr Richardson: I do not know whether that is specifically what he will be doing; that will be dependent upon the person leading the team in Defence.

Senator FAWCETT: Does DFAT have an ongoing program to monitor the activities or health of those alliances and strategic circumstances that may impact on them?

Mr Richardson: Like ANZUS and the like?

Senator FAWCETT: And our relationship with Indonesia, PNG and the Pacific Islands.

Mr Richardson: The department does not do that per se, but you will be aware that, in respect of ANZUS, there is the annual AUSMIN meeting, led by the Minister for Foreign Affairs and the Minister for Defence and with their US counterparts. That is the central meeting during the course of the year where alliance matters are discussed et cetera. Often AUSMIN sets in train work in between AUSMINs, and different working groups and the like can be set up. For instance, it was announced publicly at the end of the AUSMIN meeting held in Melbourne in 2010 that a joint working group had been put together to work on the global force posture review. The results of that were subsequently announced following the AUSMIN held in San Francisco last year.

Senator FAWCETT: I understand and accept that process for ANZUS. As for our other bilateral security arrangements what process do you have in place for the ongoing monitoring of the health and relevance of those as strategic circumstances change in the region?

Mr Richardson: We have an agreement with Papua New Guinea. There is an administrative arrangement whereby the ministers from the two countries do get together, not specifically to look at the health of the defence relationship per se but at the broader aspects of the relationship of which Defence is part. In respect of the Lombok treaty with Indonesia—which is not an ANZUS type treaty—there is the annual leaders meeting and now the annual two-plus-two meetings.

Senator FAWCETT: With respect to the underlying premise that our defence policy is an extension of our foreign affairs policy in terms of national security, do you see DFAT's role in the context of the new white paper to be providing either bounds of activity or levels of capability that Defence should be aiming for in order to achieve foreign policy outcomes?

Mr Richardson: Our involvement, Senator, is more in the broader politico-strategic settings. We will have views, from time to time, at the higher end of capability and how it might relate into our broader regional interests, but obviously the capability requirements derive from two things: an assessment of the broader politico-strategic environment and also the fiscal constraints. You put those two things together and Defence are the people who you would look to in providing the expertise in terms of the detail of capability and the like.

Senator FAWCETT: Sure. In the notional span of four years, five years, between white papers, as you see developing issues—for example, in the South China Sea—and rising tensions and new relationships developing there, do you have a structured mechanism for feeding those back into that interface between defence and capability and foreign policy?

Mr Richardson: Yes, there are a number of mechanisms for that. At the highest level there is the National Security Committee of Cabinet, which is through the Minister for Foreign Affairs. Below that is the Secretaries Committee on National Security. Below that there is a meeting of deputy secretaries involving Defence, PM&C and DFAT that massages and discusses those types of issues. Very often there are specific working groups in relation to specific issues that might arise. I suppose the discussions between DFAT and Defence on all those issues are really continuous. It is not only dependent on those formal meetings that might drive those particular agendas; it is something that goes on just about every day of the week in interaction of one sort or another between the department and Defence, normally led through the International Security Division.

Senator FAWCETT: Are there any particular issues that have developed since the 2009 white paper that you believe should guide or specifically inform this new white paper?

Mr Richardson: Senator, I do not want to be unhelpful, but I do believe my perspectives and advice on that matter should be heard first by the people who are working on the white paper. I do not believe that is something I should talk about publically in advance of that.

Senator FAWCETT: That is fair enough. Thanks, Chair.

CHAIR: Senator Fawcett, are there any further questions in this area of national security? If not, we will move on to Services to other agencies. Senator Eggleston, do you have questions here?

Senator EGGLESTON: I do have some questions, which follow on from some questions that I asked in the last Senate estimates, about the issue of cooks in embassies and missions around the world. Firstly, is it a fact that some Australian posts employ Australian chefs in preference to locally derived chefs?

Mr Richardson: I do not know whether it is in preference. There are circumstances in which Australian citizens have been employed. It really varies from post to post and quite different sorts of circumstances. In Washington, for instance, which I know firsthand, there has not always been an Australian chef there. It is a mix of circumstances that has given rise to an Australian chef being there, although I think it is great to have an Australian chef there.

Senator BOB CARR: Could I enlighten the committee with a quote I came across the other day from a legendary foreign minister to Napoleon: 'Good banquets make good diplomacy.'

Senator EGGLESTON: I am sure that is true. Every country travels well on a well-fed set of leaders.

Senator BOB CARR: Or as Napoleon himself said, Talleyrand's boss, 'An army marches on its stomach.'

Senator EGGLESTON: Absolutely true.

Senator BOB CARR: I have six meals a day, myself.

Senator EGGLESTON: I find that very hard to believe, actually. You have either got a very active metabolic rate or some worms.

Senator BIRMINGHAM: Dr Eggleston is offering a free consultation now.

Senator EGGLESTON: So the second question is—

Senator BOB CARR: But think about the Talleyrand quote.

Senator EGGLESTON: It is a good quote. In reality, though, is the government prepared to pay more for Australian chefs compared with those that could be sourced in the local labour market? If so, why and how much more?

Mr Richardson: No. If you look at where Australian citizens are employed as chefs, there are only five of them: in Brussels, the UN in New York, Paris, Rome and Washington. They are all pretty high-cost cities and the salary rates in those countries are not enormously different to those in Australia. So we would have to pay a competitive salary, depending upon the market, whether it was an Australian citizen or a non-Australian. For instance, in Washington, you are not going to get an American chef cheaper than you can get an Australian chef.

Senator EGGLESTON: So I suppose what you are saying is that in all of these cities they are paid exactly the same as a chef of equivalent salary.

Mr Richardson: No, I am not saying that they are paid exactly the same. What I am saying is that—

Senator EGGLESTON: But in the same range.

Mr Richardson: you are not going to get a material difference.

Senator EGGLESTON: All right, so it is in much the same range for the local market for that level of chef. Are any chefs on tax-free allowances? Do they get fringe benefits of various sorts?

Mr Richardson: No, I am not aware of that. Generally the chefs do not have diplomatic status. They travel on ordinary passports. Some reside at the official residence, staff quarters, where rent and utilities are incorporated into the total remuneration package. Where that is the case, those arrangements have been in place for quite some years. They do not get tax-free allowance. A-based officers overseas get allowances. The chefs we are talking about do not get allowances over and above their salary.

Senator EGGLESTON: I understand that in France there is something called a *carte speciale*, which is a sponsored arrangement which enables the holder to enjoy tax-free status in France.

Mr Richardson: I am not aware of that. I would need to take that on notice to find out the details. If that is right, we will certainly provide you with the details.

Senator EGGLESTON: What we would like to know is whether the chef to ambassador is on one of these *speciale cartes*. If you could find out not only what they are but whether he is.

Mr Richardson: Fine.

Senator EGGLESTON: If it is the case that he or she is—disregarding this if they are not—would that not constitute a special deal?

Mr Richardson: That second question is premised on the accuracy of the first one. I will have to come back to you on notice.

Senator EGGLESTON: Do chefs generally receive accommodation?

Mr Richardson: It varies. As I mentioned, some chefs do reside at the official residence. Whether they do in all places, I do not know. They certainly do in Washington and they do at the UN in New York.

Senator EGGLESTON: So it varies a lot?

Mr Richardson: They also have accommodation in London, but that is not an Australian citizen.

Senator EGGLESTON: The one in London is not?

Mr Richardson: No, the chef in London is a UK citizen.

Senator EGGLESTON: One wonders what difference that makes to the menus, but there we are.

Mr Richardson: It is more boring. Shepherd's pie every night.

Senator EGGLESTON: I can imagine. When they do receive accommodation, do they pay rent for this?

Mr Richardson: No. Where staff quarters are provided, the staff quarters and utilities are incorporated into the total remuneration package.

Senator EGGLESTON: Do the chefs receive a lower pay compared with the market pay for an equivalent level chef, given the accommodation?

Mr Richardson: No. Where a chef gets staff quarters and utilities as part of the total package, it is the total package that is competitive with the local market.

Senator EGGLESTON: So the total package is competitive?

Mr Richardson: Yes.

Senator EGGLESTON: Are the chefs in each post fully occupied? Can you answer that?

Mr Richardson: I can only talk about Washington. A chef there works really, really hard. I think that is probably the case right around the world. I will tell you what, it is no fun when you are hosting 11 or 12 official functions a week. I have hosted breakfast, lunch and dinner in one lot. The day after I had my bypass, my wife—who does not get paid—hosted on the Saturday night a function for 300 at the Kennedy Center for the opening night of a *Street Car Named Desire*. On the Monday night, she hosted 70 people at a black tie dinner at the residence. Senator Faulkner was there; the CDF was there. We had a range of senior people from across the administration. We had Peter Gago, the maker of Grange, who very generously supplied Grange. We had Cate Blanchett. The next night she hosted a function for the Order of Australia for General Petraeus. On Wednesday night she hosted a dinner. The Thursday, a visiting minister had a lunch at the residents. On the Friday night she hosted a dinner. The chef is doing all of that. If you are a chef and you are organising that many functions and preparing for that many functions, you are working damn hard. At the end of a week like that, a chef is out on their feet. They have been up at 6 in the morning, they are sometimes working through to 11 at night and they are damn tired. So they earn their keep and they earn a lot more.

Senator EGGLESTON: It sounds as though they are very busy if that is the scale of what they do. Is it true that there are two chefs or cooks in some posts such as Paris?

Mr Richardson: I am not aware of that. I would need to take that on notice. I am not aware of there being any place where there are two chefs.

Senator EGGLESTON: Okay. Has the department ever considered forgoing employing chefs and/or cooks and allowing ambassadors to bring in outside catering for their functions?

Mr Richardson: If you wanted to cost the taxpayer more than that would be a good option. If you wanted to get bang for buck, you would engage a chef.

Senator EGGLESTON: So you are saying chefs are in fact cheaper.

Mr Richardson: Yes.

Senator EGGLESTON: Has the department conducted a cost-benefit analysis on ambassadors having full-time chefs? You have really, in effect, answered that question already.

Mr Richardson: Yes. I do not believe a formal cost-benefit analysis has been done. I think it would be a total waste of time.

