COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

FOREIGN AFFAIRS, DEFENCE AND TRADE LEGISLATION COMMITTEE

Estimates

(Public)

WEDNESDAY, 28 OCTOBER 2026

CANBERRA

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FOREIGN AFFAIRS, DEFENCE AND TRADE LEGISLATION COMMITTEE

Wednesday, 28 October 2026

Members in attendance: Senators Bleyer, Cadell, Canavan, Ciccone, Collins, Dowling, Ghosh, Hanson, Hodgins-May, McKim, Paterson, Payman, Barbara Pocock, David Pocock, Roberts, Sharma, Shoebridge, Dean Smith, Whitten and Wong

FOREIGN AFFAIRS AND TRADE PORTFOLIO

In Attendance

Senator Farrell, Minister for Trade and Tourism, Special Minister of State

Senator Wong, Minister for Foreign Affairs

Department of Foreign Affairs and Trade

Ms Jan Adams AO, PSM, Secretary

Deputy Secretaries

Mr George Mina, Deputy Secretary, Trade and Investment Group

Ms Elly Lawson, Deputy Secretary, Strategic Planning and Coordination Group

Ms Michelle Chan, Deputy Secretary, South and Southeast Asia Group

Ms Elizabeth Peak, Deputy Secretary and Head, Office of the Pacific

Ms Natalie Cohen, Acting Deputy Secretary, Development, Multilateral and Europe Group

Dr Fiona Webster, Acting Deputy Secretary, International Security, Legal and Consular Group

Mr Craig Maclachlan, Deputy Secretary and Chief Operating Officer, Enabling Services Group

Trade and Investment Group

Ms Patricia Holmes, First Assistant Secretary, Trade Law and Economic Security Division, and Chief Trade Law Officer

Mr Ravi Kewalram, First Assistant Secretary, Free Trade Agreements and Stakeholder Engagement Division, and Chief Negotiator

Mr Jeremy Green, First Assistant Secretary, Trade Resilience, Indo-Pacific Economic, and Latin America Division, and Head of US Trade Taskforce

Mr David Woods, First Assistant Secretary, International Economics and Energy Division, and Chief Economist

Ms Cathy Raper, First Assistant Secretary, Office of Global Trade Negotiations, and Chief Negotiator for AU-EU FTA

Strategic Planning and Coordination Group

Ms Suzanne McCourt, First Assistant Secretary, Strategic Communications Division

Mr Michel Growder, First Assistant Secretary, East Asia Division

Dr Christian Hirst, First Assistant Secretary, Geostrategy and Partnerships Division

Ms Sarah DeZoeten, First Assistant Secretary, Defence and National Security Policy Division

South and Southeast Asia Group

Mr Ray Marcelo, First Assistant Secretary, Southeast Asia Maritime Division

Ms Caroline Linke, Acting First Assistant Secretary, Southeast Asia Regional and Mainland Division

Mr Justin Whyatt, First Assistant Secretary, Southeast Asia Strategy and Development Division

Ms Sarah Storey, First Assistant Secretary, South and Central Asia Division

Office of the Pacific

Mr Craig Chittick, Deputy Head, Office of the Pacific, and First Assistant Secretary, Pacific Strategy Division

Ms Charlotte Blundell, First Assistant Secretary, Pacific Economic and Infrastructure Division

Mr Gary Cowan, First Assistant Secretary, Melanesia Division

Ms Jan Hutton, First Assistant Secretary, Pacific Integration Division

Mr Mark Tattersall, First Assistant Secretary, Polynesia, Micronesia and Development Division

Ms Rachael Moore, Acting First Assistant Secretary, Australian Infrastructure Financing Facility for the Pacific

Ms Rachel Jolly, Acting First Assistant Secretary, Pacific Integration Division

Development, Multilateral and Europe Group

Mr Will Nankervis, First Assistant Secretary, Climate Change Division, and Ambassador for Climate Change

Ms Carli Shillito, First Assistant Secretary, Development Programming Division

Mr Aedan Whyatt, Acting First Assistant Secretary, Development Policy and Equality Division

Mr Dougal McInnes, First Assistant Secretary, Europe Division

Mr Chris Cannan, First Assistant Secretary, Global Health and Education Division, and Ambassador for Global Health

Mr Steve Scott, First Assistant Secretary, Humanitarian and Civil Society Division

Ms Angela Robinson, First Assistant Secretary, Multilateral Policy and Human Rights Division

International Security, Legal and Consular Group

Mr Adam McCarthy, Chief Counsel and First Assistant Secretary, Legal Division

Ms Julie Heckscher, First Assistant Secretary, Regulatory and Legal Policy Division

Ms Elizabeth McGregor, First Assistant Secretary, Consular and Crisis Management Division

Dr Ralph King, First Assistant Secretary, Middle East and Africa Division

Mr Mathew Fox, First Assistant Secretary, International Security Division

Dr Craig Everton, Assistant Secretary, Non-Proliferation and Partnerships Branch, Australian Safeguards and Non-Proliferation Office

Ms Lucelle Veneros, Executive Director, Australian Passport Office

Dr Kate Mitchell, Acting Assistant Secretary, International Law Branch

Enabling Services Group

Ms Elizabeth Wilde, First Assistant Secretary and Chief Risk Officer, Executive Division

Ms Donna Degen, First Assistant Secretary and Chief Financial Officer, Finance Division

Mr Simon Johnstone, First Assistant Secretary and Chief Security Officer, Diplomatic Security Division

Ms Suzanne Pitson, Executive Director, Overseas Property Office

Mr Mathew Smorhun, First Assistant Secretary and Chief Information Officer, Information Management and Technology Division

Ms Belinda Casson, First Assistant Secretary and Chief People Officer, People Division

Mr Brad Medland, First Assistant Secretary and Chief Data and Artificial Intelligence Officer

Mr Jonathan Muir, Chief of Protocol, Executive Division

Ms Sarah Sullivan, Chief Auditor, Executive Division

Australian Centre for International Agricultural Research

Dr Nick Austin, Acting Chief Executive Officer

Mrs Natalie Mogridge, Acting General Manager Corporate

Dr Suzie Newman, General Manager Partnerships

Dr James Quilty, General Manager Research

Export Finance Australia

Mr John Hopkins, Managing Director and Chief Executive Officer

Ms Sonia Kammel, Chief Risk and Transformation Officer

Ms Amanda Copping, Chief Investment Officer, Institutional

Mr Nic Frankham, Chief of Staff and Chief Strategy Officer

Mr John Pacey, Chief Credit Officer

Ms Philippa King, Chief Corporate Affairs and Operating Officer

Mr Richard Coath, Chief Investment Officer, Business Financing

Mr Rob Carroll, Chief People Officer

Australian Trade and Investment Commission

Dr Paul Grimes PSM, Chief Executive Officer

Mr Daniel Boyer, Deputy Chief Executive Officer, Trade and Investment

Ms Melissa Woodburn, Chief Operating Officer

Mr Peter Horn, General Manager, Investment

Mr Paul Landgren, Acting General Manager, Trade Diversification Taskforce

Mr Jason Verspuy, Acting General Manager, Trade

Mr Nicholas Dowie, General Manager, Office of Tourism and the Visitor Economy

Ms Elizabeth Fells, General Manager, Strategy and Engagement

Ms Joanna Bunting, Acting General Manager, Government and International

Ms Alison Morgan, General Manager, Grants Administration

Mr Grant Ferres, Head, Visitor Economy Sustainability and Tourism Research Australia

Mr Radi Kovacevic, Chief Information and Digital Officer

Mr Ben Wyers, Chief People Officer

Ms Jennifer Lynch, Chief Financial Officer

Ms Carla Giuca, Head, Tourism and Visitor Economy Policy

Ms Nerma Gunic, Strategic Adviser, Export Market Development Grants Program

Tourism Australia

Mr Robin Mack, Managing Director

Ms Tanya Bowes, Executive General Manager, Corporate Affairs

Mr Geoff Buchanan, Executive General Manager, Corporate Services

Committee met at 09:01

CHAIR (Senator Ciccone): I declare open this meeting of the Senate Foreign Affairs, Defence and Trade Legislation Committee. I want to begin by acknowledging the traditional custodians of the land on which we are meeting today and paying my respects to their elders past and present. The Senate has referred to the committee the particulars of the proposed expenditure for the year 2026-27 and other related documents for the Foreign Affairs and Trade portfolio and the Defence portfolio. The committee has set 5 November 2026 as the deadline for senators to submit written questions on notice. The committee has set 17 December as the date for the return of answers to questions taken on notice.

Under standing order 26, the committee must take all evidence in public session, and this includes answers to questions on notice. I want to remind all witnesses that, in giving evidence to the committee, they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence to a committee. The Senate has resolved the following test of relevance of questions at estimates hearings: any questions going to the operations or financial positions of the departments and agencies which are seeking funds in the estimates are relevant questions for the purpose of estimates hearings. I want to remind officers that the Senate has resolved that there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament or its committees unless the parliament has expressly provided otherwise.

The Senate has resolved that an officer of a department of the Commonwealth shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. I 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 into the *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).

(d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(13 May 2009 J.1941)

(Extract, Senate Standing Orders)

CHAIR: Witnesses are specifically reminded that a statement claiming that information or a document is confidential or consists of advice to government is not a statement that meets this requirement of the 2009 order. Instead, witnesses are required to articulate the harm to the public interest that could result from the disclosure of the information or the document.

I remind senators of their obligations under the Behaviour Code for Australian Parliamentarians to treat all witnesses with dignity, courtesy, fairness and respect. I ask members of the media to follow the established media guidelines and instructions of the committee secretariat. I remind everyone in the gallery they are not permitted to speak or interfere with proceedings or with any witness at any point during the hearing. Witnesses and senators who are seeking to table a document during the Senate committee hearing are requested to provide an electronic copy of those documents to the secretariat so that the documents can be circulated electronically during the hearing.

Department of Foreign Affairs and Trade

[09:05]

CHAIR: Today's committee proceedings for this estimates will commence with representatives from the Department of Foreign Affairs and Trade. I'd like to now welcome Senator the Hon. Penny Wong, Minister for Foreign Affairs. Good morning, Minister.

Senator Wong: Good morning.

CHAIR: I also welcome Ms Adams, Secretary of the Department of Foreign Affairs and Trade, and officers of the department. Good morning, Secretary.

Ms Adams: Good morning.

CHAIR: Minister, do you have an opening statements?

Senator Wong: I do, Chair, thank you. Colleagues, since we last met in June, the world has only become less certain. Conflict is taking a devastating human toll, strategic competition continues to sharpen and the global economy is deteriorating. Disruption to vital shipping routes is pushing up fuel and fertiliser costs as well as inflation around the world, including for Australians. We cannot isolate ourselves from these pressures, but we can act to shield Australians from the worst impacts, and that is what we are doing. The Albanese Labor government keeps focusing on our region, strengthening our relationships, upholding the rules that protect us all and fortifying Australia's resilience. As I've said many times, it is in our region where our interests are most at stake.

In June, we signed the Nakamal Agreement with Vanuatu, supporting its development ambitions, economic transformation and our shared security. In July, we signed the Vuvale Union and the Ocean of Peace Alliance, which will establish Fiji's first mutual defence alliance and Australia's fourth. The Pukpuk Treaty entered into force, making Papua New Guinea our newest alliance partner. At last week's Australia-Papua New Guinea Ministerial Forum, we advanced cooperation on health, security, telecommunications and economic opportunity. We continue to progress a new comprehensive treaty with Solomon Islands. These partnerships are guided by Pacific priorities, mutual respect and trust.

In South-East Asia, we are deepening security cooperation with Indonesia under our Treaty on Common Security. I was pleased to meet Indonesia's new foreign minister, Minister Nasir, last week. Also last week, we announced more than $60 million to strengthen Timor-Leste's security resilience and regional engagement. And with Japan, South Korea, Singapore, Brunei, Malaysia and Indonesia, we are working to secure essential supplies, including petrol, diesel and fertiliser. In July, we welcomed India's Prime Minister Modi to Australia, formalising cooperation in tech and maritime security, diversifying supply chains and enhancing Indian Ocean stability.

Chair, since we last met, catastrophic floods along Nepal's border with China have caused immense devastation and loss of life. Thirty-four Australians remain unaccounted for. My thoughts are with their families, their loved ones and all those affected by this tragedy. Australia deployed 49 officials and specialists to support search, rescue and recovery efforts, and we have committed $26 million in humanitarian and recovery assistance to help Nepal rebuild. The Prime Minister and I have met with our Nepali counterparts, and the government continues to work with Nepali and Chinese authorities to seek information. We will continue to do all we can to seek answers for families and stand with the people of Nepal as they recover.

The Albanese government is also acting globally to uphold the rules that protect us all. At the UN High-level Week, the Prime Minister launched Australia's bid for a Security Council seat for 2029-30. We seek that seat because we believe a safer world is governed by rules, not power and force alone. Should we be successful, our purpose and our approach will be consistent with how we conduct ourselves. We will listen with respect, we will partner as equals, and we will protect what matters most. Australia ratified the landmark High Seas Biodiversity Treaty, and the Prime Minister joined more than 20 world leaders calling for stronger international control of frontier artificial intelligence.

Colleagues, Ukraine shows why rules matter. Russia, a permanent Security Council member, continues its unjustified and illegal invasion. At the United Nations, the Prime Minister and President Zelenskyy signed the Australia-Ukraine Bilateral Security Agreement, providing for enduring defence and security cooperation. We also announced a further $60 million in support of Ukraine, including Australian Defence Force equipment. We stand with Ukraine because its people have a right to determine their future and because the Security Council veto must never be a licence to violate the charter.

These rules also include international humanitarian law. In honour of Australian aid worker Zomi Frankcom, killed by the Israeli defence forces alongside her World Central Kitchen colleagues, Australia led the Declaration for the Protection of Humanitarian Personnel. One year on, more than two-thirds of the UN has signed on. With Jordan, I co-chaired the inaugural meeting of signatories, taking forward practical steps to improve protection and accountability. We committed a further $10 million for stronger protection measures, including security training, evidence collection and assistance to victims and families. I continue to work with Zomi's family as we press Israel for accountability and for justice. In Gaza, Ukraine, Sudan and conflict zones everywhere, humanitarians dedicate their lives to protecting others. This work should never cost them their own.

In the Middle East, we have committed new assistance for Palestinian recovery and institutional reform as we work with partners to keep the hope of a two-state solution alive. We believe this is the only way to secure lasting peace and security for Israelis and Palestinians. We continue to call for de-escalation and for an end to the conflict in Iran. At the UN, Australia joined the EU No Fees**/**No Tolls pledge against coercion at sea. Alongside 80 nations, we called for the full reopening of the Strait of Hormuz and condemned Houthi attacks. Tomorrow, I will travel to the United States for the third Quad Foreign Ministers Meeting this year and the G20 Foreign Ministers'

Meeting, continuing our work for Australia's security and prosperity. I thank the Chair and the committee for moving the day of this hearing to accommodate this travel.

Can I also take this opportunity to thank the secretary and all of the personnel at DFAT, both here and abroad, for all their ongoing work to protect and advance Australia's interests. Deteriorating international circumstances will continue to confront us, but they will not confound us. We will continue to take the world as it is, and we will continue our work to shape it for the better in the interests of the Australian people. Thank you.

CHAIR: Thanks, Minister. I'm sure your office would be happy to provide us with a copy of that for us to circulate to the committee.

Senator Wong: Yes.

CHAIR: Secretary, do you have an opening statement?

Ms Adams: Yes, thank you, Chair. Chair and senators, since I last appeared before you, DFAT has continued to deliver. At a time of volatility and increased global contest, we are strengthening Australia's security and prosperity, providing trusted services and responding effectively to crises. Most recently, DFAT led Australia's response to the devastating floods in Nepal and Tibet, China—floods that left more Australians missing overseas, 34, than any single incident in over a decade. We brought together Australian agencies to tailor support for the families of missing Australians, who are experiencing unimaginable grief; and to support the search and rescue and humanitarian effort.

Senators, we want to ensure a favourable strategic balance for Australia and for a peaceful, stable and prosperous Indo-Pacific. Since the committee last met, we have delivered significant outcomes for Australia's partnerships in the Pacific. We signed the Nakamal Agreement with Vanuatu and the Vuvale Union and Ocean of Peace Alliance with Fiji. We are advancing agreements with the Solomon Islands and with Tonga. Our Pukpuk Treaty with Papua New Guinea has taken the relationship to the next level, as demonstrated last week at the ministerial forum, with 27 ministers participating. We want all countries of our region to have the freedom to develop and shape their futures. To do this, our engagements in regional institutions are more crucial than ever. That is why we amplified Pacific voices at the pre-COP leaders meeting and backed in new security and gender equality initiatives at the Pacific Islands Forum Leaders Meeting in Palau.

On the fifth anniversary of the ASEAN-Australia Comprehensive Strategic Partnership, we remain committed to ASEAN centrality and the ASEAN-led architecture; and to deepening our bilateral relationships, demonstrating that Australia is a steadfast and reliable partner. We have increased support for maritime and security cooperation with the Philippines. We have bolstered the security of essential supplies with Singapore. Minister Wong launched the next phase of our flagship economic governance program with Indonesia's new foreign minister in Jakarta last week.

Recent visits by world leaders to Australia, including India's Prime Minister Modi, Thailand's Prime Minister Anutin, and Vietnam's General Secretary and State President To Lam, among others, underscore our reputation for addressing shared challenges with partners. The purpose of our international engagement is to make Australia stronger, safer and more prosperous. We are investing in our relationships with Japan, Korea, the United Kingdom, the United States and others to build resilience, including through the Quad. Earlier this month, I participated in the inaugural Australia-Japan Leadership Dialogue, announced by the Prime Minister and Prime Minister Takaichi in May, and in strategic consultations with my Japanese counterpart. I had the opportunity to reiterate to Japanese officials, as I have done before this committee, that Australia supports Japan's efforts to maintain dialogue with China to de-escalate tensions in support of regional stability and international law, while also opposing economic coercion. Australia also continues to engage China on the full range of Australia's interests.

More broadly, DFAT is reinforcing our economic security by working to preserve and improve open rules-based trade. We pushed for practical change in multilateral fora in the WTO, the G20, OECD, APEC and the UN, where Australia's bid for a seat on the Security Council is underway, centred on our commitment to protection, oceans and climate and digital futures. Stepping up to the table, not vacating it for others, gives Australia a stronger voice in the decisions that affect us and our region. At UN High-level Week, in front of the largest annual gathering of world leaders, Australia showed its credentials for promoting international peace and security through the rule of law. Minister Wong led more than 130 countries in strengthening global commitment to the protection of humanitarian personnel. We signed a bilateral security agreement with Ukraine and announced more than 100 new sanctions against Russia. And we helped set up cross-regional coalitions on a range of critical issues, including AI and protecting children online.

As Australians travel overseas in increasing numbers, DFAT's global network is invaluable. We issue more than 100,000 travel documents yearly. We handle almost 30,000 consular cases each year. We're also seeing a growing number of complex consular cases, including mental health, financial hardship, welfare concerns, child custody and legal issues, often requiring sustained support. Last year we managed more than 3,700 welfare and other serious matter cases globally—a 27 per cent increase on the previous year. Staff at DFAT take pride in serving Australians and advancing Australia's interests around the world. I'm proud of the fact that our passport and consular services are consistently top-ranked as the most trusted among government agencies according to the Australian Public Service Commission survey. DFAT staff are also working in Kyiv, Riyadh and other locations affected by conflict and dangerous and demanding conditions, and I would like to take this opportunity to thank them for their remarkable dedication. Thank you, Chair.

CHAIR: Thank you very much, Secretary. I'm assuming you'll also provide us with a copy.

Ms Adams: Of course.

CHAIR: Excellent. Thank you.

Senator PATERSON: Minister, I want to start with the public reporting yesterday around what appears to be a targeted hack, attributed to Iran, of an Australian journalist and political commentator, Sharri Markson, journalist at News24; and Michael Kroger, political commentator. I should disclose I'm a regular guest on Sharri's program and I've known Michael Kroger for 20 years. I'm raising it not because I know them but because it's a concerning report. Are you familiar with this issue?

Senator Wong: Only through the media at this point, Senator, obviously.

Senator PATERSON: Yes. Just to recap for everyone's benefit, a former administration official in the United States had one of their accounts compromised and reached out to Ms Markson to set up a meeting. As a result of that process, her personal data was compromised. Mike Burgess has made some public comments attributing this to the Islamic Republic of Iran, and I believe the IRGC specifically. How concerning is it that this regime appears to be targeting Australian nationals?

Senator Wong: This is obviously a matter for Home Affairs, but I'm happy to make some general comments. I think you would be aware that this government took unprecedented action in expelling the Iranian ambassador after having had continuous diplomatic relations for decades. It was the first decision by government of this nature since the end of World War II. We did that because of the evidence and the advice from agencies about the work of the IRGC in Australia and their links to the antisemitic attacks on Australian soil. That is unacceptable. I think we are very aware of the way in which the IRGC has operated in Australia and in other countries. On the specifics of this, as you correctly identified, Ms Markson was, as I understand through the media, advised by the Director-General of ASIO. This would be a matter for Home Affairs rather than for DFAT.

Senator PATERSON: Sure, yes. I'm interested in the diplomatic implications of it, which is why I'm asking about it here. This is continued malign conduct from a malign regime. And we now have a journalist and a political commentator who've been targeted by this regime and had, in one instance, their personal data compromised. My understanding from the reporting is that the attempts to disrupt Mr Kroger's personal data were not successful, but a journalist has had their personal data stolen by a foreign authoritarian regime that has launched what the Australian government assesses to be terror attacks on Australian soil. In his public comments about it, Mr Burgess said he's concerned that the regime is capable of and may have the intent to carry out further acts of violence in Australia. So the question is: what are the implications for the diplomatic relationship and any further steps that the government would consider taking in response to this?

Senator Wong: Well, first I would make the general proposition that Australia will not and does not tolerate attempts by Iranian agents to surveil, harass or intimidate individuals in Australia, whether they are members of the Iranian diaspora or journalists conducting their work or political individuals—full stop. Secondly, we'll obviously take advice always from security agencies about particular matters, including more generally, but we have already expelled the Iranian ambassador.