Senator EGGLESTON: Has one ever been done, however?

Mr Richardson: I do not know.

Senator EGGLESTON: I would like to turn to cars and drivers at overseas posts. On average, how many drivers are there in each post?

Mr Richardson: I do not know. We would need to take that on notice. The number of drivers the government does employ overseas is a lot less than it what it used to be. For instance, if you go back 35 years in Washington,

there were some 13 drivers, with each SES driver having a driver. Fast forward to 2012, and there are three or four drivers.

Senator EGGLESTON: Who operate as a pool, obviously. In reference to that—in a way you have answered it—does every head of mission have a driver and a car?

Mr Richardson: Yes.

Senator EGGLESTON: So they are outside the pool, in other words.

Mr Richardson: Well, they are part of the pool but the driver is dedicated to the head of mission.

Senator EGGLESTON: All right. Thank you. Could heads of mission and their staff use public transport, including taxis and limo hire?

Mr Richardson: Limo hire would be a good way of spending more money; so, again, if you want better bang for the buck, you would have a driver in most places rather than a limo.

Senator EGGLESTON: Again, has the department done a cost-benefit analysis of every post having drivers instead of other options?

Mr Richardson: I think it would be a waste of money, so we have not done it.

Senator EGGLESTON: Okay. Now I have some questions to do with the Ambassador to France, Ric Wells. When did he take up residence in Paris?

Mr Richardson: It was about the beginning of the year.

Senator EGGLESTON: Has he presented his credentials yet?

Mr Richardson: Yes. I might add that I just got note that there are two chefs in Paris. . It is because there are two residences and two ambassadors. There are not two chefs working in the one residence. We have an ambassador to the OECD and we have an ambassador to France.

Senator EGGLESTON: Thank you. To come back to the Ambassador to France, could you please give us on notice the date when he presented his credentials?

Mr Richardson: Certainly.

Senator EGGLESTON: Thank you very much. Is it true that the apartments of the Paris embassy residence are being refurbished?

Mr Richardson: That is right.

Senator EGGLESTON: Is the ambassador's apartment being refurbished?

Mr Richardson: I believe so.

Senator EGGLESTON: Where is the ambassador living while this work is being done?

Mr Richardson: I would have to take that on notice.

Senator EGGLESTON: Thank you. I will accept that. How much is the rent of the temporary apartment—which is what we are talking about now—that the ambassador lives in?

Mr Richardson: I would have to take that on notice.

Senator EGGLESTON: It has been suggested to us that it is about €260,000 per annum. Would that be a ballpark figure?

Mr Richardson: I would need to take that on notice. I am not familiar with rental rates in Paris. I would like to be, but I am not!

Senator EGGLESTON: It would probably be nicer to be receiving than paying if €260,000 per annum is a typical rate. Do we know how long the lease is on this temporary apartment?

Mr Richardson: We will again take it on notice.

Senator EGGLESTON: We are advised that it is six years. We wondered why that lease was so long.

Mr Richardson: We will take that on notice and come back to you.

Senator EGGLESTON: Finally, how long is it expected that it will take to refurbish the Australian ambassador's residence or apartment in Paris and what is the estimated cost of the refurbishment?

Mr Richardson: I will take that on notice.

Senator EGGLESTON: Thank you.

CHAIR: If there are no further questions in this area, we will move to services to diplomatic consular representatives. Are there any questions here? If not, we will move to program 1.2, payments to international organisations. Are there any questions here? Senator Fawcett.

[20:02]

Senator FAWCETT: Mr Richardson, I notice in your budget statements that there is about \$237 of administered funds to international organisations. Does that include the IPCC Trust Fund?

Ms Thorpe: I do not believe we are paying for that, but I would have to take it on notice to confirm.

Senator FAWCETT: I am happy for you to take that on notice; but, assuming someone in the government is, I notice that the United States Congress last year ceased their funding of the IPCC due to their concerns around financial management. It was essentially a value-for-money consideration. What mechanisms does DFAT have in place to make sure that moneys that are paid to international organisations are actually delivering value for money? Is there an annual review? Are there key reportable items that are audited? What frameworks do you have in place?

Ms Thorpe: My understanding is that we are members of various committees and, as part of the membership, all members within the committee make those decisions. It is not something unilateral. They usually have some sort of annual process where they set fees, contributions and things like that, and we are party to that sort of activity.

Mr Richardson: I might add that you may wish to also ask AusAID that question. In a number of cases it is AusAID money that goes to certain international organisations, and I believe that they did an assessment last year.

Senator FAWCETT: They did a review of aid effectiveness. I am familiar with that. Do you have \$237 million of your money—of taxpayers' money.

Mr Richardson: Yes.

Senator FAWCETT: That is going to international organisations. What I am asking is, what steps do we put in place? Whilst the IPCC Trust Fund is under WMO financial regulations, the Americans have found sufficient irregularity, despite that committee of the whole, to withdraw their funding. So what I am asking is, what due diligence is DFAT doing on behalf of the taxpayer to make sure that that money is spent wisely?

Ms Stokes: I would say that this is a very big part of the work that we do in all of our UN missions—in New York, in Geneva and in Vienna. Part of our engagement with the UN is about priority setting and performance review—looking at what the organisations are doing. I might just mention that one rather large part of our contributions to the United Nations is the peace-keeping contribution—our contribution to the peace-keeping budget. A very intensive process of discussion, review and accounting goes on in New York, looking at where the money is spent and whether there are opportunities for efficiencies and for doing things better. Australia engages very actively in that process. It is not only DFAT. The Department of Defence also contributes to that process from the Australian point of view. Our contributions in that respect are assessed contributions, based on a certain percentage, which is negotiated from time to time. We have a great interest in ensuring that our money is well spent, and we focus on that. That is just one example.

Senator FAWCETT: Using that example—an you have talked about numerous discussions—does that body outsource to KPMG or somebody to do audits? Do we contribute, for example, forensic accountants to actually take part in spot checks? What form do those discussions take?

Ms Stokes: The UN, of course, has an auditing function—a very well-resourced one, and when I say 'well-resourced' I mean that it is a very professional effort.

Senator FAWCETT: I am sure it is well resourced. The question is how effective it is.

Ms Stokes: What I mean is, it is professional. And, as in any organisation of this kind, there is a professional auditing function, and that is reported to the members. There is the budget committee in New York—the so-called fifth committee. It looks at the budgets that are assigned to the various parts of the central UN, and all of these matters are looked at incredibly closely by the member states. Australia participates actively in all of those meetings and discussions.

Senator FAWCETT: In addition to the question on notice you have taken about the IPCC Trust Fund, could you also come back to me to look at the reasons the United States congress chose to halt its funding, and to see whether any of those items are cause for concern for Australia? If they are, perhaps you could also provide an explanation as to what changes we need to make in our system of due diligence to make sure that our money is spent wisely.

Ms Stokes: Yes.

CHAIR: We will move to program 1.3: Public Information Services and Public Diplomacy.

Senator BIRMINGHAM: Mr Richardson, have contract arrangements or details with the ABC been finalised with regard to the Australia Network services provision?

Mr Richardson: Not yet.

Senator BIRMINGHAM: What is the delay there? It think it will be six months next week since the government announced, on 5 December, that the ABC would be given the contract.

Mr Richardson: The Department of the Prime Minister and Cabinet was tasked with taking forward a submission to government on future governance and other arrangements relating to the Australia Network, and that process has not yet been completed.

Senator BIRMINGHAM: Funds for the ongoing provision of the Australia Network are proposed in the budget, to be appropriated to your department. That is correct, isn't it?

Mr Richardson: Yes.

Senator BIRMINGHAM: And is DFAT involved in the finalisation of these contract negotiations or arrangements?

Mr Richardson: No. We are involved in it, but PM&C has been tasked with actually leading that. We are not the leader in doing that; that is PM&C.

Senator BIRMINGHAM: When was the decision taken for PM&C to be the lead agency in finalising this?

Mr Richardson: I think—and I stand to be corrected—that decision was taken at the time that it was decided to give the Australia Network to the ABC on a permanent basis.

Senator BIRMINGHAM: On 5 December, at that cabinet meeting and subsequent announcement?

Mr Richardson: Whenever, yes.

Senator BIRMINGHAM: What format is the department's engagement in terms of this finalisation? Is there an interdepartmental committee working through these issues with the ABC, or is PM&C meant to be pulling all the strands together?

Mr Richardson: There has been an interdepartmental committee process. The Department of the Prime Minister and Cabinet has prepared a submission for ministers and we in the usual way have been involved in that. We have, also in the usual way, provide coordinating comments.

Senator BIRMINGHAM: Who chaired the interdepartmental committee?

Mr Richardson: I do not know; I have not been personally involved.

Senator BIRMINGHAM: Are any other officials able to inform us of that?

Mr Richardson: Yes. It was an officer of the Department of the Prime Minister and Cabinet, who I am advised is Marie Taylor.

Senator BIRMINGHAM: What other agencies are represented on the interdepartmental committee?

Mr Richardson: We are represented. The department of communications, broadband et cetera is represented. I believe the department of finance is represented and I suspect that Treasury is represented, and that is it.

Senator BIRMINGHAM: All the same agencies that were represented on the tender evaluation initially?

Mr Richardson: Yes. That is right.

Senator BIRMINGHAM: Are you able to shed any light on why it is that PM&C is now the lead agency in this regard?

Mr Richardson: That is a decision of government, and it is the government's prerogative to make whatever department they wish the lead agency. It is not unusual for PM&C to be the lead agency on a whole range of matters.

Senator BIRMINGHAM: You indicated that a submission has been prepared. When was that submission circulated?

Mr Richardson: I cannot tell you that. I would need to take that on notice.

Senator BIRMINGHAM: Has your department provided comment?

Mr Richardson: Yes.

Senator BIRMINGHAM: Are any officers present who can inform us of the rough time line as to when comment was provided to that submission?

Mr Richardson: No. We would need to take that on notice.

Senator BIRMINGHAM: So there are no officers present who can assist us in shedding some light on whether the submission was prepared four months ago, four weeks ago or four days ago?

Mr Richardson: No. To be accurate, I would prefer to take it on notice.

Senator BIRMINGHAM: I appreciate your desire for accuracy, Mr Richardson. I am trying at least to get a feeling for the time line here. It is six months since the government took this decision and I am intrigued as to what the delay is.

Mr Richardson: I have been involved in this for a long time and I am not going to start guessing. I will give you accurate information or none at all.

Senator BIRMINGHAM: Okay. I do appreciate your desire to be accurate and I understand the pressures that have been applied throughout this—I am sure there have been many—but I would have hoped that we could get some indication from the department. It is now, however, expected that it will be a cabinet sign-off as to the ongoing management arrangements for the Australia Network?

Mr Richardson: Yes.

Senator BIRMINGHAM: Aside from his position around the cabinet table, does Minister Conroy continue to have any particular responsibility in that regard? He was appointed at one stage the approver for the tender.

Mr Richardson: I am not aware of the relationship between Senator Conroy and Department of the Prime Minister and Cabinet on this matter. He would clearly have visibility of it by virtue of his department being on the IDC, so we he would have visibility in the normal way. Whether he has a role beyond that directly with the Department of the Prime Minister and Cabinet I do not know.

Senator BIRMINGHAM: Mr Richardson, how important do you believe it remains to achieve broadcast rights into China for the Australia Network?

Mr Richardson: It remains a relevant goal. Obviously, anyone running the Australia Network would like that, if at all possible.

Senator BIRMINGHAM: Will it be achieved by the arrangement with the ABC?

Mr Richardson: I don't know.

Senator BIRMINGHAM: Are any officials present who are able to advise on that?

Mr Richardson: No.

Senator BIRMINGHAM: What about coverage either of events in the Middle East or coverage and broadcast into the Middle East? Does that remain a DFAT priority for the provision of the Australia Network service?

Mr Richardson: It remains a matter of interest. It was one of the factors, as you know, that was part of the reason for the re-tendering. Where that sits now in the bigger government consideration of it, I do not know.

Senator BIRMINGHAM: Minister, you are new minister who has walked into this rather interesting, tangled, affair that has been the provision of the Australia Network's ongoing services. Do you have views as to the priority of either achieving broadcast and landing rights in China or extending the service into the Middle East?

Senator Bob Carr: No, I haven't. I would have to seek advice on both those questions.

Senator BIRMINGHAM: You have not looked at those matters—

Senator Bob Carr: No.

Senator BIRMINGHAM: or indeed any matters to do with the Australia Network as yet?

Senator Bob Carr: No.

Senator BIRMINGHAM: Mr Richardson, can I go to the decision of 5 December of cabinet which is canvassed in the ANAO report into the Australia Network tender—and I am sure that is a report that you are familiar with.

Mr Richardson: I have had a glance at it.

Senator BIRMINGHAM: I thought you may have. Mr Richardson, that indicates that the submission of 5 December was prepared by Department of Broadband, Communications and the Digital Economy, which was the submission that made the ultimate decision to undertake a policy decision that the Australia Network service

would be no longer contestable but would become an ongoing function of the ABC. Why was that submission prepared by Department of Broadband, Communications and the Digital Economy and not by your department?

Mr Richardson: That was a government decision. I may be wrong, but I think by then Senator Conroy had been appointed the approver. A set of events unfolded which you are familiar with which are detailed in the ANAO report, and then it was Senator Conroy who was tasked with bringing the submission forward. I cannot advise you why or for what reason. I only know the facts.

Senator BIRMINGHAM: But, Mr Richardson, whilst Senator Conroy was appointed the approver and the lead minister, the arrangement had been that your department had still been the lead agency advising Senator Conroy.

Mr Richardson: We were the agency formally tasked with advising Senator Conroy. Senator Conroy, as was his right and prerogative, could also obtain advice from his own department and the like. I think it was a natural consequence of all that that he took forward the submission to the cabinet on the fifth.

Senator BIRMINGHAM: Paragraph 5.31 of the ANAO report states:

PM&C, the Treasury, the Department of Finance and Deregulation, and DFAT did not support the recommendation for the Australia Network service to become an ongoing function of the ABC ...

The recommendation, of course, that was taken by Senator Conroy in that submission drafted by the Department of Broadband, Communications and the Digital Economy to cabinet. Why is it that DFAT did not support that recommendation?

Mr Richardson: I do not have anything to add there apart from what is in the ANAO report.

Senator BIRMINGHAM: Well, Mr Richardson, the ANAO report states the fact there.

Mr Richardson: And I do not intend to go beyond the fact of that statement.

Senator BIRMINGHAM: So you will not provide any context or reasoning to that fact?

Mr Richardson: No.

Senator BIRMINGHAM: The ANAO report does go on to say:

... instead favouring a competitive open tender to obtain ongoing cost effectiveness and value-for-money service delivery.

So that statement of fact of the ANAO remains the view of DFAT?

Mr Richardson: I do not have any comment in respect of what our ongoing views might be on a matter which is yet to be considered formally by the cabinet.

Senator BIRMINGHAM: Okay, Mr Richardson. Can I go to the appointment, or non-appointment as the case may be, of Mr Brad Orgill to undertake parallel negotiations with the two bidders for the Australia Network tender. Answers that you provided to questions that you took on notice when we last met in February informed me that Mr Orgill was never officially appointed. When was Mr Orgill approached?

Mr Richardson: I don't know when he was approached, because he was approached either by Senator Conroy or someone on Senator Conroy's behalf. So I am not in a position to tell you when precisely he was approached.

Senator BIRMINGHAM: So the identification of Mr Orgill as the person to undertake these parallel negotiations was one undertaken separate from the department?

Mr Richardson: We were advised of his 'appointment'.

Senator BIRMINGHAM: You were advised by Senator Conroy?

Mr Richardson: I was advised by Senator Conroy. And, I have got to say, there was nothing untoward in that. It was totally within Senator Conroy's prerogative to do that. I do not know the details, but I believe in going down that path he did seek probity advice from the Australian Government Solicitor.

Senator BIRMINGHAM: He certainly sought advice, which is detailed in the ANAO report, about going down the path of parallel negotiations. Do you believe he sought advice about the appointment of Mr Orgill specifically?

Mr Richardson: No, sorry, Senator, for the confusion. I was meaning precisely what you just said.

Senator BIRMINGHAM: So would it not be appropriate in those instances for a shortlist of potential negotiators to be drawn up for there to be some assessment by the department of potential negotiators rather than the minister to simply select someone to undertake those negotiations?

Mr Richardson: I do not know what process was followed, so I am not in a position to comment.

Senator BIRMINGHAM: The legal advice about the undertaking of parallel negotiations did certainly highlight that there were genuine risks with that approach and suggested that to do so would run the risk, quoting from the Auditor-General's report:

... Of permitting the tenderer concerned to improve their bid and expose the tender process to potential legal challenge from the other tenderer.

Did you believe that was a real risk at the time?

Mr Richardson: It was not for me to have a view. That was the advice given to Senator Conroy by another agency of which I was not party.

Senator BIRMINGHAM: Did you see the legal advice before Senator Conroy took the decision to undertake parallel negotiations?

Mr Richardson: I do not know whether the department did or not. I do not believe I did.

Senator BIRMINGHAM: Okay. So if you did not see it then obviously you would not have been in a position to advise Senator Conroy on it or provide him with a view about it?

Mr Richardson: Senator Conroy was not looking to the Department of Foreign Affairs and Trade to provide legal and probity advice. He was properly looking to the Australian Government Solicitor.

Senator BIRMINGHAM: How important does DFAT see the potential for audience growth of the Australia Network to be?

Mr Richardson: That will depend upon how the Australia Network is managed and driven over the coming years, and it will depend upon the extent to which the ABC utilises developing technology.

Senator BIRMINGHAM: In undertaking the two variants of the tender last year, what priority did DFAT place on audience growth as a factor in the consideration of the bids?

Mr Richardson: I cannot tell you in precise terms. There were formal measures of these things. I cannot tell you in precise terms, but we did attach some importance to it.

Senator BIRMINGHAM: The ANAO report suggests that the minister, in making his decision to commence parallel negotiations, considered amongst other things the Tender Evaluation Board's perceived over-reliance on audience growth as an important differentiating factor in the bids. Did DFAT feel that too much consideration was given to audience growth by the Tender Evaluation Board?

Mr Richardson: I would answer that in two parts. First of all, we did not. Equally, it was perfectly proper of the minister to have a different view. A minister, as you know, is not obliged to accept the same perspective as officials, and officials can get it wrong just as anyone else can. So the fact that the minister took a different view was entirely within his prerogative.

Senator BIRMINGHAM: Given priorities that were given at different stages of the tender processes to achieving an audience in China and potentially to achieving an audience in the Middle East, clearly it would have been logical for the bidders to expect that audience growth was a key objective and key metric to be considered as part of the tender.

Mr Richardson: I cannot comment on what might have been in the minds of the two bids.

Senator BIRMINGHAM: But certainly DFAT saw a priority in audience growth. You are simply acknowledging that it was up to the minister if he thought there was a different priority to be given to audience growth.

Mr Richardson: It was a priority for us. Someone else or some other group of people might take a slightly different view.

Senator BIRMINGHAM: I am going backwards in time a little. On 25 May the Prime Minister and the foreign affairs minister met to discuss aspects of the Australia Network tender process. This meeting is identified at paragraph 3.36 of the ANAO report. Who initiated that meeting?

Mr Richardson: I cannot say. I do not know who initiated that meeting. We do not know who initiated it and we do not ourselves have a record of the meeting. But that does not mean it did not happen; it obviously did because it is in the ANAO report.

Senator BIRMINGHAM: Reading an ANAO report is not like reading a newspaper, so, yes, I think we are correct: we can say that it obviously did happen. Does the fact that you do not have a record of that meeting mean that there were no DFAT officials present at that meeting?

Mr Richardson: No, and it is not unusual at all for ministers and prime ministers to meet without officials. Indeed, if they are doing their jobs properly, they very often meet without officials.

Senator BIRMINGHAM: Sure. So were there officials present at that meeting?

Mr Richardson: There were certainly none from DFAT; whether there were officials from elsewhere I simply would not know.