Senator PATERSON: A third Australian contacted me overnight after having seen the reporting and recognised the pattern of behaviour. They believe they too have been a victim of this attack. They are now—I won't reveal their identity; it's not appropriate—dealing with our agencies to assess whether or not that's correct. And that has to be assessed by our agencies. It's up to them to make a judgement. But if it is the case that it wasn't just these two people and that other Australians have also been targeted—that a wider group of people may be targeted in these operations—how concerning would that be?

Senator Wong: Senator, I've given you our principal view, which is that we do not tolerate attempts by Iran to behave towards Australians or on Australian soil in the way you've outlined. I am reluctant to get drawn into

responding on a threat which is, as you said, already before the security agencies. The government has made its position clear. We do not tolerate the harassment or intimidation or surveillance of Australians or individuals in Australia; and we have taken the strongest possible action against Iran, including the expulsion of the ambassador. I would make the point, as I've made previously in this hearing, that we have taken stronger action against Iran than any previous Australian government.

Senator PATERSON: It's true, isn't it, that our embassy in Tehran is closed currently—is that right?

Dr King: Yes, the embassy has currently suspended operations. It's no longer operating there.

Senator PATERSON: That's right. And that was done after the Australian government's decision to expel the Iranian ambassador and also to list the IRGC as a terrorist organisation?

Dr King: That's correct, Senator.

Senator PATERSON: And obviously as a prudent measure for the safety of DFAT personnel?

Dr King: Yes.

Senator PATERSON: It's been raised with me by members of the Iranian Australian diaspora that it's, of course, very welcome that the Iranian ambassador to Australia has been expelled but that Iran's embassy continues to operate here in Australia. What is the government's thinking about continuing to permit that embassy to operate on our soil?

Dr King: Senator, the view is that we have retained a formal channel to make clear, and to continue to make clear, our concerns about Iranian actions and to pursue our national interests. The embassy in Canberra serves as a conduit for that purpose. We do regularly communicate with them, including our views on Iran's destabilising actions and our complete rejection of their interference in our affairs.

Senator PATERSON: I do understand that argument, but a similar argument was made prior to our decision to expel the ambassador and prior to our decision to list the IRGC as a terrorist organisation. When I and other members of parliament advocated for both of those things, we were told that would shut down channels of communication, that the bilateral relationship was important and that we shouldn't do that. So—

Senator Wong: The threshold of IRGC on Australian soil being part of organising attacks against Australians on Australian soil in order to foment fear and division—obviously, there is a threshold where the government took unprecedented action to expel the ambassador. Also, I would make the point that we have imposed, I think, some 230 sanctions on some 230 Iranian-linked persons, including more than 100 IRGC-linked individuals and entities. We have also listed, as you said, the IRGC as a state sponsor of terrorism. So we have taken action, Senator.

Senator PATERSON: No-one's suggesting otherwise.

Senator Wong: Well, in fact, if I may, far more action than the government that you were part of ever took.

Senator PATERSON: Is there any threshold which the regime could cross? To your point, Minister, a threshold was crossed, I agree, when they were sponsoring terror attacks on Australian soil. Is there any threshold that they could cross that would lead to the embassy in Canberra being closed down?

Senator Wong: I have to differ with my officers here. The decision to keep open the embassy was primarily because there are still visa and passport services and other essential paperwork that Iranian Australians require.

Senator PATERSON: So it's not about—

Senator Wong: With respect to Dr King, I don't regard the embassy primarily as the way we communicate to the Iranians. I think that was communicated by our sanctions, the listing as a terrorist organisation and the expulsion of the ambassador—

Senator PATERSON: Indeed, and we can make public statements at any time—

Senator Wong: Sorry, may I?

Senator PATERSON: Yes.

Senator Wong: Thank you. They are lower level staff for the purposes of practical engagement that some Iranian Australians still need.

Senator PATERSON: We obviously have do not travel advice—very strong do not travel advice—for Iran for very good reasons. Certainly my perception, based on the feedback that I've received from Iranian Australians, is that a very large number of them—I couldn't assess whether it's the majority; I haven't done a poll—are very concerned about the continuing operations of the embassy. They feel threatened by that, and they are concerned that it could be used against their interests. At what point does that convenience of visa processing and document

access become less important than the safety of the Iranian Australian diaspora and also our journalists and other public figures?

Senator Wong: The safety of Iranian Australians is always front of mind, Senator, and we would take advice from security agencies on those issues.

Senator PATERSON: So you would be willing, on advice, to close the Iranian embassy if necessary?

Senator Wong: I'm not going to speculate on advice from security agencies.

Senator PATERSON: I'm not asking you to speculate on what their advice might be. I'm asking you to tell me what the government's thinking is on whether there are any circumstances or any activity that the regime could engage in that would lead to the embassy being closed.

Senator Wong: The safety of Australians is our first priority. That's the answer I would give you.

Senator PATERSON: I think these questions are reasonable because when opposition senators, me included, asked, 'Could we list the IRGC as a terrorist organisation?' we were told no. When we asked, 'Could the ambassador be expelled?' we were told no. Subsequently, the government did both of those things, and we strongly support that and welcome that. So I think it is reasonable to test whether something that currently is not contemplated could be contemplated in the future if the threshold is crossed.

Senator Wong: And I think I've answered that by saying what our first priority is, which is the safety of Australians.

Senator PATERSON: The answer is yes, there are circumstances—

Senator Wong: Senator, I'm not going to be drawn on hypotheticals—

Senator PATERSON: Sorry, Minister. I apologise for interrupting you before, but you're interrupting me now. I'd like to ask my question.

Senator Wong: I haven't finished my answer.

Senator PATERSON: I was asking a question.

Senator Wong: I haven't finished my answer. I have answered your question by saying the first priority is the safety of Australians—full stop. I'm not going to get into speculating—particularly in this forum, and you understand that—on what the advice of security agencies might or might not be. I'm not going to do that and I'm not going to get into hypotheticals. But, when it comes to the safety of Australians, that is our first priority. We would make any decisions that we thought and were advised were necessary to protect the security of Australians, as we have done.

Senator PATERSON: Okay, so I interpret from that there are circumstances under which you would be willing to close the embassy, and I think that is an important statement. Chair, I have other topics to move on to, but if you need to rotate the call I'm happy to come back.

CHAIR: Senator Shoebridge.

Senator SHOEBRIDGE: Thanks, Minister and Secretary, for your openings today and your attendance. I have some questions regarding the decision by Canada, France and the UK to introduce an import ban on products from illegal Israeli settlements in the occupied West Bank. Of course, that coincided with the correspondence signed by 12 countries, which included those countries together, I think, with Denmark, Finland, Iceland, Poland, Norway, Spain, Ireland, Portugal and Sweden to take further action in relation to products from illegal settlements. Was Australia approached by all or any of these countries to join in their call?

Dr Webster: The answer is yes.

Senator SHOEBRIDGE: Okay. Which were the countries that Australia was approached by? Was it all of them? Was it primarily the UK? Who were the main discussions with?

Dr Webster: The statement, as you know, was led by the UK.

Senator SHOEBRIDGE: And it was the UK that approached and Australia had discussions with?

Dr Webster: That is correct.

Senator SHOEBRIDGE: When was Australia first approached by the UK? I assume it was an offer from the UK to join with the statement. Was that what the UK—

Dr Webster: I don't have those details in front of me.

Senator SHOEBRIDGE: But the UK reached out to Australia and offered to Australia to join the statement. Is that right?

Dr Webster: It's not unusual for a country that's leading on a statement to seek our views. That's correct.

Senator SHOEBRIDGE: Yes, I know it's not unusual, but I'm asking about this specific case. The UK reached out to Australia and said, 'We're proposing to make this statement; will you join?'

Dr Webster: They discussed the fact that they were going to do a statement on sanctions, yes.

Senator SHOEBRIDGE: No doubt they reached out to Australia because Australia has repeatedly said it would act in this regard with like-minded nations. I assume we consider the UK to be a like-minded nation; is that right?

Dr Webster: Yes, we are one of a number of like-minded countries with the UK.

Senator Wong: If I may, Senator, we work very closely with the United Kingdom. I've worked now with, I think, five British foreign secretaries, including, obviously, Secretary Miliband, who was recently appointed. We have engaged on reform and on the recognition of Palestine; we've engaged on the sanctioning of ministers Smotrich and Ben-Gvir. We've engaged and coordinated on many of the statements—as you know, one has been—and I know your party has been dismissive of this. We have moved Australia's position in international fora on the issue of two states and on the issue of what is occurring in Gaza and what is occurring in West Bank very substantially over the period of this government. We have often done that—not always—in coordination with the United Kingdom. There have been points where we have moved first; there have been points where the UK have moved first over this period.

I do note that the Israeli election, obviously, has occurred over the last 24 hours. We are all grappling with how you deal with the Netanyahu government's policies—in particular, on this issue in the West Bank—which are inconsistent with the prospect of two states. We do believe—and I know that there are others who have different views—and have a very clear view that the only way to secure peace and security for both Israelis and Palestinians is for there to be two states. When we came to government, we made decisions in relation to these issues, including nomenclature, and reversed the decision of the previous government in relation to Jerusalem.

We have made clear our continued opposition to the settlements. We have been clear about our view as to settler violence and we have sanctioned settler entities and individuals who are involved in perpetrating violence or inciting others against Palestinians in the West Bank. We are all grappling with the decision by the Netanyahu government to accelerate settlement activity and, of course, there are discussions and have been discussions about what is the best way to respond, including over a period of time with different—under the Starmer government as well as under the Burnham government.

I can go where you want to go. Why did we not join this statement? I think I'd refer you to what I said in the parliament. We are moving in the same direction. That doesn't mean we do precisely everything at the same time. I indicated we would look at targeted sanctions rather than a blanket ban, and I would note that the UK has as yet not implemented, although it has announced, such a ban.

Senator SHOEBRIDGE: When was the decision not to participate communicated to the United Kingdom?

Dr Webster: It was communicated to them before the statement was released.

Senator SHOEBRIDGE: How much before?

Dr Webster: I don't have that detail.

Senator SHOEBRIDGE: Who was responsible for overseeing the communications between the United Kingdom and Australia in relation to this? Was that in your wheelhouse, Dr Webster?

Dr Webster: It was in my wheelhouse, but it is often done through our high commission in London.

Senator SHOEBRIDGE: It was an important matter, I assume?

Dr Webster: Very important, yes.

Senator SHOEBRIDGE: I'll ask you again: when was the decision communicated to the UK that Australia would not participate in the statement?

Dr Webster: As I said, it was communicated before the statement was released.

Senator SHOEBRIDGE: When?

Dr Webster: I don't have that detail, I'm afraid.

Senator SHOEBRIDGE: Well, will you provide it on notice, please.

Dr Webster: Certainly.

Senator SHOEBRIDGE: Did Australia raise specific objections to the proposed measures during negotiations? Were there elements that Australia objects to? If so, what were they?

Senator Wong: Senator, I think I'd refer you to what I said in the Senate. I don't think it's right to describe this as—it's not a negotiation in the way that you might be implying. We have worked together on multiple statements. There have been so many occasions in which CANZ or sometimes CANZUK—CANZ is Canada, Australia and New Zealand; sometimes it's Canada, Australia, New Zealand and the UK. Sometimes we've had Japan and Korea join. I think on some of the statements we had Japan but not the United Kingdom. There have been a group of countries which are all trying to deal with the horrific situation we have seen in Gaza and the actions of the Netanyahu government in the West Bank. There are discussions which might occur Canberra to London and might occur in London, but we were very clear. With what the UK was proposing, the judgement that the government had to make was whether we would go down the path of agreeing ahead of time to an announcement of blanket bans or whether we would look at an alternative of more targeted measures. The government made a decision to do the latter.

Senator SHOEBRIDGE: Was the decision to not sign on to the statement made by you, Minister? Was it made by the Prime Minister? Was it made by cabinet?

Senator Wong: It's a decision of senior ministers.

Senator SHOEBRIDGE: Which senior ministers?

Senator Wong: I'm not going to go—these are matters of government. It's a decision of the government.

Senator SHOEBRIDGE: Well, was it a decision of you and the Prime Minister?

Senator Wong: I've just said it's a decision of the government.

Senator SHOEBRIDGE: Well, you said 'which senior ministers'—

Senator Wong: No, you said 'which'.

Senator SHOEBRIDGE: You said 'senior ministers', and I'm asking you which senior ministers.

Senator Wong: It's a decision of the government.

Senator SHOEBRIDGE: Did it go to cabinet?

Senator Wong: I'm not going to comment on cabinet processes.

Senator SHOEBRIDGE: I'm not asking you to comment on what the discussions in cabinet were. I'm asking whether or not this was a decision of cabinet. It's an incredibly important decision. You've set out that there's been a long history of working with the United Kingdom. This is an occasion where Australia has not followed what is broadly seen as a very welcome move by the United Kingdom. Did such an important deviation from previous practice go to cabinet?

Senator Wong: I'd make two points. The first is there have been occasions where we have been ahead of the United Kingdom, if you want to put it that way, in terms of our willingness to make certain statements. In fact, through this conflict, the original grouping of Canada, Australia and New Zealand was because we wanted to go further than the United Kingdom at that point in relation to the conflict. So I don't think it's—I just wanted to make sure that dynamic was clear. It is the case, Senator, that disclosure of whether an item goes to cabinet is disclosure of that fact. There's a longstanding convention that we don't comment on that, but this was a decision of the government.

Senator SHOEBRIDGE: The rationale for rejecting this call was—and I think this is from you, Minister—apparently:

> We are concerned blanket import bans present practical challenges, including how to ensure they do not inadvertently harm Palestinian businesses, workers and livelihoods.

Minister, has any Palestinian or human rights group raised these concerns with you and said that they share those concerns? If so, please tell me who.

Senator Wong: Senator, can I just make this point. I would ask you—and I'm sure you won't recognise this because that is the nature of political debate. We have already sanctioned entities for actions in the West Bank. We have already sanctioned extremist settlers and entities that are responsible for violence and human rights abuses. Already Australians cannot trade with these entities. Already, Australian law bans buying, importing or transporting goods from sanctioned individuals and entities. We have already done that. The UK has announced that it will do a blanket ban. As yet, it has not implemented it, and we certainly will look at and engage with them about how they are going to construct that and whether they are going to ban all products from settlements or whether they are going to exempt any products from it.

Senator SHOEBRIDGE: Minister, my question was about—

Senator Wong: No, it's an issue—

Senator SHOEBRIDGE: whether any Palestinian or human rights—

CHAIR: Senator, the minister is responding.

Senator Wong: Well, why is it you feel—I would like to finish my answer.

Senator SHOEBRIDGE: I'd like the question answered.

CHAIR: The minister is answering.

Senator Wong: We will look at what the UK does. In answer to your question, I have already engaged not on this issue but on the broader issue of progress towards implementation of the peace plan with the Palestinian authority. I would anticipate that we would engage—particularly post what the UK does—with them as well to gain any insights that they have.

Senator SHOEBRIDGE: Minister, there is not a single Palestinian group or human rights group that in any way supports your rationale for not implementing a blanket import ban. They are almost to a person offended that the rationale for not putting a blanket ban on illegal Israeli settlements on occupied Palestinian land is allegedly to not cause inadvertent harm to Palestinian businesses, workers and livelihoods. The harm that is being caused to Palestinians in the occupied West Bank is because of the illegal settlements. It's because of the violence directed at Palestinians. It's because of the fact that the Israeli state doesn't prevent that violence. When they see you say the reason your government won't put a blanket ban on illegal Israeli settlements is that you're trying to protect Palestinians, they've been, to a person, offended by that from the communications I've seen. Have you not heard that? Have you not heard that call from the Palestinian community and from human rights groups?

Senator Wong: Senator, the thing that you said with which I do agree, and with which the government agrees—and our policy position reflects that—is that we disagree with and oppose the former Netanyahu government's policy and the consequences of that policy in relation to the West Bank. We believe the actions that have been taken by individuals and the actions and policy of certain government ministers are the opposite of peace and have compromised the human rights of Palestinians in the West Bank. We do believe that, which is why we have implemented sanctions, why we have taken the action we have taken and why we will take further action.

CHAIR: On that note—

Senator SHOEBRIDGE: I'll come back and try again next time.

CHAIR: I will share the call around. Senator Dowling, I'll give you a block, and then I'll come back to Senator Paterson.

Senator DOWLING: As we approach another year of schoolies, we reflect on the tragic deaths of Bianca Jones and Holly Bowles in Laos in November 2024 due to methanol poisoning. I want to ask the government: with schoolies approaching, what is the government doing to improve travel safety for young Australians?

Senator Wong: Sorry, is that to me?

Senator DOWLING: Yes, it is, Minister.

Senator Wong: Can I start by again saying I think all Australians were shocked and distressed by the news of the deaths of Holly and Bianca. What happened to Bianca and Holly and the four other young travellers in Vang Vieng should never have happened. I've had the privilege of engaging with the families, and I know that this tragedy weighs so heavily on them. They're in our thoughts.

We have advocated at every level for a thorough and transparent investigation in Laos and for those responsible to be held to account. We've engaged repeatedly at officer level but also at the highest level of the Laos government. I've raised this with the Laos deputy prime minister and foreign minister. We will continue and do continue to press for justice. I know that this has been such a hard road for the Morton-Bowles and Jones families, how deeply painful this has been and how bitterly disappointing this legal process has been for them. At the same time, we have been working to ensure that more young people are aware of the dangers that can await them overseas. I was really honoured to be invited by Bianca's parents to Mentone Girls' Grammar for that reason—it was last month or earlier this month.

We are approaching schoolies season, as you rightly point out, and many young Australians embark on some exciting adventures—many for the first time abroad. What we want is to make sure they are aware of potential dangers. I did spend that evening with parents, teachers and students who were pretty excited about what the future might hold, but the message I shared was this: have a plan, know where the nearest hospital is and keep the DFAT emergency consular number saved in your phone. I also said make sure you write it down somewhere in case you lose your phone. Stick with your mates; don't leave anyone behind. Do not drink from unlabelled bottles. Don't accept free shots or drinks that are unusually cheap. Drink from trusted brands and sealed bottles if you're

drinking because methanol can be in a free shot or that unmarked bottle and, as you know, you can't smell it, you can't taste it and you can't see it. In the hours after, it can feel like a bad night. We talked about what you do if you have a friend who's in trouble. If you notice a friend has got blurred vision or has trouble breathing or feels sicker than the number of drinks that they've had, that's an emergency. Don't try to wait and sleep it off. Get medical help straightaway.

I'm sure that's good advice. I have to say it's advice that, even as a young person when I was travelling overseas, I didn't know. Given we're assuming that most school leavers aren't watching Senate estimates, I'll let the committee know that we are partnering with DrinkWise and we're partnering with Red Frogs so young Australians can carry that knowledge with them. We've also put a TravelSmarts test online so school leavers can do a practical kind of test that asks them what they would do in certain situations to check their knowledge so they can have fun and stay safe. I would say this to every young person out there. Do go and see the world. Say goodbye to your parents at the airport and send lots of photos, but look after yourself, look after your mates and come home safely.

Senator DOWLING: Thank you for that insight, Minister. I think, as you point out, many young kids probably aren't watching these hearings right now, so maybe I could ask the department to share some of the channels you're using through digital and others. Obviously, most will be very aware of Smartraveller, but I understand there's a partying safely hub and there are a range of other measures now to try to reach younger audiences.

Ms McGregor: Yes. We do use a range of channels to get these messages out to young travellers. What I would say is that our approach from Smartraveller is always practical, and it's evidence based. We want to help young Australians to understand alcohol related risks and to make safer choices overseas, so we take a broad approach to partying safely. We look at how we can strengthen the approach as well, so we work with other agencies—particularly, this year, we've worked with the Department of Health, Disability and Ageing on how we can expand our alcohol safety messaging. What that messaging emphasises is that young people do not need to drink to enjoy schoolies and that choosing not to drink is also an option and may be the safest choice. But we also continue to provide practical harm minimisation advice for those who do choose to drink.

To the channels that we use, we have the partying safely hub, which is the central source of practical safety information for young people heading overseas. That was launched by the Foreign minister on 10 September 2025, and it brings together advice on alcohol safety, methanol poisoning, drink spiking, drugs, travel insurance and other risks, as well as resources for young travellers, parents, schools and universities. That hub supports a broader communications effort. We use social media, we use digital advertising and we go to schools. That DrinkWise event was part of that effort. The airports—we work with them, travel providers and partners. All of that messaging is effectively reaching young people where they are and directing them to trusted Australian government advice. To give you some numbers, since its launch, the hub has been viewed nearly 20,000 times by over 14,000 Australians and their parents. We're continuing to update that hub as we go. It has a range of resources there. It has research. It has partner materials. In 2026, as the minister mentioned, we also launched TravelSmarts, which is a scenario based, 'choose your own adventure' style learning tool. It's really fun, it's interactive and it's educational.

Senator DOWLING: Great. Thank you. You reflected on it being evidence based. Where do you get the evidence to suggest what you should be advising and what works? Do you have particular performance targets or metrics you're trying to achieve through the Smartraveller or the party safely hub?

Ms McGregor: We do a range of market research to examine how that messaging is going and to make sure that it's effective. We take an evidence led approach to all of that. It involves audience research, testing, tracking and evaluation as well. Under the Smartraveller advertising campaign, that research that we undertake informs our target audience, our message framing, our creative development and also our channel selection. We test concepts with the target audience before the launch. We track performance during the campaign, and we formally evaluate the results to refine our approach. For example, the 2025 schoolies campaign with DrinkWise included pre- and post-campaign research to understand young travellers' behaviours and to assess whether those messages reached the intended audience and supported safer decision-making. We supplemented that with targeted research to gain deeper insights into specific audiences and emerging trends.

Recent studies have explored gen Z behaviour and the use of AI in travel planning, which is increasing. We've also looked at travel behaviours, information needs and preferred communication channels of culturally and linguistically diverse young Australians. Our results have confirmed that this evidence led approach that we're taking is quite effective. Our evaluation of the current 'Know before you go' campaign found 49 per cent campaign recall, and 83 per cent reported taking a key action after having viewed that campaign, such as visiting

Smartraveller or preparing more thoroughly for travel. The schoolies evaluation found that 72 per cent of international schoolies attendees surveyed considered the campaign messages were important and 68 per cent said the campaign would help attendees make better choices. So I think we have some numbers there to back up that this campaign is cutting through to the right audiences.