Senator BIRMINGHAM: No. But there were certainly none from DFAT. Were you briefed about the meeting, subsequent to it, by the then foreign minister or his office?

Mr Richardson: I genuinely cannot recall, Senator. I have no recollection of it; however, if the former minister said, 'Yes, you were, and these were the circumstances,' I would not challenge him. I just have no recollection of being so briefed.

Senator BIRMINGHAM: The following day, DFAT circulated a draft cabinet submission that included the tender evaluation board's deliberations and its initial recommendation from the first round that Sky be appointed. This circulation on 26 May is identified in paragraph 3.41 of the ANAO report. So you are unaware as to whether you or anyone in the department was aware of the previous day's meeting with the Prime Minister when that draft cabinet submission was circulated a day later?

Mr Richardson: That is quite right.

Senator BIRMINGHAM: That is quite right—that you are unaware if anybody was aware?

Mr Richardson: That is right.

Senator BIRMINGHAM: I am trusting that there would be officials who would correct the record now, or who would let you know, if they are present, if anyone was aware. Can you take on notice the question as to whether anyone was aware or was briefed by the foreign minister or his office about that 25 May meeting?

Mr Richardson: I can say—precisely because I have a note here saying so—that we have no record of the meeting. That is telling me that no-one in the department was aware of it.

Senator BIRMINGHAM: Okay. So no-one was aware of it, and the submission, including the recommendation for the appointment of Sky, went forward to circulation. I will come back to that circulation in just a moment. The Australia Network tender was then considered by the cabinet on 6 June. Your submission had been withdrawn by then, as I understand it. Is that correct?

Mr Richardson: That is right.

Senator BIRMINGHAM: Do you know what prompted the discussion on 6 June? Was there a subsequent submission?

Mr Richardson: I am not sure, Senator. From memory there were two cabinet meetings in June—

Senator BIRMINGHAM: There were three actually: 6 June, 14 June and 20 June.

Mr Richardson: Yes, I remember there being more than one. If I can be very frank with you, Senator, and at the risk of getting into strife: because of the ANAO report which sits before us and because the parliament has established a special committee to inquire into the tender process, I have not overly prepared for questions about the Australia Network for this Senate estimates meeting. I will go over the material in detail prior to the special committee hearing. I certainly expect to be called before that committee and I will prepare more exhaustively for it. But, when you are asking me these questions in this forum and I say I do not have a recollection, I am not trying to be evasive; I am just telling you the truth.

Senator BIRMINGHAM: I appreciate, Mr Richardson, that you were very helpful in the February hearings, where you were probably well prepared, and I appreciate that significant time is elapsing since some of these events. As I noted at the beginning, it is even six months since, in a sense, they were finalised, but still they await ultimate finalisation. Could you take on notice the 6 June cabinet meeting. I note that the ANAO report, which goes through these events in relatively good sequence, states at 3.46 that, on 6 June 2011, the government agreed that the foreign minister would bring forward to the cabinet a submission on the tenders for the Australia Network, with the government to agree the successful tenderer. What is not clear is how that discussion on 6 June came to take place. If you are able to take on notice whether it was a result of a submission of your department—and, if it was not a submission of your department, whether your department was given the opportunity to comment on any submission that was going forward that led to the discussion of 6 June—that would be appreciated.

Mr Richardson: We will take that on notice.

Senator BIRMINGHAM: I said that I would return to the issue of the circulation of your draft submission and the handling of documents. At various points, ANAO is quite scathing of the handling of confidential tender information. They are not always issues that are relevant to your department, but certainly, at 3.42, it is relevant to

your department. It highlights that the submission was provided by DFAT to PM&C on 26 May 2011—this was the submission that included the evaluation board's deliberations and recommendations—that it was submitted using the secure CabNet email network, and that, as a result, it was delivered to 30 PM&C officers through the CabNet email in-box, and that, whilst they may be appropriately cleared to handle cabinet material, there was not a demonstrable need for them to be informed about the deliberations and recommendations of a 'live' tender process. There was also information provided to the department of communications for the briefing of their minister, and that was then shared extensively within the department of communications and the minister for communications offices. The latter parts of that are not issues that you can be held responsible for, in terms of how Communications shared its information, but do you accept that there was a failure, in terms of the internal handling processes of the confidential tender information, by DFAT?

Mr Richardson: We simply respectfully disagree with the ANAO. The ANAO has its view, we have our view and our view has not changed one bit. There is a whole lot more sensitive things that go on the CabNet than a live tender. And, indeed, other live tenders have gone on the CabNet. You have the most highly classified material going on it. We are quite unapologetic about sending it on the CabNet. We respect the ANAO. We respect the fact that they have a different view. Quite obviously, given what they have said in this review, if we were doing it again we would do it differently because of this report. However, going back to when we did it, we are unapologetic and we do not think we made a mistake.

Senator BIRMINGHAM: That is fairly clear. Both the ANAO, through these sections, and the Australian Federal Police, when I questioned them last week, indicated that the greater the number of the eyes that saw, or could have seen, the confidential tender information, the greater potential there was for it to leak. Do you accept that that is a logical sequence?

Mr Richardson: Yes, as a general principle I think that is right. I would simply note, with due respect to the AFP, that they are not the people we look to for advice when it comes to handling tenders.

Senator BIRMINGHAM: No. It is your probity officials who you look to advice for.

Mr Richardson: Yes, precisely. At all times, we conducted ourselves following advice of a probity officer. We put a lot of effort into it. We believe we held it very tightly. I cannot say what went wrong or whatever, but we are not apologetic for sending it on the CabNet.

Senator BIRMINGHAM: Was it appropriate for the communications department to be briefing their minister about proposed submissions relating to a live tender document before that cabinet submission had been finalised and actually reached the cabinet table?

Mr Richardson: Given that at the time it was a draft cabinet submission, given that at the time it was believed it was going to be cabinet and given that Senator Conroy would have been in the cabinet considering it, I do not find it unusual that they saw fit to show it to Senator Conroy. I am not surprised by that.

Senator BIRMINGHAM: The ANAO found—

Mr Richardson: I cannot comment on whether that is strictly right or strictly wrong, but I am not surprised by it. I might have done the same thing if I had been in their position.

Senator BIRMINGHAM: The ANAO found, though, that for the appointment Senator Conroy as the approver there was at least a perceived potential conflict of interest, if not a real one. Would that not equally have been something that your officers handling the tender process should have been aware of—that Senator Conroy, as the minister responsible for the ABC, had a potential for conflict?

Mr Richardson: Do you see the potential conflict coming from his responsibility for the ABC or the fact that he was appointed the approver?

Senator BIRMINGHAM: This transpired before he was appointed the approver. The ANAO has reflected on the fact that his appointment as the approver presents a potential for conflict. Surely, if there was a potential for conflict in Senator Conroy being the approver, there is equally a potential for conflict in Senator Conroy receiving advance information before the submission has been finalised and circulated through the usual cabinet processes. Senator Conroy could then make his own decisions as to whether he needed to declare anything to cabinet. Obviously, everybody knows he is the minister responsible for the ABC, so I doubt that would be necessary in terms of your department's sharing of information with him prior to it becoming a formalised submission to cabinet, a finalised submission to cabinet, and therefore being circulated to all cabinet ministers through the usual process.

Mr Richardson: Not all ministers responsible for the ABC have been favourably disposed towards the ABC. Ultimately, the ANAO does have a view about the possible perception of a conflict of interest in appointing

Senator Conroy the approver. I note, however, that it was equally the prerogative of the government to do so. There was certainly nothing wrong with the government's decision to appoint him the approver. You might have a different view, but there was certainly nothing wrong per se. I can only repeat what I said before: I was not particularly surprised nor, in retrospect, particularly fussed that they showed it to Senator Conroy.

Senator BIRMINGHAM: This is moving to Senator Conroy's appointment as the approver. There was potentially something wrong, though, with Senator Conroy's appointment as approver, Mr Richardson, because it did create a potential for a perceived conflict of interest in the decision maker.

Mr Richardson: Senator, that is a problem belonging to you and the government. I am not going to get between you and the government.

Senator BIRMINGHAM: No, I would not have expected you to.

Mr Richardson: You can do whatever you want, but do not draw me into it.

Senator BIRMINGHAM: No. I would not have expected you to, Mr Richardson. But you did make a comment before that there was nothing wrong or there potentially was something wrong.

Mr Richardson: I am expressing my view. I have been as frank with you as I can be. I cannot help you any further.

Senator BIRMINGHAM: Mr Richardson, with regards to the payment made to Sky News: has that been made?

Mr Richardson: Yes, it has.

Senator BIRMINGHAM: When was that payment made?

Mr Richardson: I cannot tell you the precise date. I am told it was about a month or so ago.

Senator BIRMINGHAM: Was that payment made from your department? How was that payment funded?

Mr Richardson: It was made from our department, but we got, if you like, subsequent funding from the department of finance. So we were not made to pay for it on the government's behalf. That would have been an issue.

Senator BIRMINGHAM: Indeed. I should say through this questioning that, notwithstanding a couple of the question I have put to you, I think your department's handling of this issue comes out reasonably well in the ANAO report. That is my personal opinion. The government's handling certainly does not, but your department's handling comes out reasonable well. Did that payment go to cabinet for approval?

Mr Richardson: I do not know off-hand. I would need to take on notice the precise process which led to that decision.

Senator BIRMINGHAM: If you could, please. That decision was, I assume, subject to legal advice?

Mr Richardson: Yes.

Senator BIRMINGHAM: And that legal advice informed the Commonwealth that it had a potential liability that was better to settle?

Mr Richardson: Yes.

Senator BIRMINGHAM: Are the terms of that settlement confidential?

Mr Richardson: Absolutely. You have got it in one.

Senator BIRMINGHAM: Indeed. It always pays to check. With that finishing point on a confidential settlement that I could spend a long time asking about and get absolutely nowhere on, that will suffice. There might be some further questions on notice.

Senator SINGH: I wanted to ask some questions about the arts, particularly the Australia International Cultural Council. I understand that each year the AICC has a particular focus country.

Mr Richardson: Yes, that is right.

Senator SINGH: I was wondering if you could tell me what it is this year.