Senator DOWLING: It's great to hear how effective that campaign is. Thank you.

CHAIR: Senator Paterson.

Senator PATERSON: I have some questions on recognition of Palestinian statehood for relevant officials. When the government announced recognition of Palestinian statehood in August last year, it said that there are a number of preconditions to that recognition. Could you remind me what those preconditions were.

Dr Webster: When we recognised the State of Palestine, we took into account the commitments of the PA to the following: reform governance, terminate prisoner payments, institute schooling reforms, demilitarise and hold general elections.

Senator PATERSON: And what was DFAT's advice to government at the time about the prospects of those reforms?

Dr King: As my colleague's just said, those commitments are given by the Palestinian Authority. We made them clear. We have continued to make clear to the Palestinian Authority that we hold them to account and that we are monitoring, as are other partners, their progress on these reforms.

Senator PATERSON: The PA saying that they're going to do something is one thing, but DFAT is capable of making an independent assessment of how likely those are. So what was DFAT's advice at the time about the prospects for each of those preconditions?

Dr King: Senator, the key element, as I understand it, in the recognition of Palestine was to keep the two-state solution alive. We did that with partners. That was the primary motivation for recognising Palestine at that time. I'm unaware of the assessment made with specific regard for reforms, except for the fact that we have remained in touch with the Palestinian Authority to hold them to account, and we are satisfied they are making progress on that basis.

Senator PATERSON: So DFAT didn't do an assessment of how likely it was that the PA would deliver?

Dr King: I am unaware of that, and I would have to get back to you on that, Senator.

Senator PATERSON: You weren't in a substantive role at the time, or there was another official?

Ms Adams: If I can just answer—

Senator PATERSON: Please.

Ms Adams: Obviously, we don't go into details in this committee and detailed advice from the department to the minister on policy issues that inform government decisions.

Senator PATERSON: Well, as you know, Ms Adams, from your experience in this committee, we don't accept advice to government as an excuse not to answer a question. There has to be a public interest immunity claim, and advice to government has never been accepted by the Senate as a reason not to answer a question. Did DFAT provide this advice or not?

Ms Adams: I think what has already been said is the key point. The decision took into account the commitments of the PA to those elements and made clear that we would continue to press the PA to implement those commitments.

Senator PATERSON: But if Australia's making—

Senator Wong: Can I just intervene—

Senator PATERSON: Sure.

Senator Wong: if I may, because it's not fair to officials for you to set up a hard binary, which is not quite the way we articulated it. Australia's position is predicated on the commitments we have received from the PA. We will continue to work with the international community to hold the Palestinian Authority to its commitments and to encourage normalised relations between Israel and its neighbours. I think the point is, and I can attest, I can say to you that something we have engaged particularly with the United Kingdom and Canada about, but more broadly with others who are part of the recognition shift—and, as you know, the overwhelming majority of our like-minded partners have now recognised Palestine—was that this would require work, whether it is work on governance, education reform or a range of other areas, as well as the election process, which you've discussed. We also know that if we're serious about two states, and I appreciate you have a different view about two states—

Senator PATERSON: That's not—

Senator Wong: Sorry, you have a different view about whether Australia should contribute to it.

Senator PATERSON: No, no.

Senator Wong: No, you do. You want to wait and see if it happens.

Senator PATERSON: Don't verbal me, because that's—

Senator Wong: Sorry, I apologise. I thought that was the conservatives' position.

Senator PATERSON: The opposition's—

Senator Wong: The opposition's position.

Senator PATERSON: The opposition's position's not relevant to the question, but you're putting words in our mouths.

Senator Wong: I think what I would say to you is we have worked with, for example, Indonesia and the PA in relation to progress on some of those issues, and Dr King or Dr Webster—everyone's a doctor—can take you through some of the programs we have engaged in, including our trilateral work.

Senator PATERSON: I will get them to do that in a minute. But, just before we get to that, you said just then that the government's position is predicated on the commitments. So, if something is predicated on the commitments, then we need to know how likely it is that those commitments are going to be fulfilled, and, if they're not fulfilled, we need to know what the consequences are. That's why I asked. If something is predicated on commitments, what assessment was made at the time about the likelihood of the Palestinian Authority's ability to honour those commitments?

Ms Adams: I don't think we've got much further to add. As the minister said, everybody knows that there's work to be done.

Senator Wong: Senator, this is the problem with your position—continued tests, thresholds, for the Palestinian people that you keep setting before you all go to a two-state process. Meanwhile, thousands of people, including children, are displaced; human rights abuses continue to occur in the West Bank; and the former Israeli government continues to build settlements which, on the ground, render a two-state solution impossible or highly unlikely. So your position is we sit back and say, 'They're not good enough, and we're not going to do anything about it, whilst we allow the only prospect of peace in the Middle East to be rendered impossible.' I do not think that's responsible, and I do not think that's in our interests.

We have a different view. We have recognised. We are working with the PA on how to progress those commitments, and what I've also said is we would link further practical steps on recognition by Australia with those commitments. I've made that public.

Senator PATERSON: The opposition's position is interesting, and I look forward to debating that another time in another forum. But you're the government and this is Senate estimates, and this is where we ask about the government's policy.

Senator Wong: And I'm happy to talk about that. I accept that. I'm making a slightly different point. I'm actually making a philosophical point, a policy point, with you, because the position you're asserting is the same position, I think, that others have asserted for many years, which is 'We're not going to have progress towards two states; it's got to be between the parties, and the Palestinians have to do A, B and C.' That ignores the reality of what the Netanyahu government sought to do, which was to make a two-state solution impossible on the ground. And so, in the face of that, the theoretical proposition that we're just going to wait for the Palestinians to do all these things means you accept the removal of the possibility of two states by inaction.

Senator PATERSON: I'm actually not—

Senator Wong: It's a fundamental foreign policy distinction.

Senator PATERSON: Minister, I'm actually not asserting anything this morning. I'm just asking questions about how the government's policy is working in reality.

Senator Wong: Yes. And I—

Senator PATERSON: That's what I'm interested in—

Senator Wong: Sure. And—

Senator PATERSON: and I think that's reasonable in Senate estimates.

Senator Wong: Of course it is, Senator. But I'm saying to you we start from a different position. You're saying you shouldn't do anything because you should just wait for all these things to happen. I'm saying, if we do that, there is no Palestine left to recognise.

Senator PATERSON: Winston Churchill—

Senator Wong: If I may, there is no Palestine left to recognise if we just wait.

Senator PATERSON: Yes, and—

Senator Wong: And that is the same position that the United Kingdom took. It's the same position that Canada took. It's the same position that France has taken. It is the same position that so many of our like-mindeds have taken—that we cannot simply sit back and wait and watch the reality of a Palestinian state be removed.

Senator PATERSON: Sure. I'm paraphrasing, but Winston Churchill once said, no matter how good the intentions are, occasionally we should check the results. So what I'm trying to do today is check the results on your good intentions.

Senator Wong: And the results of your position, of an alternative position—

Senator PATERSON: We're the opposition, Minister. You are the government. This is—

Senator Wong: Senator Paterson, I'm not trying to set up an opposition political debate.

Senator PATERSON: Sort of seems like it.

Senator Wong: No, no, I'm actually making a point, which is: it depends what your policy position is. If your policy—

Senator PATERSON: Yes, and I just want to assess how your policy is going. How is it working out, Minister, is what I'm trying to get to.

Senator Wong: You are critical of this. I accept that you're entitled to be. But the alternative position—

Senator PATERSON: I haven't even been critical yet. I'm just asking questions about how it's going.

Senator Wong: Can I just finish? The alternative is that we sit back, the UK sits back, Canada sits back, all of Europe sits back, and we just wait for the continuation of a whole range of activities which we know on the ground mean that there will never be a Palestinian state, and we're not prepared to do that.

Senator PATERSON: Minister, as we all know, you won the election. You're the government.

Senator Wong: Yes.

Senator PATERSON: Your policy has been implemented. I'm just trying to see how that's going in practice.

Senator Wong: Sure.

Senator PATERSON: So let's try and get to that, if we can. We set out five areas that our commitment was predicated on and that the Palestinian Authority gave us assurances about. Sorry, can you run through them again for me? Governance?

Dr Webster: Sorry, could you just restate the question?

Senator PATERSON: Could you set out those five preconditions again for me? There was governance.

Dr Webster: Yes. Reform governance, terminate prisoner payments, institute schooling reforms, demilitarise and hold general elections.

Senator PATERSON: Okay. Let's go through them one by one. How are governance reforms going in the Palestinian Authority?

Dr Webster: Before I do that, just going to the Foreign Minister's point, both the Prime Minister and the Foreign Minister have underscored to their counterparts in the Palestinian Authority the importance of following through on their commitments.

Senator PATERSON: Good.

Dr Webster: Most recently, the Foreign Minister spoke to the Palestinian foreign minister on 10 August, and we have made very clear that further Australian steps on recognition, such as establishing diplomatic relations, will be considered once the PA makes further reform progress. That is the overall posture.

Senator PATERSON: Thank you. How are we going on governance reforms?

Dr King: I can answer that, Senator. You asked before, I believe, and the Minister alluded to this, what practical steps we were doing to help on this.

Senator PATERSON: No, I don't think I did ask that question. I'm asking how governance reforms are going.

Dr King: Fine. In this case, we assess that the PA has made significant progress on its reform commitments along the metrics in social payments. We believe they've instituted a needs based system for social payments. They've substantially delivered on this. This is replacing the 'pay for slay' arrangements.

Senator PATERSON: I thought that was the second point—the payments issue. I'm actually interested in governance reform.

Senator Wong: Senator, can we just—

Dr King: We—

Senator Wong: Let him finish.

Senator PATERSON: I'm just being clear about what my question is, Minister.

Senator Wong: Look, Senator—

Senator PATERSON: It's reasonable.

Senator Wong: Chair, can we just let the official answer. If the senator doesn't like the answer or he wants to follow up, he's perfectly entitled to, but can we let Dr King provide his answer and then the senator can follow up, please.

CHAIR: Dr King?

Dr King: Senator, on the governance matter, I cannot give you a clear answer on that, and I'll come back to you on that one.

Senator PATERSON: Sorry, could you explain why? You just said at the start you assessed there's been good progress made in governance, and now you can't tell me.

Dr King: No, I mentioned on the social payments. I was going to come to education after that.

Senator PATERSON: Well, the first precondition was governance. You started your answer by saying you assessed there had been significant progress on governance.

Dr King: Yes.

Senator PATERSON: I was a bit surprised by that. I'm not sure that everyone would agree. What progress has been made on governance?

Dr Webster: Senator Paterson, we've been delivering practical support on the governance issue through the UNDP transparency, evidence, efficiency, effectiveness and accountability program. We have provided $5 million over 2024 to 2027 to build Palestinian Authority capacity. Part of that is to improve government transparency, accountability and public-service delivery, and also to support the Palestinian Central Elections Commission to prepare for elections.

Senator PATERSON: To clarify, I'm not asking about what Australia has done to assist the Palestinian Authority. I'm asking what progress the Palestinian Authority has made against each of these objectives. What is our assessment of the progress the Palestinian Authority has made on governance?

Dr King: I would have to come back to you on that, Senator.

Senator PATERSON: Right. So none—they've made no progress on governance?

Dr Webster: Senator, I'd just like to take you through some of the progress that has been made across those metrics.

Senator PATERSON: Starting with governance—what progress has been made on governance?

Senator Wong: Senator, two points. This is a hard and long process, and that is recognised by the fact that President Trump's peace plan, which also talks about progress on a range of governance fronts, is still being implemented. Obviously, this is a process of reform which many parties, including the United States but also Australia, Canada and the United Kingdom, are engaged in. It's not a tick-a-box process, and, if it were, we probably would have peace in the Middle East. It is relevant, what we are doing—because your political proposition, which is very obvious, is about whether it's been achieved. These are still a work in progress, and it is important to see what we are doing. Now, I think Dr King indicated that there had been progress in—what were the payments? How did you describe the payments?

Dr King: The social payments.

Senator PATERSON: But before we get to that—

Senator Wong: Sorry, let me just get this.

Senator PATERSON: No, no. Minister—

Senator Wong: Sorry, I'm just asking an official something. Can I just get this information?

Dr King: This is on the social payments system, which was hitherto known as 'pay for slay'.

Senator Wong: Right. So he's indicated that. And I think Dr Webster was trying to take you through some of the work we have done, and I would really like you to let her do that.

Senator PATERSON: Thanks, Minister. I have limited time. There are other senators who might wish to ask different questions, but it's not up to you to tell me which questions I should ask in this forum.

Senator Wong: No, I'm not telling you that. I'm saying you should let her answer in the way she sees fit.

Senator PATERSON: Perhaps there are other senators—perhaps a government senator—willing to ask a question that's not my question. My question is: what progress has been made on governance? I haven't heard any answer about any progress made on governance. So, if there is nothing to add because there has been no progress, we can move on to payments. But I just want to be clear that we don't have any assessment of progress on governance before we move on to payments.

Dr King: We will get you an assessment on that.

Senator PATERSON: Thank you. Let's move on to payments. What is your assessment about the improvement on payments?

Dr Webster: On the payments reform, Australia is working with partners to hold the PA to account on its reform commitments, including on prisoner payments. As part of the PA's reform agenda, President Abbas committed publicly to repealing the law regarding payments to families of prisoners and martyrs and the implementation of a non-discriminatory social security system that is open to international audit. The July 2026 report by a US firm, Alvarez and Marsal, assessed that the social payment reform, the so-called pay for slay, has been substantially delivered. The PA has enacted new laws that apply the same eligibility standards to all families in need of social welfare assistance and has revoked previous laws and regulations related to the system of paying financial allowances to the families of prisoners, martyrs and the wounded. The new system has been implemented by the Palestinian National Economic Empowerment Institution. On 10 November 2025, President Abbas dismissed PA finance minister Omar Bitar after an internal investigation showed that he'd authorised payments to Palestinian prisoners outside the guidelines of the new system. In January 2026, the PA completed an audit of databases and beneficiary eligibility documentation to ensure that all parts of the Palestinian government were complying with the new system.

Senator PATERSON: I have just a couple of follow-up questions there. I noticed you used the word 'martyr'. Is that terminology the Australian government uses?

Dr King: No, it is not.

Dr Webster: That was a quote.

Senator Wong: It was a quote.

Senator PATERSON: Right. That's why I asked. You said also that President Abbas committed to repealing the scheme. Has it actually been repealed?

Dr Webster: Yes. He's enacted new laws.

Senator PATERSON: So it's not just a commitment to repeal; the legislation has been repealed?

Dr King: Yes, and the assessment from the consultants that Dr Webster mentioned says it has been substantially delivered. There's a new system in place called Tamkeen.

Senator PATERSON: So there are no payments being made to people who've been convicted of terrorism?

Dr Webster: That is our understanding.

Senator PATERSON: So you would say that has been delivered?

Dr Webster: 'Substantially delivered' is what the report said.

Senator PATERSON: 'Substantially' leaves a bit of room. So what aspects of it have not been delivered, then?

Dr Webster: I can't go into the details of that, but we are pleased that new laws have been enacted and that there is a commitment to stand by those laws and their implementation.

Senator PATERSON: Sorry, can you just clarify why you can't go into the detail of what 'substantially delivered' constitutes?

Senator Wong: Because we're not—

Dr Webster: I don't have the—

Senator Wong: This is a report from the United States entity. So, obviously, we're relying on their report. I'd again make the point these are reforms that are discussed in the Trump peace plan. So, obviously, there are a lot of international eyes on this. We've been removed from Ramallah by the Israeli government. So we actually don't have personnel on the ground to do this. We rely on the work of others.

Senator PATERSON: So we concur with that assessment that it's been substantially delivered?

Senator Wong: We believe it's a reliable source document, I think.

Senator PATERSON: And no payments are being made?

Senator Wong: Well, we're relying on what an American entity has ascertained.

Senator PATERSON: Moving on to the schooling reforms, what's our assessment of progress on schooling?

Dr Webster: On education reform, the Palestinian Authority is developing a new curriculum in line with UNESCO standards, and they're partnering with the European Union on that initiative. From 16 to 27 April this year, Australia and Indonesia jointly delivered an education dialogue with the Palestinian Ministry of Education and Higher Education and the Ministry of Foreign Affairs. The program focused on integrating national curriculum into religious schools and strengthening teacher training and professional development. It showcased Indonesia's approach to education reforms and how Australia has supported those reforms through our development partnership.

Senator Wong: Can I just add to that? This was very important. I really wanted us to work with Indonesia on something associated with the PA reform process. There are a number of reasons for that. One amongst them is, obviously, they have a very different relationship with the Palestinians. They are very close to and have worked with the Palestinian Authority over many years. So, if we're really trying to support reform and therefore peace in the Middle East, it is a very good partnership to work with Indonesia. It also goes to the closeness we have with Indonesia that we are trusted enough to work with them on this. So that was a measure that I encouraged former foreign minister Sugiono to agree to because I thought it was a good thing in terms of our relationship with Indonesia but also in terms of the effectiveness of the engagement with the Palestinian Authority.

Senator PATERSON: One of the contentious issues in this space has been the incitement in educational materials—dehumanisation of Jews and advocacy of violence. So is it our assessment that those classroom materials, including textbooks and other teaching materials, are no longer being taught in Palestinian Authority schools?

Dr King: It's our assessment that there are very few instances of that. The Palestinian Authority is working with the European Union on an initiative to deliver curriculum on UNESCO standards. We believe the instances of offensive material are very minor.

Senator PATERSON: Could you expand on what you mean by 'very minor'?

Dr King: I would have to check the figures, but there are very limited instances, to the best of our understanding.

Senator PATERSON: It has previously been rife. We've all seen horrific examples of the textbooks provided to kids depicting Jews as devils and glorifying so-called martyrs, terrorists. So that's not currently prevalent in the Palestinian school system?

Dr King: That is not currently prevalent. They're working very seriously with the European Union and with UNESCO on this.

Senator PATERSON: Okay. Moving on to demilitarisation, what's our assessment of the progress on demilitarisation?

Dr King: That is a work in progress. To get a detailed response, we'd have to come back to you on that. But it is obviously a challenge because of the Hamas factor.

Senator PATERSON: Could you expand on that, please. Saying it's a challenge is probably an understatement.

Dr King: The PA security authority has worked very closely with the Israeli authorities and their security partners on this. But to get you a detailed assessment on progress on that, I'd have to come back to you.

Senator PATERSON: Okay.

Senator Wong: This is part of President Trump's peace plan. This is not a bilateral issue about what Australia can do.

Senator PATERSON: Minister, to be clear, I'm not holding you responsible.

Senator Wong: No, but I'm making a slightly broader point, actually. This is all of the countries, including, obviously, the US, but also the Arab and Muslim countries who were central to negotiating that peace plan. We were not part of that negotiating group, obviously, but we, like the rest of the world, supported it after it had been agreed. But this is one of the challenges for implementing that peace plan that has to be met.

Senator PATERSON: Sure. I'm not saying the Australian government is responsible for delivering this, but the Australian government said its recognition was predicated on these things. So I'm just trying to understand to what extent they've been delivered. It doesn't sound like we're particularly optimistic about that.

Senator Wong: About which?

Senator PATERSON: About the delivery of demilitarisation.

Dr Webster: It's very central.

Senator Wong: It's central to whether or not there can be two states.

Senator PATERSON: Indeed.

Senator Wong: And that is a challenge for the whole world.

Senator PATERSON: Moving on to elections, I think President Abbas is 21 years into his four-year term. How are we going on elections?

Dr King: The minister joined other minister counterparts in expressing our disappointment at the postponement of the elections. We've called on them in Ramallah to ensure that elections take place without delay. It was part of their commitment, as we said before, and we continue to make clear our expectations on that matter.

Senator PATERSON: Were we surprised that we've had yet another delay in Palestinian Authority elections?

Dr King: As the minister said, we were disappointed in it.

Senator PATERSON: 'Disappointed' doesn't seem all that strong. It's one of the core commitments. This is not the first time.

Dr King: To be clear, we expressed deep disappointment in it, yes.

Senator PATERSON: 'Deep disappointment'? That's a bit stronger. Why should we anticipate that there will ever be elections for the Palestinian Authority, given how often they have now been delayed?

Senator Wong: I think that's asking Dr King for an opinion.

Senator PATERSON: Not on a matter of policy.

Senator Wong: It is an opinion. You're not—

Senator PATERSON: Minister, as you know, the standing orders only prevent—

Senator Wong: Am I allowed to finish my answer?

CHAIR: You are, Minister; you are.

Senator Wong: Thank you. I'll start again. I think you're asking Dr King to express an opinion. The way I would respond to you is this. Credible elections are an important element of what the Palestinian Authority has committed to the whole of the international community, not just to Australia, and on reform, democratic renewal and governance. What I've also said is that we see this as linked to further practical steps on recognition, such as the establishment of reciprocal embassies.

Senator PATERSON: So, to be clear, the standing orders prevent senators from asking officials for an opinion on a matter of policy. I'm not asking Dr King or any other official for an opinion on a matter of policy. I'm asking for the department's assessment about the likelihood of Palestinian elections occurring given that the Australian government's policy is predicated on elections being held.

Senator Wong: I think that is the definition of a question about an opinion—

Senator PATERSON: I'm not—

Senator Wong: You're saying, 'What do you think will happen?'

Senator PATERSON: No, Minister—

Senator Wong: You can't ask him that.

Senator PATERSON: Minister, you know the purpose of the standing orders. It is to prevent the officials being put in a difficult position to express a view about the desirability of government policy, because they're

apolitical. I'm not asking Dr King or anyone else to say if the government's policy is good or bad. I'm asking Dr King, or anyone else who's got the expertise and can assist me, how likely it is that the Palestinian Authority is going to hold elections given they've delayed them so many times.

Senator Wong: I've answered the question.

Senator PATERSON: You haven't, actually.

Senator Wong: Well, I've responded—

Senator PATERSON: What's your assessment then, Minister, if you won't let the officials answer? What's your assessment? How many more times will President Abbas be allowed to delay elections before we recognise that maybe he does not intend on holding them at all?

Senator Wong: I'll respond to you by saying that that's like asking you, 'When will Israel stop building settlements that prevent a Palestinian state?' We are not—

Senator PATERSON: I'm not the government. It's not my policy.

Senator Wong: You misunderstand. That wasn't actually a partisan point. We're not in control of what happens in the Middle East. All we can do is establish principle policy parameters that Australia operates within and that Australia seeks to make a contribution to. I've explained to you how that is. I've put a view about the elections. That is a view shared by the ministers with whom I made that statement, which I think was Canada, UK and France. We have put that view. You're asking Australian officials, as I remind you, with limited representation in country to make an assessment about something that so many countries are seeking to have happen.

Senator PATERSON: Look—

Senator Wong: I don't think that's a fair question for Dr King.

Senator PATERSON: Okay.

Senator Wong: I've responded in the way I think is appropriate. You can make a political comment about that, but—

Senator PATERSON: I don't need to make a political comment. I'll ask a final question, and then the chair wants to rotate the call.

Senator Wong: Sure.

Senator PATERSON: Your government's policy on Palestinian statehood recognition is predicated on the delivery of these key issues, including elections. So my question to you, Minister, on government policy, is: if the Palestinian Authority continues to delay elections and doesn't deliver on its commitment to the Australian government and the international community, are there any circumstances under which the government will revoke the recognition of Palestinian statehood?

Senator Wong: No. We have recognised the state of Palestine.

Senator PATERSON: It's not a precondition then, is it?

Senator Wong: Well, we have recognised the state of Palestine, and that is a contribution to peace in the Middle East, because there is no peace—

Senator PATERSON: So they don't have to adhere to these—

Senator Wong: May I finish? There is no peace without two states. What I have done is done where we are able. And we're not the central player here. We're not the key player, but where we are able to make a contribution to that reform, we are doing so. And I've made clear a number of the steps on recognition. In relation to recognition, we are linked to the observance of the delivery of those commitments.

Senator PATERSON: But you've just said that it doesn't matter whether they deliver on these or not; we will not change our policy. We'll continue to recognise Palestinian statehood even if they don't deliver on those preconditions, Minister.

Dr King: Senator, as the Minister has said, we recognise the state of Palestine. What we made clear at the time was that further steps, including the establishment of diplomatic relations and the opening of embassies, would be considered as the Palestinian Authority makes progress on its commitments to reform. So the recognition has happened, but further steps are contingent on these.

Senator PATERSON: Thank you. So, Minister, why would the Palestinian Authority feel any need to deliver on these commitments, given that you won't change your policy? You will allow them to flout these and not change your policy.

Senator Wong: They're your words. I disagree with them. And, really, the Palestinian people want a state.

Senator PATERSON: Sure.

Senator Wong: Let's be clear—

Senator PATERSON: It's a legitimate aspiration.

CHAIR: Senator, I do need to move the call.

Senator Wong: Oh, my goodness. You just won't let me finish, will you?

CHAIR: Minister, conclude, and I'll have to move the call around.

Senator Wong: The Palestinian people want a state, and we want to see those commitments delivered. And we want to see them delivered because we want to see progress towards two states, which is also why we have taken the view we have about the actions of the Netanyahu government in the West Bank.

CHAIR: On that note, I'll hand the call over to Senator Hodgins-May.

Senator HODGINS-MAY: Minister, today we learned that two—

Senator Wong: Sorry. Can we just get the area?

Senator HODGINS-MAY: Yes. It's in relation to the UN rapporteurs on climate writing to the Australian government.

Senator Wong: Climate.

Senator HODGINS-MAY: Yes, but it's relating to DFAT too.

Senator Wong: That's fine. I'll just try and get—

CHAIR: We're just going to get the appropriate officials up to the table. I think that's what the minister is trying to indicate.

Senator Wong: Pacific or global?

CHAIR: Global.

Senator HODGINS-MAY: Minister, today we learned that two UN special rapporteurs have formally put allegations to the Australian government about your coal and gas expansion, subsidies to fossil fuel companies, lobbying and influence from these companies and the consequences for young people. This follows a formal complaint lodged by nine brave young Australians with the UN special rapporteur on climate and human rights. I've had the privilege of meeting with those young people today. Minister, are you, or the department, able to share when you first became aware of the UN special rapporteur's letter?

Mr Nankervis: I'm not sure we are aware of that letter, but this would be a lead, as I understand it, of the Department of Climate Change, Environment, Energy and Water.

Senator HODGINS-MAY: But the government has responded to this letter and it is with the United Nations. Is that not something that you're aware of?

Ms Robinson: We are aware that we received that communication, and it is with the department of climate change to respond to that. We haven't seen the letter today, but this would be the responsibility of the department of climate change.

Senator HODGINS-MAY: I note that it was signed by the ambassador and deputy permanent representative to the UN, Ms Roper, last week, but DFAT didn't have any involvement?

Ms Robinson: Our permanent mission in Geneva is often the conduit for these communications. They represent the entire Australian Government. In this case, it was a communication by that department. But they certainly represent all government agencies and transmit those communications to the UN.

Senator HODGINS-MAY: So the minister had no involvement in this letter or the consideration behind the input into that letter?

Ms Robinson: Not that I'm aware of, but we can take that on notice.

Senator HODGINS-MAY: And the department, DFAT, didn't have any involvement in that?

Ms Robinson: My division is aware of the communications as they come in. We often make sure the relevant agency is then aware of it and is actioning it. We can remind them of the due dates—

Senator HODGINS-MAY: But you didn't have any input.

Ms Robinson: but we're not responsible for the content.

Senator HODGINS-MAY: And no input?

Ms Robinson: I can double-check for you that we didn't have. We certainly are aware of communications as they come in and track them, but very often—in fact, mostly—we're not the responsible agency for the content.

Senator HODGINS-MAY: Okay. I will note that the response which I've read today doesn't actually address any of the UN's allegations. It makes no commitment to stopping approving new coal and gas projects, ending fossil fuel subsidies or preventing lobbyists from influencing climate policy. In fact, it doesn't even mention young people once, despite it being 11 pages long. Has DFAT assessed whether the government's continued approval of coal and gas is consistent with our human rights obligations?

Ms Robinson: Not in my division. It is for other areas of government to look at that issue.

Senator HODGINS-MAY: By your division, you mean all DFAT?

Ms Robinson: I'm not sure if the Ambassador for Climate Change has looked at that, but, certainly, the department of climate change would be responsible for things like these communications. They might engage other departments as well. We're certainly keeping—

Senator HODGINS-MAY: Even though it is in relation to our global responsibilities?

Ms Robinson: Yes.

Senator HODGINS-MAY: I know the minister's not at the table.

Senator Wong: I'm still here.

Senator HODGINS-MAY: I can see you here. Minister, do you stand behind the ambassador's response to the United Nations that fails to explain Australia's continued coal and gas expansion?

Senator Wong: I appreciate you wanting to follow this up, but, as the officials have said, we're not responsible for that, and I actually haven't seen the response.

Senator HODGINS-MAY: It just seems baffling that it's an issue of international significance. There are two United Nations rapporteurs. Surely, it links very closely to our diplomatic relations.

Senator Wong: It may well do. But the UN system comprises many, many different elements and many different agencies. DFAT is not the one that deals with every single UN issue. For example, the multilateral system includes the World Health Organization. A lot of the lead on that is taken by Health or Migration.

Senator HODGINS-MAY: So there's no overarching responsibility for DFAT?

Senator Wong: Ms Robinson can speak more to how the multilateral division might be aware of things. But, on this, you're asking me to respond to the content of a letter I haven't seen and that we didn't draft. Now, if there's anything further I can provide you with, I'm happy to, but I feel like I'm not going to wing it, if that's okay.

Senator HODGINS-MAY: Yes. I'm just trying to understand. So, if the department did draft something that you thought was egregious for global partners, does DFAT ultimately have the final say on what goes out from an ambassador? I'm just trying to understand for my own knowledge.

Ms Robinson: Not necessarily. The response will be led by that agency. They'll go through their own clearance processes. They can come to us, of course, for questions and advice on how we usually do this. But it will be that responsible agency that will then finalise the communication and ask our mission in Geneva to transmit it to the UN.

Senator HODGINS-MAY: Do you think it's appropriate for Australia to be co-hosting the COP international climate conference when we have the UN special rapporteurs—not one, but two special rapporteurs—telling us that we are failing young people on climate?

Senator Wong: I think that's an opinion, so I'm going to save Will, although I'm sure he could answer.

Senator HODGINS-MAY: You're both welcome.

Senator Wong: He could give a version. Senator, I understand your party's position on this. You've been consistent on it, and I think I've responded to some of your questions. What I would say about the pre-COP is that, for many years, including when I was climate minister and Ms Adams was my Ambassador for Climate Change many years ago, we have always sought to try and elevate the Pacific's perspective and their issues in the Conference of the Parties process. In Copenhagen, for example, I remember redrafting the elements of the Copenhagen Accord with the Pacific. This is part of what I think Australian foreign policy should be. So I see the pre-COP in the Pacific as being very much in line with that responsibility and partnership that we have with the Pacific, as a member of the Pacific family. We want to try and work with them to do as they seek in international fora, and that is what they wanted, so we respected and backed their desire to have more leaders and more senior ministers see what their lived experience is. What was interesting for me is that, in my bilateral recently, I think with the Nepali foreign minister—he's from a country that has experienced such devastation, but a very different

country; I think he was one that went to Tuvalu—he said, 'Here I am from a mountain country, and I see climate change in this way. But in Tuvalu, I saw it through their eyes as well.' So that is very important. You're entitled to your position on the resources sector. We understand that. I would make the point, as Mr Bowen has made, that we have very ambitious targets, both for—

Senator HODGINS-MAY: This isn't my position, Minister. This is the UN special rapporteurs' position that I'm putting to you.

Senator Wong: Sure.

Senator HODGINS-MAY: And I think we can fairly confidently say that the leaders of both those countries you've quoted believe Australia should be doing far more on the climate change front and not approving new coal and gas projects in this country. So these aren't my feelings or my opinions, or the Greens' feelings or opinions. I am referring directly to the UN special rapporteurs' position that Australia is not doing anywhere near enough to protect the future of young people by acting on the climate crisis and stopping new coal and gas approvals and ongoing subsidies to the tune of billions of dollars. Minister, can I ask that you'll perhaps commit to a meeting with the special rapporteurs? Given that you've only learnt about this today, hearing them out on this might be something that you would commit to.

Senator Wong: I would probably say that I'm not the responsible minister and that the appropriate minister for them to engage with would be Minister Bowen.

Senator HODGINS-MAY: I'll pass that on to the young people.

Senator Wong: Senator, please, I also—

Senator HODGINS-MAY: It's a global issue, though. You know that.

Senator Wong: Yes, and I met with the Pacific young people yesterday on these issues. So, please—

Senator HODGINS-MAY: I'm glad to hear that.

Senator Wong: As I have for the last five years—young Pacific leaders.

Senator HODGINS-MAY: These are young First Nations leaders?

Senator Wong: This is a group which includes young First Nations people.

Senator HODGINS-MAY: Yes, I'm aware of that.

Senator Wong: So, please, don't suggest that I don't meet with—

Senator HODGINS-MAY: I didn't suggest that. I asked if you would meet them.

Senator Wong: Can you please let me finish?

CHAIR: Alright. We're getting close to morning tea.

Senator HODGINS-MAY: I will move on to my next block of question.

CHAIR: Let's just get there.

Senator Wong: I hadn't finished.

CHAIR: Let the minister finish, and then we'll have a last question.

Senator Wong: I understand why you're putting this to me. Please don't suggest I don't—

Senator HODGINS-MAY: I didn't.

Senator Wong: Really?

Senator HODGINS-MAY: Don't put words in my mouth, because I didn't, Minister—

Senator Wong: Let me finish—

CHAIR: Alright.

Senator Wong: Okay.

CHAIR: Senators, please.

Senator Wong: I meet with young people, I meet with young Pacific people and I meet with young people on climate. I'm simply saying that, in relation to the special rapporteur, the responsible cabinet minister is Minister Bowen.

Senator HODGINS-MAY: I might move on to my—

CHAIR: Last question on this topic.

Senator HODGINS-MAY: Yes. I've got another topic. I think it's the same bench of people.

CHAIR: If it's another topic, I'll have to come back to you. You've already got your block, so I'll need to come back to you after the break.

Senator HODGINS-MAY: I thought you let Senator Paterson have a 20-minute block.

CHAIR: Coalition senators have a lot more senators than the Greens.

Senator HODGINS-MAY: Do they?

CHAIR: Yes. So it's only fair. I'm going to hand over to Senator Dowling.

Senator Wong: Does she need to—

CHAIR: We'll have to come back after the break. But I'm mindful also that Senator Paterson needs to head off too. There are just a few other things. I'm trying to keep everyone happy at the moment.

Senator Wong: It's just that, if Senator Hodgins-May needed to go, I didn't mind finishing and doing Senator Dowling after the break, if she only had a few.

Senator DOWLING: I'm happy to yield.

Senator Wong: We'll try and be quick.

Senator HODGINS-MAY: I do have a certain leader's Press Club today.

CHAIR: I know that, and our morning tea is very brief, but I'm just trying to accommodate everyone at the moment.

Senator Wong: Whatever you want, Chair. I'm just saying that if that's—

CHAIR: Yes, I appreciate that. I will make time for everyone. Senator Dowling, I understand you'll be brief.

Senator DOWLING: Thank you for that adjudication, Chair. I want to ask a different set of questions to officials dealing with the devastating flash flooding around the Nepal-China border. Just at the outset, I'm interested in getting an update from officials on the situation on the ground in the affected areas, including the current status of operations.

Ms Storey: The Foreign minister just referred to meeting her Nepali counterpart in Melbourne on 8 October, where she made clear that we stand with Nepal as part of its very long journey on a protracted recovery. In terms of the latest situation on the ground, two months after this very unprecedented and devastating landslide affected Nepal, reconstruction and recovery continues. The immense scale of the disaster remains very significant. There are still well over 5,000 people missing, including 34 Australians; my colleague from the consular division can give you an update on that, if you wish.

On the ground, the scale of the disaster has limited access to some of the affected area, impacting relief efforts and local emergency services. Secondly, some isolated areas still rely on air support, with damaged roads and poor weather continuing to disrupt delivery of relief and recovery supplies. Thirdly, shelter remains a key challenge, particularly as the weather worsens, and, as the Nepali foreign minister advised our minister, some locations are fundamentally unsafe to resettle. We're shifting towards supporting its long-term recovery, particularly as the Nepal government has announced a transition from search and rescue to longer-term recovery and identification.

Senator DOWLING: Thank you. In relation to the Australians that are missing, I think there are still 34 missing Australians. Can you confirm that and what efforts the government is making to support families of those missing Australians, and what services and supports are available.

Ms McGregor: There are 34 missing Australians from that devastating flooding event in Nepal and China. Our first priority has been to support families through an extraordinarily distressing and prolonged period of uncertainty for them. That support began in the acute response phase and is continuing to this day as the focus shifts to recovery, identification, coronial and longer-term missing-person processes. By 1 September, each affected family group had a dedicated, experienced DFAT consular case officer as its primary point of contact, and that provided them with continuity and regular telephone and written updates. Those DFAT case officers have worked alongside AFP family investigative liaison officers and Services Australia social workers to provide coordinated support to families, including to explain disaster-victim-identification and coronial processes and to connect those families with practical and psychological support.

The Australian government family support hub commenced in Kathmandu on 7 September, providing a dedicated place for families in Nepal to receive briefings and meet with consular staff and social workers. DFAT convened a whole-of-government virtual family meeting on 9 October with AFP, Services Australia, Home Affairs, NEMA and Health. The virtual meeting provided updates, enabled direct questions to responsible agencies and identified a range of follow-up actions, which we are completing. There's been a family centred,

trauma informed engagement plan that coordinates continuing support across government, which DFAT has led. This covers proactive contact with families, which is tailored to their preferences. It covers recovery and identification processes, repatriation and coronial matters, practical and financial issues, wellbeing referrals and longer-term family needs. Eligible Australians affected by the crisis can also access Australian government disaster recovery payments. NEMA and DFAT are continuing to engage financial institutions, insurers and relevant industry bodies on difficulties arising from unresolved missing-persons cases, and we will continue to support those families for as long as is needed.

Senator DOWLING: Thank you. In terms of the search and rescue operations themselves, how do you decide as an agency what specialist services, officials or capabilities to send? I understand that in this case there might have been specialist drone operators. What's the decision-making process there, and what were some of the capabilities sent to the rescue efforts?

Mr Scott: The first important point to make is that we respond to the requests from the Nepali government—so what is the nature of the assistance they want? Very early on, I think on day 2, the Foreign minister had a call with her counterpart, and we made the full offer of all our urban search and rescue capability. At that time, they weren't ready to receive large urban search and rescue teams, but, as the situation evolved, eventually on 2 September they realised they did need some more specialised search and rescue capability through the provision of drones and drone support—so, like I said, that took a few days.

By 4 September we had sent, that evening, a 15-person DART team, which is our disaster assistance response capability; this sits within the fire and rescue services departments of Queensland and New South Wales as a combined team—15 drone operators, a team lead, some logistics support and two types of drones. There were small drones that could access structures, and they were specifically used to support some of the tunnel work, if you remember, that was going on. A lot of the hydro tunnels got flooded. There were a lot of workers still trapped in there. They were able to access those tunnels and provide some imagery and support to the teams working on those operations. There were larger drones that could do aerial surveillance, and they were able to search parts of the valley, including some of the places which were the last known locations of many of the Australians and other people that went missing in those floods.

Senator DOWLING: Thank you. Finally, moving from search and rescue to the recovery and resilience package and the $15 million announcement earlier this month, can you give some insight into what that will deliver and how that is different from the initial support that was provided.

Ms Storey: As mentioned, that recovery process is going to be extremely protracted. Nepal's own rapid damage and needs assessment puts recovery needs at around A$7.7 billion. As mentioned, the Foreign minister met her Nepali counterpart in Melbourne on 8 October and announced a $15 million recovery and resilience package. That follows on from the $11 million in increments in immediate humanitarian support that Mr Scott has referred to.

That recovery component is broken into two parts. The first is around $5 million for recovery. That will support climate resilient infrastructure that restores essential services. We intend to work through international organisations in line with Nepal's priorities, and this will focus on rebuilding and restoring disaster affected education, health, water and sanitation infrastructure, and restoring access to essential services. It will also provide technical advice on infrastructure investments that incorporate climate resilience and disaster-risk-reduction best practice. Secondly, the resilience component, which will make around $10 million, will help address the risk of future flooding through early warning, water management and disaster resilient planning and management. This will be done through existing partnerships—and the minister has mentioned just how appreciative the Nepali Foreign minister was to attend the pre-COP meeting in Tuvalu and to make the connection between melting glaciers and rising sea levels.

Senator Wong: Can I just add one thing on Nepal. One of the things we did was to announce and publicise—and I think the media organisations have also assisted with this—the Emergency Action Alliance appeal, which is essentially a platform of multiple NGOs that come together to encourage Australians to donate and provide a platform for Australians to donate. I announced that we would match it. Australians donated from their own pockets more than $20 million—is that right?

Ms Storey: Yes, that's right.

Mr Scott: That's right.

Senator Wong: Which was at a time when we know the cost-of-living pressures that people are experiencing. If you want something that makes you feel more optimistic, for me that was heartwarming—to see the response

from the Australian community to that appeal. The government was happy to just slightly more than match that contribution.

Senator DOWLING: Thank you.

CHAIR: Senator Paterson.

Senator PATERSON: I just want to get through some consular cases, now that we have the opportunity. I'll preface these questions by saying there'll be some cases that we won't ask about today; it's due not to a lack of interest in any particular case but advice about the sensitivities involved and the best interests of those people. Senator Smith, my colleague, will come and ask some specific questions about a specific case; I'll leave that to him. If we could start with Dr Yang Jun.

Ms McGregor: We remain appalled by Dr Yang's suspended death sentence. We're continuing to raise with China our longstanding, principled and bipartisan opposition to the death penalty, including at the highest levels, and we're continuing to advocate for Dr Yang's interests and wellbeing.

Senator PATERSON: Thank you; I'll leave it there. Could you give me an update on Mr Gordon Ng, please.

Ms McGregor: On Mr Gordon Ng, we remain deeply concerned about his case and the broad application of national security legislation in Hong Kong. We continue to advocate for his interests and welfare, including through repeated senior level representations to Hong Kong and China mainland authorities. We remain in contact with Mr Ng's family and will continue to monitor his welfare and pursue consular access to him, which we do not have.

Senator PATERSON: Thank you. And an update on Mr Oscar Jenkins, please.

Ms McGregor: On Mr Jenkins, the Australian government is appalled at the sham trial and the 13-year sentence given to Mr Oscar Jenkins. As a full serving member of the Armed Forces of Ukraine, Mr Jenkins is a prisoner of war. We've made clear to Russia our expectation that it comply with its obligations under international humanitarian law, including with respect to prisoners of war. We're providing consular support to Mr Jenkins's family, who have requested privacy.

Senator PATERSON: Thank you. That's all the cases I had. As I said, Senator Smith will raise a specific case later today.

CHAIR: On that note, we're going to break for morning tea.

Proceedings suspended from 10:58 to 11:11

CHAIR: Welcome back, everyone. I'm going to hand the call over to Senator Hodgins-May.

Senator HODGINS-MAY: I've got some quick questions about corporate sponsorship. DFAT disclosed $1 million in sponsorship from Santos for the Australian pavilion at the World Expo in Osaka last year. Can you tell me what Santos received in return for that million-dollar investment?

Mr Maclachlan: I'm going to have to take it on notice, I'm sorry.

Senator HODGINS-MAY: You can't comment on whether there was any branding, hospitality, so on? You've got no—

Mr Maclachlan: I don't have that detail with me, I'm sorry.

Senator HODGINS-MAY: Will you also then please take on notice and release the sponsorship agreement and schedule of benefits.