Mr Richardson: In 2012 it is India, and Ausfest gets underway later this year. Ruth Pearce will be able to help with in more detail.

Ms Pearce: So would like to know the details about this year's program?

Senator SINGH: This year's relationship with the focus country, which Mr Richardson says is India.

Mr Richardson: Ausfest in India.

Ms Pearce: Yes. It starts in October and there is a whole range of diverse activities with a contemporary focus very much on young people, gen Xers and Ys, but other niche markets as well. It expresses in a very colourful and innovative way contemporary Australian culture.

Senator SINGH: Is that an exchange? Is it just Australian culture to India or does it work both ways?

Ms Pearce: It is mainly Australia in India, but there are partnerships happening and we are bringing some Indian cultural partners down to Australia to prepare for the event. Unlike, for example, the year of Turkey, it is a reciprocal year. That was announced recently by Prime Minister Gillard.

Senator SINGH: I noticed in the forward estimates there is the International Relations Grants Program. Does that relate to the Australia International Cultural Council?

Ms Pearce: Yes, it does.

Mr Richardson: But it also relates to the various foundations and institutes. For instance, the Australia-China Council, the Australia-Japan Foundation, the Australia-Indonesia Institute, the Australia-Malaysia Institute, the Australia-Thailand Institute and the Australia-India Council.

Senator SINGH: So does this council, the AICC, work with the Australia Council for the Arts as well?

Ms Pearce: Yes, it has a number of representatives, including the Australian Council for the Arts.

Senator SINGH: You talked about those relationships with the grants program being between two different countries—a kind of bilateral connection between two countries. How many of them would be in the Asian region that grants would fall under?

Mr Richardson: Most of it is. We have Australia-China, Australia-Japan, Australia-Indonesia, Australia-Malaysia, Australia-Thailand and Australia-India. We have an Australia-France foundation, which is a small one relative to the others, and we also have Australia-Korea. We also provide something in respect of Australia-Latin America.

Senator SINGH: I was reading on the DFAT website that this is a key cultural diplomacy body, so this assists us with our public diplomacy with these different nations through the arts and culture of Australia. Is that correct?

Mr Richardson: Yes, but the foundations and institutes I have mentioned in respect of individual countries do not come under the—

Senator SINGH: The grants program?

Mr Richardson: No, they come under the grants program, but they do not come under—

Senator SINGH: The AICC.

Mr Richardson: That is right.

Senator SINGH: So how does that grants program work?

Mr Richardson: It is money allocated from the department.

Senator SINGH: To arts organisations?

Mr Richardson: No, to those various institutes and foundations. Each foundation and institute has a separate board consisting of government and non-government people, and they make their decisions about how they utilise the funds.

[20:52]

CHAIR: Are there any further questions in program 1.3? No? Then we will move to outcome 2, program 2.1: Consular Services.

Senator FAWCETT: Mr Richardson, the OECD in 2011 put out a report that ranked Australia 25th out of 34 in terms of consular representation overseas. That was behind Belgium and the Czech Republic. Other commentators have indicated that Australia has the fewest missions of any industrialised country. Is that a problem?

Mr Richardson: I believe we are underdone globally, but that is a matter for the public record; I have said that publicly.

Senator FAWCETT: What are we doing to rectify the situation?

Mr Richardson: The network has slowly grown. We opened a mission in Addis Ababa a couple of years ago, and the government provided funding in this year's budget for Chengdu in western China and also for Dakar in Senegal in western Africa. We expanded the network in India a couple of years ago with openings of full consulates-general in Mumbai and Chennai. We have reopened a post in Lima. However—and again this is a

matter for the public record—of the 20 OECD countries I think we have the smallest or the second smallest diplomatic footprint. Of the 43 countries that make up APEC and the OECD we rank 35 out of 43 in terms of diplomatic footprint.

Senator FAWCETT: Given what we discussed earlier—that the red book indicated your department was already under budgetary stress—the recent budget combined with the strong Australian dollar I assume means more people are travelling. Would I be correct in assuming your workload is actually increasing to consular services?

Senator FAWCETT: Is the net outcome of that that your position is worse now relatively than it was, perhaps even in 2011 when that OECD report was put together?

Mr Richardson: I do not know—I could not compare it on a year-on-year basis—but certainly the consular demands on us are growing in terms of the number of people travelling abroad and the demographic of people travelling abroad as well as in terms of expectations. We are a country which has pretty high expectations as to the assistance government can provide citizens abroad. I have to say in fairness that that is part of a growing global trend. For instance, China was caught very short in what happened in Libya. For the first time, the Chinese government found considerable domestic pressure arising from its citizens being caught in a trouble spot abroad and people asking in China what the Chinese government was doing about it. I think the Chinese government had to take some 30,000 to 40,000 of its citizens out of Libya. So the growing expectations in Australia are mirrored by a growing global trend across different political systems.

Senator FAWCETT: Sure—and I will come back to a similar issue for us in a minute. I notice that DFAT made a submission to the parliamentary inquiry into Australia's overseas representation and identified priorities for a number of posts. I want to ask you how you allocate priorities. I notice there were three areas—low options, medium options and high options—and I assume they relate to the amount of additional money that the government may give you. But, within those options, Dar es Salaam is on a par with the provincial mission you are looking at setting up in China. The whole-of-government view is that Asia is where the growth is, and Treasury issued a statement as part of the budget that that is where the growth is and that is where our increasing interests should be. How do those priorities get listed like that?

Mr Richardson: In fairness, we were asked this. They said, 'If you had this amount of money, where would you spend it?' We did a quick-and-dirty. I am on the public record as saying on a number of occasions that the consulate in western China was our top priority, and the government did give funding for that in this year's budget. We certainly would not put the additional consulate in western China on a par with Dar es Salaam, and that is clearly a mistake on our part in the way it is presented there.

Senator FAWCETT: The way it was presented in the report was that if you had this much you would do these, and if you had a bit more you would do those plus the next level. So does the fact that you have done China mean that you have also done Kazakhstan and Mongolia?

Mr Richardson: No; we have done western China and we have done Dakar.

Senator FAWCETT: Can I go to western China? Perhaps your preference was quick and dirty, but I would assume that if you put it into a submission it was considered. Your preference was for Chongqing, but I notice that the end result was a different location. Why was there a difference between what you had recommended—

Mr Richardson: When we answered this question, the government had already announced Chengdu in western China. That is why Chengdu does not appear here. Dakar had not been announced, which is why it is here in the first thing.

Senator FAWCETT: So Chengdu is not a replacement for Chongqing; it is an additional one you would like if you have the funding.

Mr Richardson: To be very frank with you, there were differences within the department about whether it should be Chengdu or Chongqing—different people had different views. We ended up going with Chengdu on the very strong recommendation of the ambassador in Beijing, and I think that was the right call. All the imperial—sorry, empirical—evidence pointed to Chengdu.

Senator FAWCETT: It has been a few years since evidence in China was imperial!

Mr Richardson: You have it precisely! If there was funding for another consulate-general in China, we would not necessarily argue for Chongqing. We could argue more for another consulate-general in north-east China.

Senator FAWCETT: Sure.

CHAIR: Senator Fawcett, we are scheduled to go to the tea break now.

Proceedings suspended from 21:00 to 21:15

CHAIR: Senator Fawcett is going to finish his questions in 2.1 and then we are going to jump back to Senator Ludlam, who has got a few question for the Australian Safeguards and Non-Proliferation Office. Senator Fawcett.

Senator FAWCETT: I just want to finish off on the priorities and placements for missions, and then talk a little bit about our liabilities overseas. Just to understand the process, you said that the ambassador in China made the decision on Chengdu. That was his—

Mr Richardson: No, made the recommendation though.

Senator FAWCETT: Yes, his recommendation. Did that then take the form of a cabinet submission for the cabinet to sign off on the location or was that just directly to the minister?

Mr Richardson: It was the location, a ministerial decision. However, it was an ERC government decision in relation to the funding for it. The two more or less happened together, but the key thing was the funding decision by the ERC.

Senator FAWCETT: You did mention the amount before that was allocated for the construction over the forward estimates. Does that include a sustainment amount or does that just get rolled into your normal annual appropriations?

Ms Thorpe: There is ongoing funding for the ongoing management. It becomes part of our baseline, but we did get operating funding to keep it going once it is set up.

Senator FAWCETT: Just as an indication, what is that increase to your baseline when you an open a new mission like the one in Chengdu?

Ms Thorpe: I will just make sure I can give you the exact details.

Mr Richardson: It would be in the order of a few million.

Ms Thorpe: Actually, the number that is in there has got the combination of both Senegal and China in there.

Mr Richardson: It is high in the initial years because of the capital costs. But the actual ongoing operating costs are much lower.

Ms Thorpe: It is about a million dollars for each.

Senator FAWCETT: In terms of consular services in China, how many Australians are currently in jail in China?

Mr Binns: It is 57.

Senator FAWCETT: Are they spread in various regions or are they all basically in one location?

Mr Binns: Of those, I think 10 are in Hong Kong and the remainder in China. I will get the figures.

Ms Ganly: They are spread throughout China. They are covered from three posts in mainland China: Beijing, Shanghai and Guangzhou all have responsibility and have a number of prisoners in their consular districts.

Senator FAWCETT: So what range of lengths of sentences are they serving? Are they short term, long term?

Ms Ganly: They range considerably.

Mr Binns: There is a range of sentences. I do not have the full record of them here, but 11½ years in one case, eight years in another and shorter periods in other cases.

Senator FAWCETT: How frequently do they get a visit from our consular services?

Mr Binns: As a rule, they get a visit every month.

Senator FAWCETT: If family come out to visit them, do they get any support from the consular services?

Mr Binns: They can do. Certainly.

Senator FAWCETT: When they were actually at trial, did DFAT get access to the court documents or have any oversight—'insight' is probably a better word—into the legal processes that transpired?

Mr Binns: In most cases we are able to attend the court hearings and to certainly meet with the lawyers and, if the lawyers or the clients themselves elect to share court documents with us, we can have access in most cases.

Senator FAWCETT: In most cases? Therefore in some cases you did not have access? Was that by choice or was that prohibited by the Chinese?