Mr Maclachlan: I'll take that on notice.

Senator HODGINS-MAY: Minister, were you aware of this? Did you have to approve anything?

Senator Wong: To be honest, the expo was more Minister Farrell. I know that our pavilion was very successful and lots of people visited. He told me very proudly how many it was, but I have now forgotten. Oh, George Mina is here. He can probably tell me how many did. I didn't engage as much as that part of the department and that part of the portfolio.

Senator HODGINS-MAY: You didn't engage much, but were you aware of this million-dollar sponsorship?

Senator Wong: No. Well, if I was, I don't recall it now. I wasn't involved in it.

Senator HODGINS-MAY: Would that normally be handled by a minister or a department—a sponsorship of that nature? You've said Minister Farrell, but maybe Mr Mina—

Mr Mina: As part of our overall funding arrangements for the Osaka expo and the Australian presence there, there were a number of corporate sponsorship packages. Of course, with those were various elements provided for

the sponsors. We'll have to take on notice, as Mr Maclachlan has already said, precisely what sort of profile and presence the companies concerned were afforded.

Senator HODGINS-MAY: Given our earlier discussion around multiple special rapporteurs contacting the Australian government in relation to our rights and responsibilities with respect to climate change, do you think it's appropriate that DFAT is engaging in fossil fuel sponsorship arrangements?

Senator Wong: As I said, I was not the minister primarily involved in the development of the pavilion at the expo, so I feel—

Senator HODGINS-MAY: But more broadly speaking.

Senator Wong: I think you always have to be aware of the implications of sponsorship, and I'm sure that the minister and department considered that. Our policy positions remain the same. It is a good thing for us to promote Australia through the expo. As I said, I understand a lot of people visited, and I'm sure we can provide some further information on notice or later in the hearing.

Senator HODGINS-MAY: Looking at DFAT annual reports over the last five years, it looks like DFAT has accepted fossil fuel sponsorships for events like Australia Day celebrations in Mexico and Japan from companies like Woodside, Chevron and IMPEX. At a time when we're debating energy security and gas policy and when the UN itself has expressed concerns around the influence of fossil fuels on government, it's really puzzling that DFAT can justify accepting this sort of corporate sponsorship, or corporate investment, from corporations that are actively lobbying to protect their profits. Do you think that creates a potential conflict of interest, Minister?

Senator Wong: You've asked similar questions previously, and the point I would make is we take decisions which we believe are the right decisions for the country. We make decisions, including those which are opposed or which members of the sector have concerns about. We have said, for example, we would implement a gas reservation scheme—which I think is currently in the Senate; is that right?

Senator HODGINS-MAY: Not yet, but it will be.

Senator Wong: It's in the House. Parts of industry have expressed their views about that. We've done that because it's the right thing to do.

Senator HODGINS-MAY: I suppose it's more the conflict of interest that I'm trying to home in on.

Senator Wong: Senator, you continue to interrupt me, and I'm trying to be polite and not interrupt your questions.

Senator HODGINS-MAY: I'm trying to be specific though.

Senator Wong: But I'm entitled to answer it as I wish. You can ask a follow-up question. The proposition that your party continues to put—and Senator Milne put it to me, so it is a continued position of your party—is somehow because people give us sponsorship. We have a position that we think is right.

Senator HODGINS-MAY: So they are doing this out of the goodness of their heart?

Senator Wong: No, excuse me—

Senator HODGINS-MAY: Profit driven corporations are investing $1 million—

Senator Wong: Hang on, Senator. We take—

Senator HODGINS-MAY: out of goodwill for this country.

CHAIR: Please, come on.

Senator Wong: Please, let me finish.

Senator HODGINS-MAY: It's mind-boggling.

Senator Wong: Senator, I'm trying to be polite. Could you please be polite?

Senator HODGINS-MAY: I will try.

Senator Wong: Thank you. Could you just not interrupt me every time I speak?

Senator HODGINS-MAY: Please keep it specific. We get 10-minute blocks—

Senator Wong: Senator, you don't get to decide how I answer a question. You get to follow up—

CHAIR: Senators, come on.

Senator Wong: but I get to speak my words. What I'm saying is we make decisions that are in the national interest. You seem to assume that people don't agree with you are somehow corrupt. That is not the case. We just don't—

Senator HODGINS-MAY: You're putting words in my mouth.

Senator Wong: We just don't agree. We have a different view about what is right. In terms of the management of conflicts of interest, I'm sure others in the department can speak to about how they are dealt with, and I'm happy for them to deal with that. But the fundamental political proposition that you continue to assert is that somehow government makes decisions that are not in the national interest but only in the interests of particular companies. You are wrong.

Senator HODGINS-MAY: Why do you think these corporations make these investments?

Senator Wong: You are wrong.

Senator HODGINS-MAY: Minister, why do you think that Santos would put $1 million in towards a convention like this? I'm genuinely curious to understand how you think that is appropriate and why these corporations would make those sorts of contributions.

Ms Adams: If I could provide some background, for hosting a big undertaking like an exhibition pavilion at a global expo—in this case with a very important partner, Japan—it's very standard practice for government to seek sponsorship.

Senator HODGINS-MAY: I'm not saying it's not standard, but why?

Senator Wong: Just let her finish. It's courtesy.

Ms Adams: DFAT sought sponsorship from Australian companies with something to add to themes of the expo and who were involved in the relationship with Japan. We were very pleased to have those sponsorship arrangements. They were done very carefully and professionally. I reiterate what the minister said about how our policy decision-making process is not affected by those particular sponsorship arrangements in any way. We were very pleased to have around three million visitors through the Australian pavilion. It had universal acclaim, and we were very pleased to participate in Japan's important expo. They were very pleased to have us there. We couldn't have done it without the sponsorship arrangements.

Senator HODGINS-MAY: Couldn't have done it without sponsorship arrangements?

Ms Adams: Well, we couldn't have done it without a much bigger taxpayer funded contribution.

Senator HODGINS-MAY: I'm just thinking about these young climate activists who don't have $1 million to spend on a pavilion expo. I still don't really, to my satisfaction, have an answer about why these corporations would invest that money and what they are getting in return and whether this government thinks it genuinely passes the pub test, the public interest test—for massive multinational exporters of gas making huge mint off our resources to get to make these types of investments. I simply don't have any clarity on that following this line of questioning. But what I'd like to request on notice—

Senator Wong: You just made a political point, so I'm going to respond, Senator.

Senator HODGINS-MAY: Sure.

Senator Wong: You chose to do that. These are the same gas companies we are opposing a reservation on for the Australian people.

Senator HODGINS-MAY: Maybe. You're not doing a gas tax. You're not raising any money for the Australian people.

Senator Wong: Well, that's not correct.

CHAIR: Alright, come on, senators.

Senator Wong: It's not the same—

Senator HODGINS-MAY: It is, there's no gas reservation—

Senator Wong: Senator, do you want to go to energy export estimates to ask this?

Senator HODGINS-MAY: Sure, and I will—

Senator Wong: I know this is a set up ahead of the Press Club speech. That's fine; you're allowed to do all that.

Senator HODGINS-MAY: This has nothing to do with that. I turn up every time asking these questions on corporate capture.

Senator Wong: But what I would say to you is we have a clear view about what we believe is in the national interest. You're entitled to have a different view. We are proceeding with the gas reservation, which will deliver cheaper gas for Australians. That obviously has a financial effect on the companies. I understand you have a different position. You're entitled to that. That is the position that we are seeking to proceed with through the

Senate, and I look forward to your party voting for a gas reservation, which would enable Australians to have access to cheaper gas.

Senator HODGINS-MAY: We've been very clear that the Australian people—

Senator Wong: Look forward to it.

Senator HODGINS-MAY: want to make revenue off this. I'd like to request on notice an outline of all sponsorship agreements entered into by DFAT with fossil fuel companies over the past decade and if any risk assessment was completed for each.

Senator Wong: I'm not doing it over the last decade.

Senator HODGINS-MAY: Let's say five years.

Senator Wong: No, I will see if—

Senator HODGINS-MAY: Since you've been in government then, let's do that.

Senator Wong: I will consider the resource implications of that, but I'm certainly not doing it for previous governments.

Senator HODGINS-MAY: For your government, I will rephrase.

Senator Wong: We'll have a look at that, absolutely.

Senator HODGINS-MAY: And also if any risk assessment was completed for each, any conflicts of interest identified, as well as DFAT sponsorship policy or guidelines, if that exists. Thank you.

Senator Wong: We are always aware of conflicts of interest. And this comes back to the same point you made, which is, I think, the implication that the government changes policy because we get $1 million for an expo. This is a multibillion, multidecadal generational reform.

Senator HODGINS-MAY: It's not just me who thinks this.

Senator Wong: It's really an extraordinary proposition.

CHAIR: Alright. Senator Paterson.

Senator PATERSON: I have some questions about the Foreign minister's speech to the United Nations in September. Dr King, did the department provide an initial draft of the speech to the Foreign minister's office?

Dr King: Yes, we did.

Senator PATERSON: Was the speech then edited by the Foreign minister's office before delivery, or was it delivered as drafted?

Dr King: My understanding is it was delivered as drafted.

Senator PATERSON: In the draft provided to the Foreign minister's office, what number was used in relation to children displaced as a result of settler violence in the West Bank?

Dr King: The figure was over 15,000.

Senator PATERSON: What's the source of that claim?

Dr King: The source of that is an OCHA document. We use reports by UN OCHA, the Office for the Coordination of Humanitarian Affairs, because their figures are widely relied on in the humanitarian system, reflecting their central role in coordinating data analysis and response. In this instance, the figure given was for the wrong period.

Senator PATERSON: Could you table that document.

Dr King: I certainly could.

Senator PATERSON: When you say it was for the wrong period, what does that mean?

Dr King: It means it was for an 18-month period rather than a six-month period. To be specific, it was for the period of January 2025 until July 2026. That's something for which I accept responsibility. It was provided in error.

Senator PATERSON: The speech referred to the number of displaced people over a six-month period, but the figure was actually over an 18-month period.

Dr King: That is correct. The figure was from UN OCHA, and it said, 'Over 41,000 Palestinians, including over 15,000 children, were displaced in the West Bank over 18 months as a consequence of settler violence, security operations and a range of punitive measures.' So, yes, you're right, and I take responsibility for the error.

Senator PATERSON: It's very good of you to do that. Was it just a transposition error? How did it occur?

Dr King: Senator, believe me, I'd like to know, but I take responsibility for it.

Senator PATERSON: We are all human and we all make mistakes. It's very decent of you to take that responsibility. I note that there are UNICEF figures which are similar, in that they say between January and June of this year, 1,500 children were displaced. But you're saying it was a different dataset. It wasn't the UNICEF dataset.

Dr King: That is correct.

Senator PATERSON: When did you realise the error occurred?

Dr King: After, unfortunately, the minister had delivered it.

Senator PATERSON: As I understand it, the speech is on the DFAT website. Has the number been updated, or the time period been updated, to reflect the accurate data?

Dr Webster: The speeches on the website are as delivered.

Senator PATERSON: So you haven't added a note or anything to clarify it?

Dr Webster: Not as far as I understand.

Senator PATERSON: Has this been communicated or clarified by any other means—on the X account of the department or any other platform?

Senator Wong: If I could make a couple of comments about this, as you indicated, the 15,000 displaced children, in fact, should have been between January 2025 and July 2026. I think you would agree that's also not acceptable. That 15,000—

Senator PATERSON: However many it is, indeed.

Senator Wong: However many, over whatever period. Obviously, the website reflects what I said. I'm very conscious that there has also been criticism of other ministers for so-called doctoring of transcripts. It's a record of what I said. I think we were contacted by the media. I don't remember how many days after, sorry. We corrected the figure then, or the underlying timeframe for the figure. And we've done so again today.

Senator PATERSON: Corrected it how? Corrected it where? To the media?

Senator Wong: Yes, to the media. We got a media inquiry, and we indicated to them what the underlying timeframe should have been for the figure.

Senator PATERSON: There was an article by Matthew Knott on 30 September—that might be the one you're recalling, Minister.

Senator Wong: I'm sorry, so much has happened these last few weeks.

Senator PATERSON: Indeed.

Senator Wong: Yes, that may be the one, but I know that when asked, we explained what had occurred.

Senator PATERSON: I'll stand to be corrected, but I don't recall, having read that article, there being a correction in it. I think the journalist surmised that an error might have been made, but it certainly didn't say that the government or the Foreign minister or the department had conceded there was an error.

Senator Wong: I think we indicated what the time period should have been. I haven't got the article in front of me, but that's my recollection. The relevant fact is not the 15,000 figure; it's the timeframe.

Senator PATERSON: I take your word on that; I accept that evidence. I don't have the other dataset with me, but I accept that. Israel's foreign ministry has publicly asked where this data came from and for it to be corrected. Have you had any engagement with the Israeli foreign ministry or the embassy or any other arm of the Israeli government to clarify the remarks?

Senator Wong: It hasn't been communicated with me directly that I know of; it hasn't been raised with me. Senator, can I also say to you—I'm advised by the office, by the way, that we did indicate to the journalist there had been an error. I don't have the article in front of me. We can have a discussion about timeframes, and I accept what was in the speech should have had a different timeframe. I accept that was an error. But we are talking about the context of 15,000 children being displaced over a very short period of time. I'm sure you would agree it's not acceptable.

Senator PATERSON: I do agree. There's no debate about that. But it's also important that, when the Foreign Minister speaks, particularly at high-profile international forums like the United Nations, it's accurate and that, if an error is made, it's promptly, clearly and transparently acknowledged. This evidence to me today is the first I've heard of it being very clearly clarified on the public record. Particularly given a foreign government has asked for

it to be publicly clarified, was there any consideration of either clarifying it with the Israeli government or clarifying it publicly prior to now?

Senator Wong: Well, as I said, we did correct the record when asked by the media.

Senator PATERSON: Well, I'm not sure. Certainly, it was not clear to me, and I don't think it was clear to others, that that correction had been made. There's no on-the-record comment from you in this story, I'm advised. Perhaps your staff provided something on background to the journalist. The article simply states:

Wong is believed to have mistakenly used a figure referring to a longer time frame and more causes of displacement.

Clarifying to a journalist on background the source of the error is not the same as publicly identifying the mistake, because it's not just a journalist that's interested in these things; other people are interested in these things.

Senator Wong: I think that's a political comment. What do you want me to—the officials have indicated what occurred, I've indicated what occurred. When a journalist asked us, we indicated what occurred. I mean, I think that's pretty transparent.

Senator PATERSON: Well, there's a factual error on a speech on the department's website that has not been notified in any way. I've made errors before in interviews. Typically what we do is we put parentheses around it or an asterisk and have the updated figure so that anyone who comes to look at the website later and looks at it can and see what the original version of it was but also that the error is acknowledged. As I say, we're all human, we all make errors. But, in this instance, a visitor to the DFAT website would be none the wiser that the information in that speech is not correct.

Senator Wong: I think Dr King has indicated what occurred. I think you've conceded it is 15,000 children displaced. It should have been over 18 months, not a six-month period. When we were asked about it, we indicated that the error had been made and indicated what it should have been.

Senator PATERSON: We're in agreement that, whatever the number, it's not acceptable. Just to clarify, when we do say it was over 18 months, is it 15,000 displaced in the West Bank, or does it include Gaza as well?

Dr King: West Bank.

Senator PATERSON: West Bank only. Thank you, Chair.

CHAIR: I'll keep rotating the call around. Senator Payman, I understand you've got some questions.

Senator PAYMAN: Yes, thank you. Good morning. Does DFAT maintain an explicit position of non-engagement with the military junta?

Senator Wong: In Myanmar?

Senator PAYMAN: In Myanmar, sorry.

Senator Wong: There are a few in the world.

Senator PAYMAN: My bad.

CHAIR: Even in some political parties too! Anyway.

Ms Chan: Australia has consistently condemned the Myanmar regime's brutal and ongoing atrocities against the people of Myanmar. We have very limited engagement with the regime, and always in the national interest, in advocating or pursuing our national interests.

Senator PAYMAN: What steps is the Australian government taking to encourage ASEAN to maintain restrictions on the attendance of Myanmar military leaders at regional summits until meaningful progress towards fulfilment of the five-point consensus is made?

Ms Chan: The Australian government supports ASEAN's leading role in trying to resolve the very bleak situation in Myanmar. Our participation in ASEAN led forums is critical to Australia's security and prosperity. Myanmar, of course, is a member of ASEAN. The Australian government, ministers, the Prime Minister, officials, refer to our concerns about the situation in Myanmar in depth when we meet ASEAN counterparts. It is very common, in fact, at all engagements that we have with ASEAN as a grouping, that we will outline our concerns about the situation in Myanmar and urge all efforts towards implementation of the five-point consensus.

Senator PAYMAN: Advocates within Myanmar have raised concerns with me about an upcoming ASEAN Regional Forum sponsored workshop on unmanned aircraft systems as part of the counterterrorism cooperation framework. I understand that Australia is a co-chair of this workshop with Singapore and the USA. Is that correct?

Ms Chan: We're just checking that for you, Senator.

Senator PAYMAN: That's fine.

Ms Linke: Australia is not co-sponsoring an ASEAN Regional Forum workshop on the use of unmanned aircraft systems.

Senator PAYMAN: Are we co-chairing any workshop in that regional forum?

Ms Linke: We co-chair other work streams within the ASEAN Regional Forum. We are going to be co-chairing one on maritime security. I'm just trying to find—

Senator Wong: While the official is looking, you started your questions with, 'What is our framework in terms of engagement with the junta?' It would be useful, I think, just so you're aware, I did, as part of the advocacy for Sean Turnell to be released, engage with a representative from the military junta. You would also know, I hope, that we have continued to engage with the NUG. Obviously, we recognise states, not government. I met again with the National Unity Government's foreign minister last month, and also with Daw Aung San Suu Kyi's son.

Ms Linke: In 2026, Australia co-chaired two ASEAN Regional Forum officials-level meetings and one ASEAN Regional Forum experts and eminent persons meeting.

Senator PAYMAN: Can you confirm that the military junta in Myanmar would not be invited to participate in any of those workshops?

Ms Linke: Consistent with ASEAN policies and processes, co-chairs invited all ASEAN Regional Forum members, including Myanmar. Australia did not provide funding support, and these meetings were not held in Australia.

Senator PAYMAN: Has Australia had any contact with other participants in relation to this issue around the engagement or involvement of the military junta participating?

Ms Chan: If I could just make a broader point, our engagement with ASEAN as a grouping, of course, is fundamental to Australia's security and prosperity, as I mentioned. It is a key regional grouping with which we engage. ASEAN leaders, after the 2021 coup, made a decision not to allow political-level representation at their summit meetings, meetings of leaders, and also in their Foreign Ministers' Meetings. That remains their position today. At ASEAN Foreign Ministers' Meetings and at the summits that are usually held twice a year, they do not take part at that level. It has been the practice that Myanmar is represented by an official.

Senator PAYMAN: Thank you, Ms Chan. Thank you, Chair.

CHAIR: Senator Roberts, I understand you've got some questions on Japan.

Senator ROBERTS: I have, thank you, Chair. Thank you for appearing today. These questions, Senator Wong, are follow-ups from earlier questions regarding child support issues where children have been taken—stolen, rather—from a parent to now reside in Japan. I respect and admire the Japanese people. This is a difficult issue, and I understand it's sensitive, Senator Wong. We've discussed that in the past. What's changed, and what remains proposed in Australian child support law related to stolen children resident in Japan?

Senator Wong: I don't think we can speak to child support legislation here. What we can speak to is the work we've done to advocate for the consideration of joint custody arrangements. I think that's the term that was used. The child support agency is not part of this portfolio.

Senator ROBERTS: Is someone going to speak to that?

Ms McGregor: We recognise the profound and continuing impact of parent-child separation on Australian families. This is a very difficult and sensitive issue, as you note. We have been working with Japan for a number of years now on their joint custody reforms. They have been in effect since 1 April this year. They're a very important step forward for Japan. They will not automatically change existing sole custody arrangements or resolve all legacy cases. What we have done, are doing and will continue to do is provide consular assistance to affected families. We're also advocating that the reforms be implemented in a way that supports children having relationships with both parents where that is in the best interests of the child.

Senator ROBERTS: Senator Wong, do you or the department give advice regarding changes of laws in this country on this matter?

Senator Wong: Sorry, changes of Australian law or changes of Japanese law?

Senator ROBERTS: Changes of Australian law, initially. What risks and representations aren't being considered?

Senator Wong: I'm sorry, Senator, I don't quite understand. Is this adoption or is this joint custody?

Senator ROBERTS: Joint custody.

Ms McGregor: That would be a matter for the individuals in consultation with their lawyers. We do not provide legal advice as part of our consular service.

Senator ROBERTS: Are you giving advice in regard to the Australian government to change laws in Australia?

Senator Wong: Oh, I see. Sorry. I thought you meant to individuals.

Senator ROBERTS: No.

Senator Wong: No, that would be a matter for the portfolio, probably DSS.

Senator ROBERTS: Wouldn't they consult with you?

Ms McGregor: That would be a matter for Services Australia.

Senator ROBERTS: Surely they'd need to understand the situation in Japan. Surely you'd be giving them advice.

Senator Wong: Senator, I don't quite understand. I'm sorry, I don't quite understand the point you're making. What we have contributed to—I've raised it with a number of foreign ministers and we really appreciate the way in which Japan has progressed this—is we have spoken about our approach of joint custody. My recollection is that we had a Family Court judge go to Japan to talk through our legislative framework et cetera What are you asking? What are you saying should occur here in Australia?

Senator ROBERTS: What we've seen, Senator Wong, is wrongful removal or retention of children, unfulfilled return orders and prolonged obstruction of safe contact. Are these being assessed in reform designed in Australia? Our laws. Are you giving advice on these?

Senator Wong: We don't give advice on child support laws. The usual practice of government is that if the department responsible believes it needs to engage with another portfolio, then that is done. I don't have personal knowledge of where the DSS has done that. Are you suggesting that the child support laws should be changed? Is that the assertion?

Senator ROBERTS: I just want to know if anything is being considered in regard to that, Senator Wong.

Senator Wong: Well, that is a matter for the Department of Social Services.

Senator ROBERTS: You've had no interaction with Australian lawmakers on this topic?

Senator Wong: Well, I am an Australian lawmaker—

Senator ROBERTS: I know that, but on this topic.

Senator Wong: and so are you. But I don't have knowledge of a reform where we've engaged on this.

Senator ROBERTS: Okay. Thank you, that's all I wanted to know. What representations came from Japan or other foreign governments, and how are they being considered?

Senator Wong: On what issue?

Senator ROBERTS: On the abduction of Australian children who now reside in Japan.

Senator Wong: I think the way I'd approach that is, again, to go back to what I've spoken to you about before and that I referenced just then. Japan had a very different legal system in relation to this issue. That obviously meant that we had parents in Australia, or Australian parents, who were separated from their children and that was extremely distressing. We've advocated consistently and we've sought to provide consular support. We've spoken to them about legislative reform and we welcome their reforms from April 2026. We contributed by sharing our experience and our expertise in family law and dispute resolution. I don't know that I can add to that. I don't know if officials have anything further on that?

Ms McGregor: I think only to say that we've raised this at the very highest levels of the Japanese system over a number of years.

Senator ROBERTS: Will you continue to be doing that to advance the cause?

Senator Wong: Which?

Senator ROBERTS: Because there's a sense that these reforms are minor. They're welcome, but they're minor.

Ms McGregor: We'll continue to advocate and we'll also continue to provide consular support to affected families. We're currently assisting 16 parents in relation to 23 children. Since 2004—that's how far back this assistance goes—we've assisted parents in relation to 90 children.

Senator ROBERTS: Are you able to tell me how big the issue is? For example, numbers of children affected, number of families affected, the amounts presumably collected for child custody payments?

Ms McGregor: I refer to my previous answer: we're currently assisting 16 parents in relation to 23 children and we've assisted parents in relation to 90 children since 2004. So we provide that consular assistance. We continue to advocate for the implementation of the reforms in the best interests of the affected children in these cases.

Senator ROBERTS: Thank you. How do disputed care determinations, qualifying contact costs, adjustments and direct payment credits operate internationally, including after interim protections expire?

Ms McGregor: Senator—

Senator ROBERTS: Does that vary from country to country?

Ms McGregor: Custody and access decisions are matters for the Japanese courts. I would imagine that the situation varies for different countries, so I wouldn't speak to the broader global picture.

Senator ROBERTS: What mechanisms support safe contact and enforcement of relevant orders, and with what outcomes?

Ms McGregor: Senator, again, they would be matters for the courts.

Senator ROBERTS: Have you considered proposed departure restrictions—assessing necessary child contact travel here in Japan as distinct from debt evasion—and what exemptions or review would be available? Are these matters you can influence?

Ms McGregor: Yes, again, those are matters for the courts. And, in terms of Australian laws, they're matters for other agencies.

Senator ROBERTS: Senator Wong, the last time we spoke on this difficult issue, it was indicated that you had limited knowledge about seminars run in Brisbane for Japanese parents about taking children to live in Japan. One such seminar was held on 16 February 2024 at the Consulate-General of Japan in Brisbane. Attendees included Phoenix Law & Associates and an official from the Hague Convention Division in Japan's Ministry of Foreign Affairs. A representative of an organisation called 'International Social Security Australia' had been invited but pulled out beforehand. I'm just passing on advice because you had no information.

Senator Wong: This was a Japanese government event in 2024?

Senator ROBERTS: Held at the Japanese consulate-general with representatives from Japan.

Senator Wong: A couple of years ago.

Senator ROBERTS: On 16 February 2024. Can you tell us any more about the April 2026 joint custody reforms in Japan? I know it's not long ago—only six months. Can you give parents hope?

Ms McGregor: Senator, those reforms did come into effect on 1 April. As noted previously, we have done a lot of work with Japan both prior to that date, sharing expertise in terms of our experience in this very complex area. They are an important step. But now, of course, implementation lies ahead. We'll continue to work with Japan on that process. As noted previously, it will not automatically change existing sole-custody arrangements or resolve all legacy cases. But we are continuing to support Japan in this process to make sure that implementation occurs in a way that supports children having relationships with both parents, where it is in their interests.

Senator ROBERTS: Thank you. How will you assess the impact of these changes on Australian children and parents once more time elapses?

Ms McGregor: We welcome all feedback on our consular assistance. There are channels through which that feedback can be collected, including through our posts overseas and the Smartraveller website, as well as the conversations that we have with our clients. Through those channels, we will continue to gather information on the experience of our clients and use that to inform our engagement with Japanese authorities. That includes through regular consultations that we have with Japan on consular issues as well as other bilateral engagements that we have.

Senator ROBERTS: Thank you. Thank you, Chair.

CHAIR: Senator Pocock, I understand you have some questions.

Senator DAVID POCOCK: Yes, thank you, Chair. I want to ask about a deeply concerning case involving an Australian university student who participated in an Engineers Without Borders Humanitarian Design Summit in June this year and some of the allegations about what happened during that summit. I'm really keen to understand what DFAT has done since becoming aware of those allegations and what assurances it can provide that other students will not be exposed in similar ways.

Dr Webster: Senator, could you provide a little bit more information?

Senator DAVID POCOCK: Sure.

Senator Wong: We couldn't hear the name of the summit.

Senator DAVID POCOCK: The design summit in Vanuatu in June this year, supported through the New Colombo Plan. A student has provided a detailed dossier alleging that she was sexually assaulted by a doctor while seeking emergency medical treatment—

Senator Wong: Oh, God.

Senator DAVID POCOCK: and that an Engineers Without Borders facilitator witnessed the incident but failed to intervene and that EWB subsequently mishandled both the incident and then her personal information. I'm wondering when DFAT first became aware of this alleged sexual assault?

Dr Webster: That's exceptionally disturbing information, Senator, and we are not aware of it at this point. I'll just ask some colleagues to come up.

Mr Cannan: I'd like to take that question on notice, if I may, Senator? I'm not aware of the details of that case but, certainly—obviously—it's something that sounds like it's of concern. I'll seek to get details and come back to you as soon as we can.

Senator DAVID POCOCK: Okay. Maybe we can liaise through the Minister's office to make sure you have the right details. Thank you. I might ask about preparedness for El Nino and what we're doing to support our neighbours. What's the department's assessment of the humanitarian risks associated with the 2026-27 El Nino in the Pacific and Timor-Leste?

Ms Cohen: Yes, we are monitoring and tracking the El Nino very closely, and we see that the Bureau of Meteorology is estimating that those conditions will worsen in coming months. We expect there to be a peak between October—now—and December of this year, with the worst conditions in Papua New Guinea, Timor-Leste and Indonesia. Then we think that it will move eastwards into the first half of 2027 and we'll see more impact in Vanuatu, Tonga and Fiji, for example. We're tracking weather conditions that are affecting things like water shortages and reduced agricultural production, obviously, leading to food security issues, impacts on public health and impacts on hydroelectric generation and power supply.

Of course we're also aware that these things can be drivers of community tensions, conflict and violence as well. Some of this is compounded, too, by the Middle East conflict and the impact on fuel and energy supply in the region. The UN estimates that El Nino could result in an additional 8.2 million people facing acute food insecurity in Asia and the Pacific. So in our development program and our preparedness through the humanitarian program, we're looking at how we can adapt to these evolving circumstances. We've got flexibility built into many of our programs so that we can adjust to the situation as we discuss what's happening with partner countries and organisations in those countries. To date, we've committed more than $26 million to build community resilience and to respond to the impacts of El Nino. We can go into more detail about that, if you'd like it.

CHAIR: Bless you, whoever just sneezed.

Senator DAVID POCOCK: Thank you. Is that additional—

Senator Wong: It's not as good as yours, Chair!

CHAIR: No, it wasn't as loud as mine.

Senator DAVID POCOCK: No.

Senator Wong: You're the king of the sneeze!

Senator DAVID POCOCK: Unbeatable!

CHAIR: Don't worry. I distracted your answer to a question, Minister. I won't do that again.

Senator DAVID POCOCK: Thank you, Ms Cohen. Is that money additional, or is it repurposed from somewhere?

Ms Cohen: That money is funding that's either within our existing flexible mechanisms under our humanitarian program, or funding that is within our bilateral development programs.

Senator DAVID POCOCK: How much is from the existing programs? Or is it just all from existing programs? Is there any new funding in that?

Senator Wong: The ODA program from which this comes is, obviously—by definition—new funding every year. Our friends in ACFID want more, and that's fair enough. As I said to them, 'It's your job to argue for that.' But we rebuilt substantially the base of ODA funding and continued indexation, so that, by definition, is new. But

have we set up a new stream on this within the aid program? I think the answer is probably no, because climate change adaptation and resilience have been part of how we've dealt those, particularly in the Pacific, for a long time. Those programs are about recognising the reality of the changing climate, particularly what that means for people who have communities that have very little resilience.

Senator DAVID POCOCK: I see.

Senator Wong: But Mr Scott is much better than I am at explaining all the bits of the development program—as is Ms Cohen—so I'll let them deal with it.

Senator DAVID POCOCK: Ms Cohen, following on from the minister's answer there, have you been allowed to see the ONI's climate risk assessment that they did, looking at the Pacific?

Senator Wong: You can probably contribute as well.

Ms Adams: The Department, DFAT, has, yes.

Senator DAVID POCOCK: Okay. Ms Cohen, have you managed to have a look at it?

Ms Cohen: I can't recall, Senator.

Ms Adams: I don't think Ms Cohen was in this position when that assessment was done.

Senator DAVID POCOCK: I assume it's still fairly relevant. Was the assessment helpful for DFAT in trying to plan for the changes in climate and these cascading and compounding climate fuelled events and disasters that our neighbours are likely to see?

Ms Adams: DFAT has had responsibility of different parameters of the climate change issues over a very long period. We would have been a contributor to that work along the way.

Senator Wong: None of this is new, and none of this is a surprise. I remember arguing this when I was climate minister and being shouted down by some parts of the Liberal Party. Malcolm Turnbull and others agreed that the climate impacts are not just temperature. They have—I think you used—cascading impacts. There are a multiplicity of effects, not just on the climate system but on human beings, whether that is food security, access to fish stocks, where arable land is and what agricultural production is affected, as well as the security of people. We are aware of this. The Tuvalu agreement, the very first one we signed, included a migration stream.

Senator DAVID POCOCK: Ms Adams, I take it that it was helpful in trying to form—

Senator Wong: I don't think that assessment—and I'm not going to talk about a national security document—but I think much of what you are referencing has been public and discussed, whether it's CSIRO, the IPCC or Australia's Chief Scientist or many others over many, many years. A point-in-time assessment is not the key point. The point is that this has been building for some years. In fact, what has happened to ocean temperatures is probably at the higher end of what was predicted and anticipated.

Senator DAVID POCOCK: Have the findings of that ONI assessment been shared with our Pacific neighbours and countries like Timor-Leste?

Ms Adams: I think, as the minister says, those issues are completely part of not only our climate work and our international climate engagement but of our work with the Pacific countries. Those issues are well known. Some of them are more focused on in the Pacific than others. Of course, sea level rise has been the current issue.

Senator DAVID POCOCK: Sure, but, Ms Adams, my question was—we know that. We know the public commentary, the science, but the Australian government got the ONI to do a report looking at the risks in our region. Have those findings been shared with our neighbours saying: 'Hey, we've got this work done. This is what's coming,' or not?

Ms Adams: We'll leave that to ONI.

Senator Wong: I'm not going to comment on a National Security Committee document, but I will say to you is we have a very open and honest dialogue with Pacific neighbours.

CHAIR: Just getting her nameplate.

Senator Wong: Liz arrived and then disappeared! We have a very open and honest dialogue with our Pacific neighbours, as a member of the Pacific family, and these are issues that are front and centre in our discussion. I would say to you—and I don't think you were intending it in any patronising way—I don't think they need us to explain to them the consequences.

Senator DAVID POCOCK: That's not what I was inferring.

Senator Wong: I'm just saying that they live this.

Senator DAVID POCOCK: Yes, and they're trying to get us to take it more seriously.

Senator Wong: I don't think you need to tell me to take them more seriously, Senator Pocock. I always have, and we do.

Senator DAVID POCOCK: If it is being taken so seriously, fossil fuel projects and extensions aside, surely something like a national climate risk assessment should be released in some sort of public form, a declassified version, as is done in the US and UK. Why is this a secret document?

Senator Wong: It's a National Security Committee document. We don't release them.

Senator DAVID POCOCK: But you release declassified versions of documents all the time.

Senator Wong: What we—

Senator DAVID POCOCK: The *Defence strategy*, all sorts of things. I'm interested. Why this one? Why is this secret?

Senator Wong: Senator, I understand you want to make a point about this. I've tried to explain to you the way in which the Australian government, over a long period of time—less so obviously under Tony Abbott and others who thought this was some sort of left-wing conspiracy—have taken climate change seriously. We take the analysis of the risks seriously. It informs our policy. It certainly informs our approach to our humanitarian assistance and development assistance. I think Pacific Island leaders have been ahead of most of the world when it comes to understanding the risks and consequences of climate.

Senator DAVID POCOCK: Thanks, Chair.

CHAIR: Senator Collins.

Senator COLLINS: I'd like to ask about the Foreign Arrangements Scheme—Research Security. Minister, the PJCIS warned in paragraph 3.21 of its August report that researcher-to-researcher arrangements are not captured by the Foreign Arrangements Scheme and can carry material risk. In your original bill on the foreign relations amendment, these types of arrangements weren't included. Why was that?

Ms Heckscher: The scheme, originally, as conceived in 2020, covers enterprise-level arrangements, arrangements at the university between universities and foreign government partners. It doesn't cover individuals. As part of the legislative amendments that were just passed, it now includes researcher-to-researcher arrangements. Basically, the legislation now imposes an obligation on universities to identify research projects that are in place between researchers, employees of a university and foreign researchers, to have in place procedures and policies to identify the risks, to manage the risks and, essentially, to make sure that they implement those. Those were part of the amendments just passed.

Senator COLLINS: Why weren't they included originally?

Ms Heckscher: Back in 2020—I can't actually answer why individual arrangements weren't covered—essentially, the Foreign Arrangements Scheme, as originally conceived, was focused on the regulated community. Covered by the scheme were universities, so university-level arrangements; state and territory governments; and local governments. Those were the regulated community covered by the legislation, not individuals.

Senator COLLINS: I'm not talking about the 2020 Foreign Arrangements Scheme, but the original bill, the Foreign Relations (State and Territory) Amendment Bill earlier this year.

Ms Heckscher: The amendments flowed on from the independent review that was undertaken by Dr Rosemary Huxtable. The legislation reflects the recommendations made as part of that independent review. There were 23 recommendations. All of them were accepted or accepted in principle, by the government and implemented. There was no recommendation in that review relating to individual-level arrangements. As I said, the original scheme covered enterprise-level arrangements.

Senator COLLINS: Was there no assessment that there was a risk there?

Ms Heckscher: There are many risks in relation to foreign interference and other issues in the Australian environment. Not all of them are covered in legislation for which this agency is responsible.

Senator COLLINS: As I understand it, there was a bill, and then there was amendment to that later on. Why in the original bill put forward by the government was there not the researcher-to-researcher arrangement covered?

Ms Heckscher: Well, Senator—

Senator Wong: The amendment I agreed with Ted—you're complaining it wasn't in the original bill. Is that the political proposition?

Senator COLLINS: I'm just asking questions. I'm just trying to work through—

Senator Wong: No, I'm just trying to understand what the point is. So, your complaint is—

Senator COLLINS: No, I'm just asking a question.

Senator Wong: Why did the original bill not—

Senator COLLINS: I'm not complaining, I'm asking questions.

Senator Wong: Your complaint is, why did the original bill not include the amendment that I eventually suggested and agreed with your shadow, correct?

Senator COLLINS: I'm asking, yes, why wasn't it in the original?

Senator Wong: Well, Ted raised it. Ted raised with me your views, the opposition's views. I suggested to him this amendment was a way to deal with that, so then there was bipartisan support. I think it's an example of the legislature doing a good job.

Senator COLLINS: I am going to get to that part of the process soon, and I'm just trying to understand why it wasn't in the original. Earlier this year, The *Australian* exposed collaborations involving researchers from the University of Sydney, UNSW and Adelaide University with Iranian scientists on drone technology. There are also more recent reports on research collaborations involving UNSW academics and scientists linked to China's PLA. Are you 100 per cent confident that comparable arrangements will now be captured and stopped under your amended legislation, if the university was not a party to the agreement?

Ms Heckscher: Foreign Arrangements Scheme and the work that we do under it is just part of a whole-of-government piece of work that happens with universities to look at research security at universities, including researcher-to-researcher engagement. As part of the Foreign Arrangements Scheme, my team spent a lot of time talking to universities and working with universities to lift general awareness of risks and to lift due diligence, and capability, and we do so in combination with our agencies across the whole of government. That includes the Department of Education, which is responsible for universities. It includes the Department of Home Affairs, and it includes the intelligence and security agencies. Quite a bit of this discussion happens in UFIT, the Universities Foreign Interference Taskforce, which is a collaboration between government and universities to specifically look at risks. Now, that work has been going on for some time. Whole of government has been working with universities to actually identify risks, to manage risks, to do due diligence and to work on them. Foreign Arrangements Scheme is a very important part of that. This new provision that, as the minister said, was a bipartisan outcome of the legislative reform process that has just undertaken will be part of that work going forward. We continue to engage closely with universities on how that will be used to actually identify ongoing risks.

Senator COLLINS: DFAT has assessed whether these specific types of collaborations would be captured?

Ms Heckscher: No, we haven't made an assessment as to whether the particular one that you have identified would be captured. We will be working with and we are currently working with universities to look at what are those policies and procedures that universities will put in place. How do they manage them? What do they need to do to identify and assess risks? It is a new piece of legislation, a new obligation, quite a far-reaching obligation on universities, and it will be the subject of a lot of work. We haven't actually individually assessed some of these things that have appeared in the media as to whether they will fall within this. We are looking at how will we roll this out with universities to ensure that it is effective and that it is impactful, and to look at what it captures and how it captures them.

Senator COLLINS: So the obligation is on the universities. Minister, will you have the power to cancel these individual researcher-to-researcher relationships?

Senator Wong: I will make a couple of points. I think the way in which the scheme envisages that is that the universities have the duty, not the government. In part, that is ensuring that the people who actually know about it can do something about it from the start. First, this is legislation that was brought forward in 2020. I thought at the time it was a bit rushed and the department doesn't have to respond to this. It was part of the Morrison government's attempt to promulgate its national security. That's probably a bit unfair. We were critical of it. I think we supported the legislation. I retained concerns about how they did it because it was, I thought, both not broad enough in remit but also very administratively problematic. That's why we asked Rosemary Huxtable, who is a distinguished public servant and a former secretary of finance, to do a comprehensive and independent review. I think the proper answer to why it wasn't included in the bill is, as I think Ms Heckscher said, because we followed the independent review's recommendations. We have consistently made clear that universities have to play their role in managing risks. That's what the legislation does. We would encourage universities to do that.

The point here is that national resilience—the resilience of the democracy and the resilience of particular parts of our polity, parts of the community and parts of government et cetera—is not only done by the government administering the scheme. It is also by Australians in leadership positions and in institutions like universities being risk aware and risk engaging, with recognition of the risks and making informed choices about what sort of engagement and with whom and making sure that is what they implement as policy and process inside their institutions. Canberra itself cannot regulate all that. We have thousands of researchers and thousands of employees at universities. We want the universities to discharge their obligation. We are prepared to, and we do, engage with them so they are aware of some of the risks.

Senator COLLINS: I understand that. I am trying to understand the level of accountability and, I guess, the powers afforded to the government to be able to terminate any researcher-to-researcher relationships and whether it is actually captured in the legislation now or whether it is solely on the universities.

Ms Heckscher: I think, Senator, I am happy to answer that question at the next estimates. It will have given us time to actually implement this provision. It's very new. We're discussing it with universities now. I will follow up the minister's point. This legislation has actually been very effective. We have had over 23,000 notifications, 84 per cent of which have come from universities. We have a lot of visibility now of what is actually happening at universities than we did in the past. DFAT is working closely with other agencies, particularly Education and Home Affairs, which also have a role in this, to really work with universities and to actually strengthen their resilience. As the minister said, the situation is evolving. Risks appear in all sorts of different ways—in new and problematic ways—for universities. This has to be a collaborative and cooperative exercise with universities, and it is. If we actually don't do it that way and if universities aren't actually managing the risks, risks will pop up in ways that we don't expect and aren't covered by the legislation.

We are working currently with Education and universities to work through how we will implement and how they will implement this new obligation on their part. Feel free to ask me at the next estimates how we're doing with it once it's actually in force. The provision is not yet actually in force, though we hope it will be shortly.

Senator COLLINS: Okay. There aren't really any enforcement provisions, correct? As I understand it, this amendment has no real teeth to it. It's just an obligation. The onus is on the universities to oversee and manage the risk and terminate any researcher-to-researcher relationship. Put it this way: I have done 10½ years at university, and 6½ of them were postgraduate. I have seen the links that you have. I have seen the conferences that you go to across Australia and internationally. People come from everywhere. The people-to-people links are very strong around the world. It is very easy for many of these relationships to go unnoticed. You are putting the onus of that on universities, of which we have many. You mentioned before that we have thousands and thousands of people working at these universities. It is a very difficult thing to manage. Minister Wong, you wrote to universities in 2023.

Senator Wong: Hang on. Take that to its logical conclusion. You are saying that, because there are so many, universities can't possibly be aware of them both. To that I would say: how is a bureaucrat or public servant in Canberra therefore aware of them?

Senator COLLINS: I'm asking for the legislation.

Senator Wong: You've got to work out how you make sure that we actually make the right decisions on these engagements. I don't think you do that by assuming that someone who is in Canberra can be aware if the university itself is not aware. The point is that the universities themselves need to make sure that their processes and procedures and how they tick off on researcher-to-researcher arrangements, what they expect of their staff, are fit for purpose. That's what that provision does. The bill was amended by the PJSC I think when it first went through. There were changes proposed by the PJSC when the first bill was proposed. We've amended it again as a consequence of both engagement with Mr O'Brien but also primarily from Ms Huxtable's report. I've no doubt in the future there may well be changes, where we think, 'Okay, this is not working well. This is working really well. We want to make these changes.' I'm open to that. I don't think this is closed. But your point doesn't make Australia safer because it assumes that Ms Heckscher, who works very hard, is going to be across every researcher-to-researcher arrangement that every university in Australia is engaging in.