Mr Richardson: There were a couple of well-publicised cases that you will be aware of where some of the court hearings were closed for 'reasons of state secrecy' and the like.

Senator FAWCETT: Do we have a standing agreement with China as to how their nationals will be treated here and how our nationals will be treated in China?

Mr Richardson: We do have a consular agreement.

Senator FAWCETT: Were those closed hearings in accordance with the agreement?

Mr Richardson: It is possible to have closed hearings. For instance, if we were to have a Chinese national charged with espionage, then it is very possible that some of those hearings in Australia would be closed, including to Chinese government representatives. It is possible for you to have closed hearings within the framework of the agreement. However, Chinese practice in that regard is not the same as ours. In our case, closed hearings are very much the exception to the rule and do not occur very often at all. We have had a couple of closed cases in China and we have made a point of raising that with them.

Senator FAWCETT: Other than raising the individual case, has there been any attempt to change the underlying agreement between those countries as to how those cases would be handled?

Mr Richardson: It is difficult to get that, because we ourselves would consider it in our own national interest—theoretically, you would not want an agreement that compromises an espionage case.

Senator FAWCETT: The other two areas that are potentially of concern in terms of your consular services at the moment are Iran and Syria. Could you outline for me how many Australians citizens do we have in Syria and Iran? If things continue to deteriorate in Syria—it cannot get a lot worse in Syria—we need to evacuate Australian citizens, do we have adequate resources in the country, in neighbouring countries. Or do we have partnerships with embassies?

Mr Richardson: Paula advised previously that there are currently 157 Australian citizens in Syria. There are around 100 in Iran, maybe a little more.

Ms Ganly: We are not sure. Most of the Australians in Iran are dual nationals and therefore they do not necessarily declare their Australian citizenship to us, but we are aware of around 100.

Mr Richardson: So there are a relatively small number registered. What we could do in the event of consular need in Iran would depend upon the circumstances. You could have circumstances in Iran where the capacity of the embassy to provide assistance to Australian citizens would be very limited. Indeed, our capacity to provide assistance to Australian citizens in Syria today is limited. We do not advise Australians to travel to Syria. Those Australians who remain in Syria are aware of the country they are in and of what is happening around them in Syria and I would assume that they have worked through the fact that the Australian government is not in a great position to be able to help them.

Senator FAWCETT: I have asked this question previously, but I will ask it again to see whether there has been any further development. I remain concerned that there are occasions where we offer support and people may choose to remain and, as the situation deteriorates, it then becomes impossible for us to help. What work has been done in developing a framework of trigger points upon which assistance will be offered, but then very clearly advertise: 'If you refuse the assistance at this point, then you're pretty much on your resources after that?'

Mr Richardson: Yes, but I have yet to work for a government that would be prepared to say, 'You're not going to get any assistance regardless; that's it,' because while that is sensible quite clearly you can get situations that unfold where you get conflicting claims. We may think there is not a lot we can do, but the individual there and their family believe there are further things that the government can do. Where you have individuals trapped in a particular country, despite the fact that they have gone there against the advice of the Australian government et cetera, their families, understandably, become very concerned and, understandably, put a lot of pressure on elected representatives for consular assistance to be provided.

Senator FAWCETT: As we discussed previously, Cairo is a classic case in point, where there are only so many times that you can fly increasingly empty 747s out of the capital city because people are not choosing to get on them.

Mr Richardson: Absolutely.

Senator KROGER: Does Syria or Iran recognise dual citizenship?

Ms Ganly: Iran does not recognise dual citizenship, so we recognise them as Australian-Iranians. I understand Syria does, but I would have to confirm that, so I will take that on notice.

Senator KROGER: Presumably that would create implications for what we can do for them in country.

Ms Ganly: A lot of people in Syria that we are aware of have actually entered Syria on Australian passports and are there but, because of their links and family, have chosen to remain. As Mr Richardson indicated before, we try and do everything for them and I mentioned earlier that we do call them on a regular basis telling them to leave if they can.

Mr Richardson: Dual nationals are a particular issue with China because, where a dual national enters China on a Chinese passport as opposed to an Australian passport, they do not always then recognise that person as having consular rights.

Senator KROGER: That is what prompted me asking. You have explained in previous estimates about the complications that creates on the ground in terms of consular access to those individuals who are not recognised as Australian citizens. I will leave it there.

CHAIR: We will go to Senator Ludlam and his questions of the Australian Safeguards and Non-Proliferation Office.

Senator LUDLAM: Thank you, Dr Floyd, for joining us and apologies for keeping you back this late. Some of my questions might have been traversed already during the day as we went around the world. I have a couple on Indian uranium sales, but I want to start with some issues in Africa. If your office has no contact with these issues, I will direct them through Mr Richardson to the department. Is ASNA aware of any claims of coercion and/or harassment of critics of Paladin Energy's Kayelekera uranium mine in Malawi?

Dr Floyd: No, we are not aware of those particular issues.

Senator LUDLAM: I realise you work at the far end of the nuclear fuel chain, but that is on the record now. Thank you. Secretary, would you take that on notice for us?

Mr Richardson: Sure.

Senator LUDLAM: Unless you have someone at the table—

Mr Richardson: No, we will certainly take it on notice.

Senator LUDLAM: I apologise that I did not raise that when we were in the Africa bracket. Please inform us whether you are aware of claims and whether any action is underway—whether anything at all is afoot. Dr Floyd, are you able to give us an overview of the work of Africa Mining Vision project, which is an organisation under the auspices of the African Union and Australian aid working with the mining industry lobby? Do you know whether that work involves uranium operations or projects or companies? Are you familiar with that outfit?

Dr Floyd: I am not familiar with the details of that particular project. But you might be interested to know that just in the last month we have participated in a workshop that was run with the International Atomic Energy Agency, hosted in Namibia by the Namibian government. It was an outreach workshop looking at uranium regulatory activities, particularly around safeguards for national authorities in Africa. It was well attended by many African countries. They saw the input from Australia as particularly valuable for the way that those countries might go about setting up their regulatory arrangements.

Senator LUDLAM: I can imagine. Did you attend that one yourself, or staff?

Dr Floyd: I did not. One of my staff was there.

Senator LUDLAM: In what capacity?

Dr Floyd: We were specially invited to be one of the key presenters for providing a perspective on how to set up regulatory arrangements for uranium mining. The Americans and the International Atomic Energy Agency were very keen to have Australia's input as they see our practices as being a good standard for others to consider.

Senator LUDLAM: You do not work directly in mining regulation—that is handled in other departments—you are into safeguards and tracking of material once it has been produced?

Dr Floyd: Correct. It was the regulation attached to the safeguarding of uranium and the inspection arrangements that come with the agency, where there is additional protocol in place, et cetera, for uranium mining, as well as the security measures that exist around mines and transport. Those are all responsibilities of ANSO.

Senator LUDLAM: Australian mining interests are active in Namibia. The company I referenced earlier, Paladin, certainly are. Were there Australian mining industry representatives at that meeting?

Dr Floyd: I think two Australian mining companies were represented at the workshop.

Senator LUDLAM: Are you able to provide us with as much as you have by way of an attendance list for the meeting?

Dr Floyd: Yes, I will take that on notice.

Senator LUDLAM: Also on notice, because I think you indicated you were not altogether certain whether this was a part of the African Mining Vision project.

Dr Floyd: I am not aware that there was any link to that. This particular workshop's origin is from the US and from the International Atomic Energy Agency, and it was strongly supported by the Namibian government.

Senator LUDLAM: Are you aware whether the Australian company Mantra Resources was present at that meeting?

Dr Floyd: We will cover that on notice with a list of attendees. I am not sure which companies were there.

Senator LUDLAM: I raised them specifically, and maybe I could put this again to you, Mr Secretary, it is a company that I believe is proposing to modify the world heritage boundaries of the Selous Game Reserve in Tanzania in order to facilitate uranium mining at a particular project there. Australian interests are involved there. Has the department provided any advice on that issue and do we support the proposed change?

Mr Richardson: Thank you.

Senator LUDLAM: Thanks, Mr Secretary. Moving to the Subcontinent, there are reports in the Indian press, and the *Hindi* in particular, stating that Australian and Indian officials have commenced bilateral nuclear safeguard treaty talks, but I have also seen that disputed. Can you confirm whether or not such talks are afoot?

Mr Richardson: We answered that earlier. No, they have not.

Senator LUDLAM: For the record, what they are reporting in the *Hindi* is incorrect.

Mr Richardson: Yes.

Senator LUDLAM: I thought I might have had an ear to that earlier. What is the current status and expected time frame, if any, of such a dialog.

Mr Richardson: We do not have any time frame for the commencement of the negotiations. Indeed, the negotiating framework has not yet been finalised.

Senator LUDLAM: Would I be correct in assuming that this has already been covered in a previous session, when we were on the Subcontinent?

Mr Richardson: Yes.

Senator LUDLAM: I can go back and check the record. Has the department made any assessment or provided any advice regarding India's recent accelerated missile program or its nuclear submarine commissioning, both of which has occurred since the ALP national conference at which the position was changed?

Mr Richardson: I am not aware of us having made any assessment. Those sorts of assessments would normally be made within the Department of Defence and specifically within the Defence Intelligence Organisation.

Senator LUDLAM: Okay. I can maybe put some questions to them on notice. Has ASNO or the department made any assessment or provided any advice regarding the capacity and adequacy of the Indian national nuclear regulatory regime? There are some reform proposals afoot in India that have been criticised by commentators within the country. What is your view, Dr Floyd, of the changes proposed there?

Dr Floyd: You are great that the Indian government is working on reform to the regulatory arrangements for their nuclear industry. There are a range of issues that they are addressing through that reform. One of the key issues is about their regulator having appropriate independence. The new arrangements that they are putting into place do go some distance towards addressing that, which is very positive. The arrangements also have direct accountability to the Prime Minister. That is also a very positive arrangement. Responsibility is held at the highest level.

The arrangements are being brought forward now in the post-Fukushima era because there was a need for them to re-examine some of their safety arrangements and to enhance them. So they have brought them forward as a package at this point in time. From the briefing that I have received from officials in India, these sound like sensible things that are moving in a helpful direction. I am aware of other critical comments that have been made.