Senator COLLINS: And nor should she be, Minister. What I am suggesting is that perhaps the amendment needs some more teeth and some enforcement. You did write to universities in 2023, Minister, calling for an end to research collaboration with Iranian institutions. Further warnings were issued to 26 universities between March and June this year. Why does the government have to keep repeating these instructions?

Ms Heckscher: I can actually say that, from a foreign arrangements perspective, when we took a good look at how many arrangements were actually still in place between Australian universities and Iranian counterparts, we

found that we had none left in operation that fell outside the exception that was provided in the minister's original letter, which was for some student arrangements. That doesn't answer your question about the broader potential research partnerships between individuals at Australian universities and individuals in Iran. This provision gets us along that pathway. I would also note, going back to your earlier question, that we are very conscious that the Department of Education is responsible for universities. We are working very closely with the Department of Education to make sure that we are well linked in with the Department of Education and its administration of universities. What we don't want is conflicting messages—which there aren't—or conflicting or overlapping obligations. Hopefully, between us and the Department of Education, we will make sure that our respective responsibilities and legislative provisions are actually well-synced.

Senator COLLINS: How many universities were found to have continued collaborations after the original warning?

Ms Heckscher: In relation to Iran?

Senator COLLINS: Yes.

Ms Heckscher: So, as I just said, after the minister's original letter, in 2024, we went back to universities and asked about the individual enterprise level arrangements they had with Iranian institutions. We found none still in operation that fell outside the small exception that had been provided at the time in relation to some individual students. That is the enterprise level arrangements which to date are the arrangements covered by the foreign arrangement scheme.

Senator COLLINS: Was there any enforcement action taken beyond sending further letters?

Ms Heckscher: There were no foreign arrangements still in place.

Senator Wong: What would we have enforced if they had already complied?

Senator COLLINS: I am asking before that. There were repeated letters, weren't there? That's my understanding. Was it just letters?

Ms Heckscher: But universities weren't not complying. In relation to Russia, for example, we did the same thing with Russia and Belarus. We sent a similar letter after the invasion of the Ukraine asking that there be no further engagement with institutions in Russia and Belarus.

Senator COLLINS: Yes.

Ms Heckscher: In late 2025, the minister made a rule that specifically brought institutions in Russia and Belarus within the scheme as institutions that would be covered formally by the scheme. We again checked whether there were any arrangements still in force. We found that there were no arrangements with Russian or Belarusian institutions that hadn't been terminated, expired or suspended et cetera. So there was nothing still on foot at that point. Two proposals were made to enter into arrangements with institutions in Russia and Belarus earlier this year. The minister issued prohibitions on those arrangements being entered into. Just as an example, we find that the scheme has been incredibly effective in giving us visibility of arrangements that our universities are entering into and providing a pathway for us to engage with universities and either turn them off as we need to, as the minister did earlier this year, or, alternatively, to work with universities to ensure that the arrangements are not on foot.

Senator COLLINS: Okay. What enforcement pathways or options are available if, for example, a university hadn't complied with it?

Ms Heckscher: The enforcement pathway is under the legislation. There is an injunction pathway, which we haven't had to use to date. There is, frankly, cancellation and variation powers. As you would be aware, the cancellation and prohibition powers have been used by the minister under the legislation. We find that, as the minister said earlier, we need to actually harden the resilience of the whole sector and, in fact, local governments as well as state and territory governments and universities. One of the most effective things of the scheme is the way that we have done enormous amounts of outreach with universities at all different levels and with local governments and state and territory governments. We have worked with them on building their own capabilities and awareness of foreign policy risks and national interests and supporting them in making decisions that are in Australia's foreign policy and national interests.

Senator COLLINS: Just to confirm, that is university to university. If it is researcher to researcher, the same powers—the injunction, the cancellation and variation powers—are not available to the minister?

Ms Heckscher: For researcher to researcher? That's right.

Senator COLLINS: For researcher to researcher, that's not available. You raised before, Minister, I guess, the bipartisan process in coming to this amendment. The coalition did propose an amendment to bring significant

researcher-to-researcher arrangements within the scheme. The government rejected it, arguing that the existing national security laws were sufficient. Just a day later, the government introduced its own amendment recognising the same risk. Can you explain to us what changed within those 24 hours, please?

Senator Wong: Did Mr O'Brien want you to ask these questions?

Senator COLLINS: Pardon?

Senator Wong: Did Mr O'Brien want you to ask these questions?

Senator COLLINS: This is not an appropriate question to ask, I don't think.

Senator Wong: He is the shadow. I dealt with him. I would have thought he doesn't really want all our discussions aired in estimates.

Senator COLLINS: I'm just trying to understand.

Senator Wong: I can tell you this.

Senator COLLINS: If they're similar amendments, what changed in those 24 hours?

Senator Wong: Well, I thought your original amendment let the universities off the hook and was administratively unachievable. First, I think universities should be obliged to do what we have outlined in the amendment. They are responsible for the people they employ, and they should ensure that the national interest is served and observed in those arrangements. Secondly, I don't think Ms Heckscher could actually keep on top of all the arrangements throughout the Australian tertiary education system, researcher to researcher. I had some engagement and my office had engagement with Mr O'Brien's office. This was the compromise position that we thought dealt with my concerns but also put in a legislative duty which has not existed before in this way on universities. So it's quite a big—I don't want to use the word 'stick', but we often do in the context of legislation. It's quite a substantial legal obligation on them now. We thought that was a reasonable compromise position to deal with some of the issues that Mr O'Brien had raised but also deal with the issues I had raised. I think it was a good example of the legislature working as it should.

Ms Heckscher: To follow up—this is not going to be easy for universities. We've had a number of webinars, and we've got another one. My team is having a webinar with universities and local governments later this week. There are already something like 400 individual registrations to participate in that discussion. Our universities are very engaged on working through what this looks like, how they deliver it, how they recognise foreign policy risks and how they manage it. This is really just to emphasise that there have been 23,000 notifications since 2020. Eighty-four per cent of them are from universities. That is just the enterprise-level arrangements. We would have had tens of thousands coming to us if we had captured under the notification obligation. I expect tens and tens of thousands would have been the impact. It would have been quite hard for us to focus on the high-risk arrangements with that volume coming to us. The universities will have to actually work very hard to make sure they have procedures and policies in place to identify and to manage risks relating to these arrangements. It's not going to be easy. It is a significant obligation on the part of universities.

Senator COLLINS: This is my final question, Chair. The scheme as it stands today, as you mentioned just a few moments ago, wouldn't guarantee that the researcher-to-researcher arrangements, such as on drone technology or drone research in Iran, would be captured. We both can see that this is an issue. Does it not make it clear that we need to go further on this?

Ms Heckscher: Well, I'm not sure that's what I just said. I think my answer was that we hadn't actually specifically gone back and looked at all of these individual ones to see if they would fall within the new provisions. We're focusing on making sure that we can implement these new provisions with universities in an effective way. They probably are covered by them. That will be something moving forward. I think I can say to you that universities and the government—DFAT, Education and Home Affairs—are committed to working with universities to actually make sure this is effective and that we can work with universities to manage risks, including researcher-to-researcher risks. UFIT, the University Foreign Interference Taskforce, which is a collaboration with the universities, plays a really important part in that as well.

Senator COLLINS: I look forward to following up at the next estimates. Thank you, Ms Heckscher.

CHAIR: I have a couple of questions with respect to the recent Pacific developments. I will start with you, Minister, in terms of how the government is strengthening our security and advancing our national interests in the Pacific given your and the government's recent time in the Pacific and the region.

Senator Wong: The first comment I would make is that the task of ensuring or assuring a safe and more secure region is never finished. It is ongoing. We have to work, and we are working, to continue to strengthen our relationships across the region. That means ensuring we build trust and remain a partner of choice. We turn up,

we listen with respect, and we work with the Pacific to advance Pacific priorities. We are, of course, the Pacific's largest and most comprehensive development partner. There has been sustained engagement across the government from the Prime Minister to obviously myself, cabinet ministers and other members of the executive as well as members of parliament. I said I think in the first video I did just after we were sworn in that I talked to the Pacific about how we would engage with them. I have sought to keep faith with that.

I think that foundation of respect, of Australia being a better, more engaged member of the Pacific family, has enabled a change in Australia's relationships with the Pacific Islands Forum members. You see the result of some of that in some of the agreements that I went through in my opening. So there is the Pukpuk alliance with Papua New Guinea; the Ocean of Peace Alliance with the Vuvale Union; with Fiji; Nakamal with Vanuatu; Falepili with Tuvalu; and, of course, the Nauru-Australia Treaty. These are major achievements that wouldn't have been thinkable before the government changed. I think, to be very pragmatic about it, this is something we have to keep working every day to do—to advance Australia's interest and to strengthen our relationships in the region.

I think I mentioned the PNG-Australia ministerial forum. I appreciate all my colleagues who went as well. It was led by the Deputy Prime Minister. The co-leads were me and foreign minister Tkatchenko. We have an alliance. We have a very strong development and a comprehensive partnership. We focused on how we translate that into benefits for both our countries and our region. The officers can talk in more detail about that.

I want to make two points before I throw to them. One, we can never be complacent about what I've described as a permanent contest for influence in our region. Secondly, again I will say that Australia's interests are the Pacific's interests. Australia's interests are in a Pacific that is peaceful, stable, prosperous and sovereign. What do I mean by sovereign? It's that we can all make decisions for ourselves and for our people.

CHAIR: I will follow up from that and your opening statement. What would you say would be the main developments in terms of our engagement over the last five or six months?

Senator Wong: I might turn to Ms Peak and ask if she can perhaps fill out a bit more detail on some of the agreements that I've gone through, if that's alright.

CHAIR: Sure, thanks.

Ms Peak: In addition to the very helpful outline the minister gave in relation to Papua New Guinea, Vanuatu and Fiji, I will fill out the developments. We've also been working very hard with the Solomon Islands, including the Prime Minister traveling to the Solomon Islands and being the first leader from another country to ever give an address on Solomon Islands independence day. We are progressing the comprehensive treaty that our two Prime Ministers agreed that we would start negotiating. We have been working with Tonga on the Kaume'a Ofi agreement. We haven't forgotten Micronesia. We have been delighted to host PIF chair President Whipps, who opened Palau's embassy here in Canberra. That follows high-level visits from President Heine from the Marshall Islands and President Simina from the Federated States of Micronesia, who also opened an embassy earlier this year. So it has been a comprehensive effort. On top of that, the foreign minister attended the Pacific Island Forum foreign ministers meeting. The Prime Minister, Minister Bowen and Minister Conroy attended the PIF leaders meeting in Palau. So it has been a busy few months. I think it is exemplifying the fact that we are working hard to secure our region to have a safer and more prosperous region for our people.

In terms of some of the details of the agreements that the foreign minister spoke about, they are significant agreements. Indeed, in relation to the Ocean of Peace Alliance and the Vuvale Union, the Prime Minister described it as one of the most significant endeavours that Australia has undertaken with any country. The way that we worked with Fiji to come to that resolve is one of following its priorities. Prime Minister Rabuka requested those two treaties, which have provided and inked an alliance and provided a multidecadal effort between our two countries.

One point I want to highlight in that treaty is that the cultural component had been essential to progressing that. Our First Nations people, the Yolngu people in the Northern Territory, gifted the name 'bukmak' to one of the major committees that will take this relationship forward into the future. Cultural exchange is a fundamental part of continuing to operate with respect.

CHAIR: Thank you. I will ask a few more questions about the details of the agreements specifically. Before I do that, I want to ask this. With these recent agreements that both you and the minister have just outlined with our Pacific friends and partners, how has that changed the way that we as a country work with them?

Ms Peak: That is a really good question, Senator. The treaties do something important, which is establish architecture to take our relationships forward. That includes the proactive parts of our relationships in implementing the treaties. Perhaps even more importantly, they provide a culturally appropriate place to have some of the difficult conversations that are sometimes needed. I mentioned the bukmak forum in the Vuvale

Union. Similarly, with the Nakamal Agreement, there is a Nakamal committee which, at its heart, has a philosophy of engaging with respect and in a spirit of consensus. So it's really changed the typical way that we would work as diplomats, taking into account the ways of working that our partners value.

CHAIR: This is a follow-up question from that. How have you and the department then dealt with the key outcomes? Go to the key outcomes of the Pacific Islands Forum leaders meeting in Palau. Could you outline for me those key outcomes and if there has been any other progress to date since that meeting?

Ms Peak: I might ask Mr Chittick to answer that.

Mr Chittick: Senator, the Pacific Islands Forum is the premiere regional forum for leaders and for ministers. The government's investment in Pacific regionalism is important because a stronger, more resilient and more prosperous Pacific will be easier for the region to secure when its own institutions are strong. It is something that Australia has invested in very heavily in recent years.

As Ms Peak said, the Prime Minister attended the Pacific Islands Forum leaders meeting in September this year. It was his fifth Pacific Islands Forum leaders meeting. It was a very substantive leaders communique which outlines a number of lines of work that are really valuable in securing the region's vision, ambitions and interests. I thought I would mention three.

The first one is the Waqa Moana initiative, which is a counterdrug trafficking initiative. It really directly responds to the call by Pacific leaders at their meeting. In particular, it addresses the maritime drug trafficking that is fuelling drug consumption in the region. This is an initiative that we're really proud to work closely with Fiji in developing. Fiji will form a real centrepiece of the Waqa Moana initiative. The Prime Minister and Minister Conroy announced in Palau funding from Australia of over $600 million over the next decade to support implementation of the Waqa Moana initiative.

The second element I will mention is digital and artificial intelligence. Pacific leaders adopted a set of digital and AI principles that will guide policy development in the region and help PIF members make high-quality selections when it comes to investment. This is something that Australia has been supporting the region in for many years now. I'm also mindful of the announcement by the Prime Minister and Mr Conroy at the PIF of the finalisation of the East Micronesia cable. That now means that all PIF members are connected to the modern world through broadband and undersea cables. The government's capitalisation of the AIFFP to $550 million in additional grants will provide additional support for Australia to be able to help the region with its own vision for its digital and AI future.

Senator, the third point I will mention is women's political participation. We were very encouraged by PIF leaders. I will quote directly from their communique:

> Leaders urged members to adopt national policies and laws to increase women's political participation and representation. Leaders welcomed the announcement by Australia on the investment of $195million in the Pacific Women Lead Program, which has supported women s leadership and entrepreneurship and combatted gender-based violence.

This will be phase 2 of this very successful program. There are many other, I think, successes that are contained in the leaders communique, but I might leave it there.

CHAIR: I appreciate that. I am mindful of time. I want to go back to the first initiative that you touched on. How will it strengthen the regional cooperation when it comes to illicit drug trafficking? Can you unpack that for me a bit more, please?

Mr Chittick: The region is well-tooled to address illegal fishing through a range of regional institutions such as the Forum Fisheries Agency and the provision of maritime domain awareness to identify illegal fishing vessels. To address the issue of drug trafficking, it is about connecting those existing regional institutions along with the Guardian-class patrol boat program, with which Australia has supported the region over many years. Australia's support will be through additional defence spending, particularly around aerial surveillance. We will be working, including through the AFP, to better join up those regional assets so that we can get actionable intelligence into the hands of law enforcement agencies and they can take sovereign action within their own jurisdictions.

Senator Wong: I will add to that. I think Mr Chittick outlined it very clearly and succinctly. This is really important. I want to acknowledge not just the PIF members, obviously, but the AFP and Defence. There has been and will be a really important exercise in us trying to join up a range of the measures we are already providing and increasing in some areas to try to deal much more effectively with transnational crime, particularly illicit drug trafficking. It will be important because we want to stop drugs and we want to stop the criminal networks that are operating in the region. As Mr Chittick said, we want to get to a much greater capacity in the maritime domain that is joined up, regional and enables countries to make their sovereign choices about how to deal with them. It is a lot of work. I really appreciate the work of the AFP and the ADF as well as the work of the Office of the Pacific

in developing this. It was really good that the Prime Minister and Mr Conroy got this agreed at the PIF leaders meeting. It's very important.

CHAIR: Thanks, Minister. It goes neatly to my next question, which is about how our support for this initiative translates into much stronger information sharing, the maritime surveillance that you touched on and the capacity to respond to transnational crime.

Senator Wong: I jumped the gun there, didn't I?

CHAIR: That's alright.

Senator Wong: I half answered that.

CHAIR: I'm not sure if Mr Chittick wants to add anything else to that. Clearly, it is good cooperation between our police and defence forces.

Mr Chittick: The AFP, the Department of Defence and the ADF have incredibly deep relationships bilaterally in the region. That addresses some vital security issues. Regionally, we also have a history of working together; the Pacific policing initiative is a fantastic example of that. In a sense, this is a maritime version of that kind of cooperation which ultimately is about, as the minister said, empowering sovereign countries in the Pacific to be able to take the law enforcement action that we know they want to take. It is about getting better maritime domain awareness. It is about having it analysed and transformed and then communicated quickly and effectively to PIF members so that they can take the action that they want to and need to and that benefits the region as well.

CHAIR: I will skip ahead to the Vuvale Union agreement. I understand that it includes cooperation on transnational crime and illicit drugs. What will that mean in practice? Why is it important, noting what you've also just mentioned? How do the two link or intersect with each other?

Ms Peak: Thank you, Senator. In some ways, the Vuvale Union provided the foundation for this broader regional initiative. Fiji has been ringing the bell on transnational crime, drugs and the social implications of that for some time. The Vuvale Union provided an opportunity for us to come together to deal with that bilaterally. We were then able to together take that to the Pacific Islands Forum and multilateralise it. The efforts and energy that we have put in to the Vuvale Union helped regionally. I will add one point. Indeed, the unusual philosophy, perhaps, of the Vuvale Union and the Ocean of Peace Alliance is that while they are bilateral treaties, the philosophy is that any investment made under those auspices should help Fiji, should help Australia and should help the region. So that's the frame of reference that our two countries have taken to the investments that we're making bilaterally.

CHAIR: There is a distinction between each of the treaties—the Vuvale Union and the Ocean of Peace Alliance. Are you able to explain briefly the distinction; the purpose of each of those treaties and how they work together; and the main commitments under the Vuvale Union and how progress against them will be tracked?

Ms Peak: Thank you, Senator. The Ocean of Peace Alliance is a mutual defence treaty. The core component is a mutual defence obligation elevating our two countries to allies and to an elite level of strategic trust. The Vuvale Union covers the waterfront of our cooperation. As I mentioned, it is a multidecadal treaty that covers all elements of our relationship. That will be tracked and implemented hand in hand. I mentioned earlier the bukmak forum. 'Bukmak' means everyone. We will have a bukmak forum on an annual basis; that is the intention. That will be an opportunity not just for governments to come together but potentially traditional leaders, faith leaders, business leaders and community leaders so that we can have whole-of-nation tracking of the implementation of the extensive commitments we have made to each other.

CHAIR: Is that the purpose of that forum?

Ms Peak: That's right.

CHAIR: I have some other questions when it comes to Australia and Vanuatu. I note the time. We might break here and then come back after lunch and continue with questions. Thanks, everyone.

Senator Wong: Thank you.

Proceedings suspended from 12:56 to 14:01

CHAIR: Welcome back, everyone. I will hand the call to Senator Dean Smith.

Senator DEAN SMITH: Good afternoon, Minister and officials. I'm seeking an update to recent media reports and representations made concerning Mr Tran, a dual citizen of Australia and Vietnam, who is currently detained by Vietnamese authorities.

Senator Wong: Do you want an update?

Senator DEAN SMITH: Yes. I was asking for an update rather than providing one. Thank you.

Ms McGregor: DFAT continues to provide consular assistance to Mr Tran and his family. Consular officials were able to visit Mr Tran on 15 October and heard directly from him about his welfare, his consular needs and the circumstances of his detention. We're seeking an expeditious resolution of Mr Tran's case and his return to Australia to be reunited with family. We're continuing to raise his case at senior levels with Vietnamese authorities. We're pressing for regular consular access under the terms of our bilateral consular agreement with Vietnam, humane treatment, access to legal representation and a quick process. We're deeply concerned at the report that Mr Tran has given that he was abducted in Cambodia and taken against his will to Vietnam and have sought urgent clarification from both governments about the circumstances of his entry to Vietnam.

Senator DEAN SMITH: Thank you very much, Ms McGregor. Can I confirm that Australian officials have engaged Vietnamese officials?

Ms McGregor: That is correct.

Senator DEAN SMITH: And a consular visit has taken place?

Ms McGregor: That is correct.

Senator DEAN SMITH: Has a subsequent consular visit been requested or confirmed?

Ms McGregor: We have requested monthly consular visits. That is under the terms of our bilateral consular agreement with Vietnam.

Senator DEAN SMITH: Has that request been confirmed? Has the next monthly consular visit been confirmed?

Ms McGregor: I can confirm that we have requested it. I am not aware that it has been confirmed yet.

Senator DEAN SMITH: Thanks very much. Thank you, Chair.

CHAIR: Senator Cadell, you have some other questions?

Senator CADELL: I have some questions on treaties.

Senator Wong: Is there any particular area of treaty?

Senator CADELL: It is my doom scrolling. I found a section on the website. I will read it.

Senator Wong: Your doom scrolling? We are being asked questions about it.

Senator CADELL: Yes. You cannot vouch for the accuracy or completeness of the treaties database. I'm trying to work out how we keep track of how many treaties we've got. On the treaties database, it says that DFAT cannot vouch for the accuracy or completeness of this list of treaties. Do we have a list of how many treaties Australia is currently party to?

Mr McCarthy: It's difficult to pin down an exact number. There are over 2,000 entries in the treaties database. That includes not only treaties. Every time there is an amendment to a treaty or an annexe to a treaty is amended, that is recorded as a treaty action because it is a matter that needs to go before JSCOT and, if necessary, before the parliament. The second thing I would add is that the treaties database goes right back to the first treaty that we signed as an independent nation, which was the Treaty of Versailles in 1919. So especially for some of those earlier entries when issues were recorded potentially in a different and not altogether accurate way, we can't vouch 100 per cent for the accuracy of those first couple of decades.