Senator LUDLAM: Can you clarify for me whether it was worth putting to you or to ARPANSA questions around reactor safety in the wake of Fukushima? Are you strictly security?

Dr Floyd: Issues around reactor safety should be addressed to ARPANSA.

Senator LUDLAM: All right. Could you walk us through the precise steps or the sequence of events that would be required from here to advance future uranium sales to India?

Mr Richardson: Essentially, there needs to be a negotiating framework agreed to and settled on by the government. The Indians would need to do the same on their side. At that point, it would be a question of

agreeing on a negotiating time. How long the negotiations would take would depend upon where the two sides were at when they sit down.

Senator LUDLAM: It would be pretty complex stuff, I would imagine. Are we waiting on the Indian government or are they waiting on us?

Mr Richardson: Neither side has yet finalised their own negotiating framework. Within our system, that is not something that ministers have yet considered.

Senator LUDLAM: Okay. With the Indian side, that is up to them. They may have commenced some sort of internal process on their side about what they bring to the table; we have not started a parallel process here in Australia.

Mr Richardson: We have started the consideration of that, but we are a little way off finalising it. Indeed, it has not even yet gone near ministers.

Senator LUDLAM: Am I going to be in trouble if I ask you who is doing that and what form it has taken?

Mr Richardson: A range of different departments. We are involved; AGs are involved. Who else?

Dr Floyd: It is primarily those two departments. The Department of Prime Minister and Cabinet is also involved. The Department of Resources, Energy and Tourism is involved as well.

Senator LUDLAM: Who has the lead?

Mr Richardson: We have the lead in the officials level process that will be making recommendations about the negotiating framework.

Senator LUDLAM: Do I call this a task group, a unit or what?

Mr Richardson: An interdepartmental process.

Senator LUDLAM: Does it have a secretary? Who moves it along?

Mr Richardson: Rob does.

Senator LUDLAM: What is its expected output? What will it produce at the end of its cycle?

Mr Richardson: It will produce a draft cabinet submission, which the Minister for Foreign Affairs would take to the NSC.

Senator LUDLAM: Okay. Has the minister commissioned such a thing or asked for that to be produced?

Mr Richardson: Preliminary work is still being done by officials. We have not yet gone formally to the minister.

Senator LUDLAM: I got that—you said that before. When it is anticipated that you will?

Mr Richardson: It is a little while off just yet.

Senator LUDLAM: We are into that territory, aren't we, when I ask you how long a little while is and you tell me that you cannot really say.

Mr Richardson: I am not sure. It could be some months off. It is clearly going to be a complex negotiation and we have a lot of preliminary work to do and a lot of exploration of different possibilities to carry out yet.

Senator LUDLAM: It does not sound like there is a huge sense of urgency around this. Maybe that is my interpretation.

Mr Richardson: We are keen to progress it. But this is an area in which you hasten at your own peril.

Senator LUDLAM: Indeed. I am not encouraging you to hasten, either. If this agreement never comes into force no-one in this building will be happier than me. I do not want to give you the wrong impression that I am encouraging you to move ahead more rapidly. What place within this task group does the industry lobby have? Are you being encouraged to put your skates on and hurry this up?

Mr Richardson: I am not aware—

Senator LUDLAM: Apart from in the press.

Mr Richardson: One, I do not know who the industry lobby is. I have never met them. I can guess who they are. But they certainly do not come knocking on my door.

Senator LUDLAM: Dr Floyd knows. For example, the Australian Uranium Association are a stakeholder. They have an interest. Are they urging you to get on with this process?

Dr Floyd: You named a group which is a collective body for the uranium miners. I am not sure whether I would call that a lobby group. It certainly is an association of the uranium miners. They have not put any pressure on us. They certainly are a very interested group.

Senator LUDLAM: They have not put any pressure on. Have you met with them since this work—

Dr Floyd: I meet with them all the time in my role as a regulator as they are the regulated.

Senator LUDLAM: On this specific work that is being undertaken that we have just been discussing?

Dr Floyd: On a range of issues. I have not specifically engaged them on the India issue.

Mr Richardson: Is that an association that we would normally go to in the context of a negotiating framework?

Dr Floyd: Not in the formation of the negotiating framework. That is a process within government. That is a body that will raise from time to time with us that they would be interested in the Australian government considering having a bilateral nuclear cooperation agreement with a particular country. But they would not be involved in the formation of a negotiating framework.

Mr Richardson: We do not consult with them about our negotiating frameworks.

Senator LUDLAM: That is excellent.

Mr Richardson: We do get the occasional thing right.

Senator LUDLAM: Has the department or ASNO received any formal or informal expression of interest from the government of Pakistan in relation to future uranium sales?

Senator Bob Carr: No.

Senator LUDLAM: Thank you for that. Can we clarify that neither of the officers at the table are aware of any such overtures?

Mr Richardson: No. If there has been, it has been very informal and would not constitute an expression of interest, as the minister just said.

Senator LUDLAM: So there are two things that we are getting right. Thanks very much.

[21:44]

CHAIR: We are now going back to program 2.1, consular services.

Senator KROGER: I have a follow on question to Senator Fawcett's questions to Mr Richardson. Have you ever been asked to undertake an empirical statistical analysis to project the number of Australians that will travel overseas in the next five-year period or a 10-year period, in addition to the number of detainees in countries and so on—all the various demands and political conflicts that give rise to demands on consular services?

Mr Richardson: We certainly make projections in terms of issues of Australian passports. We have a three-year funding agreement with the Department of Finance and Deregulation, and that funding agreement is based upon projections of the number of people who will apply for Australian passports. There are other bodies than ourselves who project the number of Australians who internationally travel abroad. We have an interest in that because, as I mentioned before, with a growing number of Australians travelling, the changing demographic and where they travel to that does impact on the consular workload. The answer to your question is yes.

Senator KROGER: I understand and appreciate your responses. You were asked, 'If you have X number of dollars, what would be your priority?' and you have responded accordingly. I have sat around these tables, as have you, and listened to former Senator Trood ask questions on this very issue, estimates after estimates, expressing his concern about the effective drawdown on consular services. I think it would be a good thing to have a 10-year projection as to where you think we should be heading in our support for consular services overseas, particularly when you look at the political unrest across the Middle East and so on. You have reported on the support that you have given getting Australians out of various countries. Has that been undertaken in the past—a 10-year projection or a five-year projection?

Mr Richardson: I do not believe so. A priority for us—

Senator KROGER: Would it be possible?

Mr Richardson: Yes. A priority for us on the consular front would be a consul general in Phuket. The number of Australians who now go to Thailand is about 750,000 a year, from memory, and a lot of them go to Phuket. At the moment, that is managed out of Bangkok. It is a big costly drain managing that out of Bangkok. We think over the coming years it will be important to open a consular general in Phuket. I do not think that there is an

issue within government on that. Rather, it is a question of a tight fiscal environment and, obviously, not everyone can get everything they want at this point and I understand that.

Senator KROGER: Sure. When you say it is a fiscal drain on our mission in Bangkok, I presume by that you mean in terms of the resources they have to redirect to providing services and supporting whatever the needs are in Phuket.

Mr Richardson: It is the constant need to travel down and the constant need for someone to be there as opposed to having an office there, which would be a more effective way of meeting the legitimate demand for our services there.

Senator KROGER: I have to go to Smartraveller. I could not come to an estimates and not ask a question on Smartraveller. I would like an update on the travel app and how that is going, because at the last estimates I am actually not even sure it was online at that time.

Mr Richardson: Paula will be able to help you on that.

Ms Ganly: In November last year we launched the third phase of Smartraveller. We have been very pleased with how it has progressed. We introduced, at that time, the mobile website, so that people with smart phones could access the site. We are still in the process of developing the iphone app, which is the next step. But we do have the mobile web on line, and that is being used. We are finding that we are getting substantial use of that. The hits on it, on a daily basis, are very good. We are starting to target airports, now, in the next phase of advertising so that people with their mobile phones are reminded at the airport, as their last point, to register, subscribe and insure.

Senator KROGER: What sort of hits are you having on that?

Ms Ganly: For the first six months of this year on the Smartraveller site there have been 13 million hits. On the mobile—

Senator KROGER: When was that from? Since November?

Ms Ganly: That was for six months.

Senator KROGER: Since you launched it in November?

Ms Ganly: Now you have made me question myself. So far this year the Smartraveller has actually had 15.5 million page views. Then there were 675,000 views on the mobile website.

Senator KROGER: What features does it offer? Is it just a modified version of the website?

Ms Ganly: It is. The mobile website is. The app that we are developing will have some additional features such as geo-location features and will be smarter, and hopefully slightly easier to use. It is being developed in-house. Tuan Dao, our CIO, is here and could give some more information on those features if you want.

We tested it. We had some people go off to a consular colloquium with the five partner countries in Ottawa, last month. They were discussing IT issues and we took the iphone along and tested some of the features at that stage, because we had a prototype. The staff who took it along were very impressed with the way it worked and our colloquium partners thought that we were getting into the cutting edge now with the iphone app.

Senator KROGER: Are any other countries doing this?

Ms Ganly: Others have done the apps but they have basically taken their web site and turned it into an app. So they have not actually developed an independent application for their travel advisory services.

Senator KROGER: Who did you say is with us? Who is responsible for this sophisticated development?

Mr Richardson: If you ask that, Senator, you will have a contest about who is responsible!

Mr Dao: I am the Chief Information Officer.

Senator KROGER: Congratulations, Mr Dao. With this app, what are the features that are peculiar to it? Clearly, I have not looked at it.

Mr Dao: There are a number of things, but in the main it is about the ease of navigation. As Paula explained, the first version, which is the web application, is designed to be able to operate across a number of different platforms in terms of smart phones, regardless of brand—mobile devices.

I am a little cautious to speak about the iphone in particular because then we would be talking, similarly, about the android application and whatever other devices that might come in the next few months or years. Essentially, each phone device has particular navigation features that will allow you to move to different features quicker, rather than just going to a website and going through the menu systems. The geotagging is a particularly rich feature which allows you to notify where you are in the world, and therefore potentially if you are at a location

that has a particular issue in that region, the phone itself knows where you are and we can then push out information that is directly related to the region that you are in. That is essentially the next key feature to it.

The other components also relay it to the mapping side of the houses. On the phone, because you are able to get real-life data potentially, using other services—and this is future features—that are provided by third-party operators in the future, they will also be able to deliver information that is more localised to that area.

Senator KROGER: So for example, if there was an incident and Australian citizens who were in the area were being advised to meet in a certain point—and we actually talked about this at the previous estimates—then you would be able to send out that message directly to those who were in the country who you were aware of at that site?

Mr Dao: Correct.

Senator KROGER: Very good. Is this something that could be sold commercially to other countries?

Mr Dao: That is probably not a question for me.

Senator KROGER: It sounds like it is something that could be developed that we could consider selling as commercial software.

Mr Richardson: We would prefer to share it with other countries.

Senator KROGER: It is the businesswoman within me coming out, I am sorry Mr Richardson.

Mr Richardson: It is simply that with the countries that we work with on the consular side, we do all support one another—we represent in some places; they represent in some places. We take ideas from them, and they take ideas from us. If we got in the business of selling it, the next great idea might be out of Canada and they will make us pay.

Senator KROGER: Well done, Mr Dao, it sounds very promising.

Ms Ganly: Can I just do a plug? Basically, with the Smartraveller and the new mobile site we have seen a marked increase in our registrations and subscriptions, which is one of the key areas that we are reaching out to. We have been working closely with the travel agents and Visalink and other companies so that they do register people and encourage people to register. We have been getting up to 4,000 registrations a day at peak times.

Senator KROGER: We have discussed the use of social media previously, haven't we, to effectively encourage more people to register? That is the big issue, that so many of them are not registering.

Ms Ganly: That is right.

Senator KROGER: I was going to ask whether you have dedicated personnel, but clearly you do have dedicated personnel.

CHAIR: We will go to program 2.2, Passport Services.

Senator KROGER: I have got a question I have been asked to raise on behalf of a constituent. It was in response to a letter from the member for Higgins, Ms Kelly O'Dwyer, and it relates to an incident that involved a child travelling as part of a school group, who lost his passport while overseas. Apparently there was much confusion about how an emergency passport could be obtained, and the advice that was being provided to this particular student's mother was unclear. Apparently, the department ultimately required all people with parental responsibility to sign documents before the passport could be issued, which was particularly difficult and stressful for all concerned. I believe Ms O'Dwyer might have sent you a letter about it. Does this ring a bell or not?

Mr Richardson: We could take the details on notice. I would simply say that in respect of children and parents there are real issues—child abduction and all of that—and we make no apology for requiring a parent to sign off. If that is inconvenient, such is life.

Senator KROGER: Yes, and the change to the passport requirements and children having individual passports and so on is something I fully support. I appreciate that. I will put the details on notice. Are there many children who do not travel with their parents that would require emergency passports?

Ms Williams: I am aware of that case, and we have been in contact with her. As the secretary pointed out we require parental consent even with the issue of an emergency passport. For children who travel with school groups or with guardians those issues will arise. I should say that the issues around children's passports are increasingly complex and the potential for child abduction heightened given globalisation. Last financial year we had 9,000 applications for children's passports that we would have considered complex—we did not have the consent of either one or both parents—

Senator KROGER: Are you talking about lost passports or in general?

Ms Williams: In general. It is a quite complex case load, but for lost passports we require that we fully satisfy the requirements of the act in satisfying somebody's identity and citizenship and, in the case of children, that both parents give consent. In fact, children overseas can be at greater risk when travelling with only one parent or with a relative than they may have been in Australia, so we are very cautious. We follow it to the letter. Parents can provide their consent at the local passport office. I apologise to the constituent: I think we wrote to her to say that if that advice was not clear to her. It is a frustrating experience when children are overseas on a school trip and they lose their passport, but we need to follow the legislation.

Senator KROGER: And it would be very stressful. It is stressful if an adult loses their passport and has to go through the process, so I could understand that it would be very stressful for a child. Are you aware of any circumstances where children have been stranded overseas because they have not been able to expeditiously replace a passport? Is it an issue?

Ms Williams: No, I am not.

Senator KROGER: I saw in the budget that there has been a fairly significant increase in funding for passport services in 2012-13, with an increase of \$45 million. Have I read that correctly?

Mr Richardson: I will leave the detail, but I think I am right in saying that we have a funding agreement every three years. My question would be: is that \$45 million over and above what we got last year or is it a new \$45 million?

Ms Thorpe: It was about \$36 million, I think you will find, and it is a combination. It is over what we had last year but it is a combination. Finance was quite keen for us to be quite optimistic in the number of sales of passports. We get paid per unit of passport, so part of that increase is because there is an assumption of a higher level of passport demand for 2012-13 than there was in 2011-12. Part of it relates to a real increase, part of it relates to the increase in quantities and then there are things like inflation and forex which obviously distort it as well.

Senator KROGER: Where are we at with the design of the P series ePassport?

Ms Williams: I think I have briefed before in previous estimates sessions. We are still working on the basis that we will be rolling out the P in 2014.

Senator KROGER: So we are still on track with that?

Ms Williams: We are completely on track. As I have said before, the artwork will be very similar. In fact, the whole look and feel of the passport will be quite similar. There will be enhanced security features—we always put enhanced security features in our passports with every new series. I think the current passport is quite a dark blue, almost black. We will be going back to what we would call a flag blue—more royal blue. But it is a very similar look and that is quite deliberate. We do not want to keep changing the look and feel of the passport. That is confusing for border officials overseas. But, at the same time, we always build in extra security features. But it is absolutely on track, yes.

Senator KROGER: I noted that the ANAO report has come out. Very timely.

Ms Williams: Yes.

Senator KROGER: Having had a quick squiz through it, they have commented on the effectiveness of the ePassport, facial recognition and so on. The one thing that seems to be through it is the need for perhaps more independent analysis, random checks of systems that may not be happening. Is that how you read this?

Ms Williams: Perhaps I could go into a little detail on how we see it. We were really pleased for ANAO to come in and undertake their audit of the ePassport, because it was rolled out in 2005 and we were one of the first. So, as you said, it was very timely. They found that we had effectively implemented that—that we were at the cutting edge and we played a really strong role internationally. They came up with only two recommendations that they described as 'further strengthening' the management of ePassports. The first of those was related to facial recognition, which is actually not a component per se of ePassports in the sense of it not being a requirement for an ePassport to use facial recognition, but it is something that we have incorporated as an additional security feature.

Senator KROGER: Do other countries use it?

Ms Williams: Other countries use facial recognition to different degrees. I think we have seen from the beginning that there was great potential in it. But we have taken quite slowly. We had an independent review of that in 2008 that really came out with a range of recommendations that were quite forward looking. The ANAO's first recommendation was that they thought we had been a little slow to take those up. Some of those will be rolled into the new passport development program that is currently underway, or under tender, at the moment—

some of those very longsighted ones. But there are also some other issues that we could probably document a little more.

The second recommendation related, as you said, to checking. We are very comfortable with the chip and we are very comfortable with the ePassport. We participate in ICAO groups and we also participate in the Public Key Directory international group that really focuses on the technical expertise around the chip and how it is opened. They suggested that also involve DSD here. We agree that that is worth doing. We are on target to do that and we will continue to do it as an additional check.

We took great comfort from the ANAO report. It is very useful to have the ANAO come in and do something like that after we have had that in place since 2005. It is probable are saying that in fact we have now got half the population with passports, and 80 per cent of the passports that we have on issue at the moment are ePassports, which is great.

Senator KROGER: How would that compared to, say, 10 years ago—I mean the numbers having passports.

Ms Williams: Ten years ago we were issuing just under the one million passports a year and now we are doing about 1.8 million passports a year. It is a significant difference. We are jumping up in terms of penetration. Obviously there are other countries that have much higher levels of penetration and those with lower.

Senator KROGER: Thanks. I also want to acknowledge that the ANAO report reflects very positively on the work that is being done. As you said, the thing that comes through to me is whether in fact the lack of identification of possible fraud is because there has not been rigorous enough testing of that, but I think in essence it has done very well. I will go back to Ms O'Dwyer in relation to the constituent. If there are any other issues, I will put them on notice. Otherwise, if it has been dealt with—

Ms Williams: We have been in contact, but I am happy to follow up further.

Senator KROGER: Thank you.

CHAIR: Will move to outcome 3, Foreign Affairs and Trade operations and overseas property.

Senator KROGER: Are there any significant refurbishments or works scheduled for the coming financial year?

Mr Richardson: Mr Davin has been waiting for the last 13 hours to be asked a question.

Senator KROGER: I would have to be your favourite person tonight then, Mr Davin.

CHAIR: It will be funny if his answer is no.

Mr Davin: We have some ongoing projects. We have a substantial refurbishment of our embassy in Paris that is about to be undertaken. This is something that has been in the pipeline for a couple of years now. It is a services upgrade—an upgrade of air conditioning, lifts and those sorts of things. We are doing chancery fit-outs in a number of locations. We are doing some minor building, but the major refurbishment is in Paris. We have construction going forward in Bangkok and Jakarta, and in a number of other locations we have minor works. But for refurbishment the main one is Paris.

Senator KROGER: Have any works, refurbishments or whatever been put off or postponed into the next financial year due to a lack of funding?

Mr Davin: No. Our funding is not really based on the annual cycle of appropriations. It is funded through a special account which recognises the long-term nature of property projects. So we have not had to defer any works because of funding difficulties. Our schedules are continuing as planned and as agreed through our Public Works Committee appearances.

Senator KROGER: Is any of that work security related, where we have to increase the security level at any of the missions?

Mr Davin: The projects in Bangkok and Jakarta are both based on security decisions made some years ago. We are as a matter of course doing minor security improvements around the world, but we would not normally discuss the nature of those works in this forum.

Senator KROGER: Sure. I understand. That is fine.

CHAIR: We have now completed the examination of the Department of Foreign Affairs and Trade, except for the trade portfolio areas. Thanks, everybody, for your attendance today.

Committee adjourned at 22:15