Senator CADELL: Away from treaty actions, do we have a list of bilateral or multilateral treaties that are still in effect versus those? You mentioned the Treaty of Versailles. Is there a definitive list I can look through for current active multilateral and bilateral treaties?

Mr McCarthy: The treaties database is split into multilateral treaties and bilateral treaties, so they are recorded on two different sides of the one treaty database.

Senator CADELL: But they are not all valid. The Treaty of Amity between the United Kingdom, Ireland and Columbia in 1825 is on there.

Mr McCarthy: That would not be recorded against our treaties database because we were not any dependent country or a signatory. In answer to your question, the revocation of a treaty is also a treaty action, so it is recorded in the database as well.

Senator CADELL: I get they're all there. It's quite complicated to go through it and see which are the valid ones. How do I find which ones are still in effect without having to read every one to find the withdrawals? How do I find out what treaties Australia is party to?

Dr Mitchell: There is no central list. The way in which you can identify the status of a treaty would be to, in the case of the database, click on the relevant treaty. You would then be able to identify its status. It will note whether or not it is in force.

Senator CADELL: Okay. Each individual one; I get that. So, of all the entries on that database, you have to click on each individual one. Is there no-one in the department who can do a review and get the active ones in a separate list?

Dr Mitchell: As Mr McCarthy said, there are thousands of treaties on that database. That database has the full list. There's not a schedule or a separate document that records that list as a list.

Senator CADELL: Who in the department, on every law we pass or anything, is responsible for finding out that we're not breaching one of these treaties that exists from a long time ago or we're outside the scope of? Who knows whether Australia's actions are in line with everything we're required to be within if we don't have a single list of still active ones?

Dr Mitchell: I will answer in two parts. DFAT has a treaties secretariat. That sits within the international law branch. We are responsible for assisting the foreign minister with her responsibility for treaties and supporting the entry of those treaties through parliament—for example, through JSCOT. Once a treaty is in force, the implementation and ongoing operation of that treaty is managed by the relevant departmental lead.

Mr McCarthy: I should also say that, when legislation comes forth that may engage our international obligations, it is standard practice that that is referred both to DFAT's legal division and to the Attorney-General's Office of International Law. That is to do, if you like, a stocktake and ensure that whatever domestic legislation is being proposed is consistent with our international obligations and to provide advice on that.

Senator CADELL: Can you just go over it quickly? We mentioned these thousands of entries that go through. How many clicks would I have to go through right down that page to make sure nothing applies? Every treaty action listed in there. My concern is just that you can't say an actual number. You can't say, 'This is how many bilateral. This is how many multilateral.' You can't give me a number of how many actually exist. If we can't have a number of how many are still active and valid—I hope we could—how do I know that they are all being monitored for these things?

Senator Wong: The answer that Dr Mitchell just gave you, Senator Cadell.

Senator CADELL: So someone goes through and clicks?

Senator Wong: This portfolio has responsibility—I will make sure I say it correctly—for ticking off on essentially the making of the treaty. The foreign minister sends a treaty to X Co et cetera. But once it is in force—

Senator CADELL: DCCEEW takes it or someone else?

Senator Wong: Well, whoever. There would be a department. We have some that we are the lead on. There would be other departments. They are responsible for ensuring that we meet our obligations under those treaties.

Senator CADELL: So to get that, I should go to every department and ask how many treaties they actively monitor? Would that be the way to do it potentially?

Senator Wong: I'm not sure it's up to me to draft your questions.

Senator CADELL: No. I'll ask the secretary. How many treaties does DFAT currently actively monitor?

Senator Wong: How many treaties are we the lead department for? We can provide that. We might have to take it on notice.

Senator CADELL: I'm happy for that. You mentioned JSCOT. A 2017 paper from the Australian and New Zealand association of parliamentary clerks found that seven treaties were JSCOT against ratifying and five went ahead regardless. I won't make it political by government. How many times in the last 10 years has the government taken binding treaty action against JSCOT recommendations or before JSCOT had recommended?

Dr Mitchell: I would have to take it on notice, Senator. I'm not aware of any recent examples where JSCOT has recommended against binding treaty action.

Senator Wong: I can say—

Senator CADELL: This was all pre-2017. I'm wondering since then.

Senator Wong: We'll see if we can help you. I have been shadow trade minister, shadow foreign minister and then foreign minister. The approach that has always been taken is you try to ensure that any issues in the JSCOT are dealt with.

Senator CADELL: It's just interesting.

Senator Wong: The approach generally from either side of politics has generally not been a combative one with JSCOT.

Senator CADELL: I also read that the treaties council was set up a long time ago when COAG existed and it had some meetings. COAG no longer exists. Does the treaties council still exist in any way, shape or form?

Senator Wong: I've never heard of the treaties council.

Senator CADELL: The states used to get a say in some of the treaties. I think that was the basis of it.

Dr Mitchell: Under Australia's treaty practice, we administered through Prime Minister and Cabinet what was previously called the Standing Committee on Treaties. It now exists through the intergovernmental working group with the states and territories. Several times a year we consult with the states and territories on treaties that are currently under negotiation or review.

Senator CADELL: Okay. So that standing committee on treaties is a group of Commonwealth and state officials now?

Dr Mitchell: Yes. It's administered through the Department of Prime Minister and Cabinet for which we provide secretariat support.

Senator Wong: In your next break, I've got something. Finish this first.

Senator CADELL: How many treaties have you referred to that group? How many times has it met in the last 12 months?

Dr Mitchell: I'll have to take that on notice.

Senator CADELL: Thank you.

Senator Wong: I'm advised by my very able staff that the Australian Treaties Database has a filter on its website where you can choose between in force, no longer in force or not yet in force. So that makes it much easier for you, Senator.

Senator CADELL: I had a really good click. It doesn't work quite that well.

Senator Wong: Okay. I'm just told this.

Senator CADELL: Best-laid plans of mice and men. That was a rough night. That's all I have, thank you.

CHAIR: I want to finish with a few other questions on the Vuvale and maybe the Vanuatu Nakamal Agreement briefly. I will then hand to Senator Collins and whoever else is here from the cross bench. Before I start, I know the deputy chair had one follow-up question from earlier.

Senator COLLINS: You mentioned the $195 million that was going to Pacific Women Lead for the next five years. Can you clarify? You said it was for gender based violence. The Pacific Women Lead program has three core, I guess, programs in it. Is it now just focusing on gender based violence, or is it all of those three? There is leadership. I've forgotten what the other one was, the third one.

Ms Peak: It is broader, Senator. I see Mr Mark Tattersall, the first assistant secretary of our Pacific development division, coming to the table. I'm sure he can provide more detail.

Mr Tattersall: As was mentioned by Mr Chittick earlier, the second phase of Pacific Women Lead was announced at the PIF leaders meeting in Palau. That will constitute $195 million from 2026 to 2031. It is essentially a continuation of the first phase of the program. It has several key objectives but is focused in particular on women's political leadership, gender based violence, women's economic opportunities and increasing women's health outcomes in the regions.

Senator COLLINS: So no change? Just an extension to it. Thank you very much. I appreciate that.

CHAIR: Thank you for that, Ms Peak and Deputy Chair. Ms Peak, what are the practical changes that the Ocean of Peace Alliance will bring in terms of our cooperation between the ADF and the military of Fiji?

Ms Peak: The level of cooperation between the two defence forces is already at a very significant level. There are plans to take that again to a new, as I mentioned before, elite level of strategic trust and interoperability. I refer to my colleagues in Defence to speak to the detailed plans that they have in place. I know they are quite detailed.

CHAIR: I'm sure we'll have time tomorrow. Thank you. In terms of the Nakamal Agreement that was signed in June this year, are you able to go to the key outcomes of the meeting that occurred I think here in Canberra on 15 October?

Ms Peak: Certainly. The Nakamal Agreement, as you say, was signed on 29 June this year. I mentioned earlier that the Nakamal Agreement established a piece of architecture called the Nakamal committee. Despite the Nakamal Agreement not yet being in force, both parties are very committed to progressing the components of the

Nakamal Agreement. We held the first meeting of that committee here in Canberra led by the foreign minister and Minister Conroy on our side and the Deputy Prime Minister of Vanuatu on the other. From that meeting, there were a number of key outcomes. The two governments released a joint statement publicly to outline those. One thing that the committee underscored was the centrality of our cultural connections as an important component to elevate. It is also important in how we work together. In the margins of the committee, we were honoured to host the Australian South Sea Islander leaders. We had First Nations leaders. Ambassador Mohamed convened a conversation with the Vanuatu ministers involved to talk about where we can take the cultural connections and what early advancements we could make on that.

Secondly, there were a number of early actions articulated, including moving forward on increasing police support, climate change support and support for El Nino.

Importantly, the Vanuatu side articulated helpfully the status of policing cooperation in Vanuatu. As is articulated in the treaty, they reaffirmed that Australia is the primary policing partner and that other arrangements were time limited and expected to reduce over time. The expectation is that we will move forward with additional policing support as agreed by the two governments in an early phase of implementation.

CHAIR: Thank you for that. In terms of the committee, how will it help operationalise the agreement?

Ms Peak: The communique or the joint statement is a list of early priorities. There are a number of commitments in the Nakamal Agreement. There is no time limit on the treaty. It will be an enduring treaty. Our two governments have come together to work out where we will put our energy and effort for implementation in this early phase.

CHAIR: Thank you. I have a couple of colleagues behind me who have short blocks of questions of maybe five minutes each.

Senator DAVID POCOCK: I want to follow up on Senator Smith's questions about Mr Hiep Tran. I understand that Mr Tran's wife Chloe came to parliament looking for more answers about her husband's alleged kidnapping in Cambodia and transport to Vietnam. Minister, I understand that you have personally been in touch. I thank you for that. Is the department treating this as a kidnapping of an Australian citizen or something else?

Ms McGregor: We're treating this case as a consular case. I would say it's a complex consular case. It is being considered in accordance with our complex case framework. That means we work with a range of other agencies in developing our responses. We are giving it our full attention.

Senator DAVID POCOCK: Thank you. That's good to know. How long will it take for you to be able to know if this is in fact a kidnapping of an Australian citizen or something else?

Ms McGregor: I am unable to speculate on timeframes.

Senator DAVID POCOCK: How does Mr Tran's case differ from other Australian citizens who have been illegally detained overseas, such as Kylie Moore-Gilbert or Cheng Lei?

Senator Wong: I will step in here. When we deal with consular cases such as these, our first priority is the interests of the Australian concerned. That informs what we say in fora like this and what we don't say. It informs how we deal with governments and how we deal with other matters. If you want a discussion outside this forum and you have the authority to do so from the family, I'm prepared to do that. But we are going to be cautious about some of what we say here because we are focused on the best interests of the Australian. What I would say is what I think Ms McGregor said in response to Senator Smith. I think you may have been out of the room. We have already dealt with questions on this matter.

Senator DAVID POCOCK: No. I was in here.

Senator Wong: I'm sorry. We take any allegation that an Australian may have been deprived of their liberty and moved across an international border against their will very seriously. We continue to seek clarity about the circumstances in which Mr Tran came to be in Vietnam.

Senator DAVID POCOCK: Thank you, Minister. I appreciate that there are sensitivities around this. I know in other circumstances there has been far more public comment and clear direction from government as to what is happening.

Senator Wong: I will go back to what I first said. When we determine what we say publicly and when we say it, we do so making a judgement about what is in the best interests of the Australian concerned. It is not a political decision. It is not a publicity decision. It is a decision about the best interests of the person concerned. That is the approach I took in relation to Mr Turnell. That is the approach I took in relation to Ms Cheng Lei. That is the approach I have taken in relation to other consular cases where we have been able to assist people in circumstances where they wanted to come back to Australia.

Senator DAVID POCOCK: Thank you, Minister. Can you tell the Senate whether the Vietnamese or Cambodian ambassadors have been called in over the incident?

Ms Chan: DFAT did act promptly on the information available to us. We were advised of his disappearance when people were not aware of his whereabouts. Officials made inquiries initially with the Cambodian authorities. Mr Tran had gone missing in Cambodia after failing to board a scheduled flight to Thailand. On 23 September, DFAT submitted a formal request to authorities from neighbouring countries—Laos, Thailand and Vietnam—about his immigration movements. When Vietnamese state media reported Mr Tran's arrest, which was on 28 September, officials repeatedly sought urgent confirmation of his location and welfare and immediate consular access. That access took place on 15 October. Those discussions have been at various levels, both in Phnom Penh and Hanoi and here in Canberra.

Senator DAVID POCOCK: Thank you, Ms Chan. That's great to know. I really appreciate your work on that. Thank you, Minister. I will leave it there.

Senator Wong: Thank you.

Senator DAVID POCOCK: And take it up away from estimates, thanks.

Senator McKIM: Good afternoon, Minister, and the officials at the table. There are moves internationally to establish an international panel on inequality to coordinate global efforts on inequality similar, I guess, to the way the IPCC does on climate. Is Australia supportive of these moves, which are being driven by a number of other countries? If you are supportive, what have you done on the international forum to advance the proposal?

Ms Cohen: I wonder if you could tell us a bit more information. We're not aware of the panel immediately. Was it under the auspices of the UN?

Senator McKIM: I believe that it is. It is an international panel on inequality, as I said, similar to the IPCC. It's at the formative stages. You're not aware of that?

Ms Cohen: No, we're not. Obviously we're very concerned about inequality in the terms of our development program more broadly and international engagement, but we are not aware of that specific panel.

Senator McKIM: Okay. So 30 countries met during the recent UN General Assembly meeting. Obviously, Australia was not one of those countries.

Ms Cohen: No.

Senator McKIM: Perhaps I could draw that matter to your attention, Minister, and through you to your officials. I suggest respectfully that you have a look at what is being proposed, and perhaps we can discuss it at a future estimates.

Senator Wong: We're happy to have a look.

Senator McKIM: Thank you. There are also growing calls for an international tax treaty. It's further advanced than the matter that I just raised. The UN Framework Convention on International Tax Cooperation began in 2025. It will continue until mid-next year. The proposal arose out of frustration that OECD-led efforts to address tax base erosion and profit shifting are too slow and are too, I guess, colonial in nature; that is, they are favouring wealthy countries over countries that are exploited for their wealth and excluding countries in the global south from negotiations. By the way, that's in response to the OECD-led efforts. Are you aware of negotiations to develop a global tax treaty? Has Australia engaged in that process? If so, how?

Mr Mina: As you rightly say, Senator, there are a range of efforts underway, including those at the OECD, in which Australia participates actively. As you have said also, those efforts have a range of limitations. Of course, the Commonwealth Treasury leads on these matters. They would be the appropriate place to direct questions on this.

Senator McKIM: Thanks. I will ask Treasury about this a bit later this afternoon. You would be aware of this international work that is being done, obviously?

Mr Mina: We're aware of discussions. We're not the lead agency, so we don't track international negotiations. They are quite different from the broader question of whether there's dialogue and discussion on global coordination on tax. Of course we're aware of that. The Commonwealth Treasury is the lead agency on these matters.

Senator McKIM: Do you advise Treasury on Australia's engagement with negotiations around an international tax treaty?

Mr Mina: Sorry, did you ask whether we advise?

Senator McKIM: Yes.

Mr Mina: Treasury is the lead on matters relating to international tax. They would be the ones that typically would prepare advice on these matters to government.

Senator McKIM: Sure. You could correct me if I am wrong, Minister, or anyone at the table. Surely you don't just let random Australian government agencies kind of blunder around on the international stage.

Senator Wong: Oh, my goodness. You are Treasury spokesperson.

Senator McKIM: No. Minister, you know the point I'm making here.

Senator Wong: I don't think they would be thrilled with that.

Senator McKIM: I withdraw the word 'random'. You know the point I'm making. Surely DFAT exercises some engagement with Australian agencies who are acting on the international stage. I'll put it like that.

Senator Wong: The orderly way in which in these international relations are managed and various international issues and policy areas are managed is to ensure that the relevant government department is clearly the government department that has responsibility for it.

Senator McKIM: Sure.

Senator Wong: We have certain responsibilities. Mr Mina is going to be very happy to talk to the committee, I'm sure, about why the European FTA should be supported by you and by the coalition and why that will benefit Australian workers. He will do so, I'm sure, eloquently and with a lot of evidence later today. We're happy to talk about the treaties or proposed treaties that we are responsible for. But this area is led by Treasury.

Senator McKIM: I get that, Minister.

Senator Wong: In fact, the Treasurer and the Assistant Treasurer and the former assistant treasurers have done a lot of work, including by the OECD, on some of the issues you raise. But they are best placed to respond on these issues.

Senator McKIM: I'm not seeking to ask you any questions of detail about what Treasury is doing. I'm simply asking what engagement this department has with what Treasury is doing. Do you have any engagement at all or does Treasury just get to stride on to the international stage with no engagement with DFAT at all and conduct negotiations unilaterally? Is there some level of engagement from DFAT?

Senator Wong: There are so many things in that. There are so many presumptions that I need to respond to.

Senator McKIM: It's a simple proposition, Minister.

Senator Wong: No. It wasn't. It was a whole set of incorrect assumptions first.

Senator McKIM: I haven't come here for an argument. If you want one, I'm happy to give you one.

Senator Wong: No treaties are entered into. There is a process of approval for ministers who are engaging in international negotiations. If you are seeking to engage in and negotiate a treaty, you have to get a mandate from the cabinet. First, on this point that it is willy-nilly, I think, or whatever the phrase was, frankly, that is just not a truthful proposition. The second point is I have no doubt that, as appropriate, departments would engage on issues. The only point we're making is that Treasury is the lead on some of the issues you are raising. If you have other issues, we are happy to assist.

Senator McKIM: I'm very aware of the fact that Treasury is the lead because I have been informed about half a dozen times in the last five minutes.

Senator Wong: Excellent.

Senator McKIM: I don't need to be informed of that again.

Senator Wong: Good.

Senator McKIM: I'm not seeking to ask about that. I'm not seeking to challenge that. I'm simply asking what, if any, engagement does this department have with Treasury's work on this matter on the international stage. That is a simple question.

Senator Wong: On which matter?

Senator McKIM: Actually—

Senator Wong: Because there are lots of different issues.

Senator McKIM: I have been very clear about this. It is the UN Framework Convention on International Tax Cooperation, Minister.

Senator Wong: On tax cooperation?

Senator McKIM: Yes. What if any engagement does DFAT have with Treasury while Treasury is working on the UN Framework Convention on International Tax Cooperation? I don't think it's a controversial question.

Ms Adams: Senator, further to the minister's explanation, when any government department, be it transport, health or Treasury, is engaged in international treaty negotiations, there's, of course, a whole-of-government process behind the original cabinet mandate that is given by government to the negotiators. As relevant, those policy agencies with lead responsibility engage other parts of the Commonwealth government. That would include DFAT sometimes. It would include the Attorney-General's Department sometimes on matters to do with international law. It so much depends on the subject. If there are connections between particular provisions and, for example, our trade law obligations, the WTO or our investment agreements bilaterally, Treasury has responsibility for those. It would depend on the subject matter and how they construct their consultation. I suppose I can say as secretary that where treaty negotiations engage either our international law or our policy subject matter or, for that matter, our bilateral relationship equities, we would be involved.

Senator McKIM: Perhaps I will ask you to take this on notice. Obviously, I'm not going to get it today. Could you please respond specifically in relation to the Department of Treasury and the UN Framework Convention on International Tax Cooperation? What are the governance arrangements, if any, around that? Is there an IDC or a working group of some kind? What kind of engagement has your—

Ms Adams: I'm sorry, but that's actually Treasury. Treasury is running that.

Senator McKIM: I understand that Treasury would have a working group. Is DFAT involved? I'm asking from this ministry what your engagement is with Treasury. You're obviously not going to answer it here. I'm asking you to take it on notice and see if there is anything further you can provide.

Senator Wong: Sure. If they've said anything further, we will provide it. I am being upfront with you. We may simply be referring the question to Treasury. We will see if there is any further assistance we can provide.

Senator McKIM: Thank you.

Senator COLLINS: I would like to ask some questions about the PRC missile testing and the PLA Navy's missile test in July. What time and date was Australia first notified of the test, by whom and through which channel? Was it an embassy in Canberra? Was it our embassy in Beijing? Was it military channels? How were we notified of that?

Ms Lawson: The first date was on 5 July. I will defer to my colleague Ms DeZoeten for details.

Ms DeZoeten: As deputy secretary Lawson said, a number of Notice to Airmen and closure areas, including temporary exclusion zones, were issued prelaunch on 5 to 6 July. But those notices, from our perspective, lacked some detail. In terms of the bilateral communication, that occurred on 6 July both in Beijing through military channels and in Canberra to DFAT officials.

Senator COLLINS: To the DFAT officials, was that from your PRC counterparts or was that from our military that had already received that?

Ms DeZoeten: Sorry not to be clear. That was the Chinese embassy in Canberra.

Senator COLLINS: The Chinese embassy in Canberra?

Ms DeZoeten: To DFAT officials.

Senator COLLINS: To DFAT officials?

Ms DeZoeten: On 6 July.

Senator COLLINS: On 6 July. And how many hours before? The launch was on the 6th. How many hours before the launch did you receive that notification?

Ms DeZoeten: Around two hours.

Senator COLLINS: You said that the pre-launch warning lacked some detail. What sort of details was it missing? What sort of details did it include?

Ms DeZoeten: I'll have to come back to you on the specifics of the formal notification context. My comment around the lack of details in the NOTAMs, which is the Notice to Airmen notices, for example, referred to hazardous operations or space debris. It did not provide specific detail. Obviously, the nature of the discussions from our perspective when we were having the exchanges with the Chinese officials when they conveyed the information to us was to ask about intent, purpose, timing and capability.

Senator COLLINS: Were you told about the direction in which it would travel and where it was intended to land?

Ms DeZoeten: I'll have to come back to you on the specifics of that discussion. I don't have the details of that in relation to the specific elements of that. From our perspective, the nature of the notifications we were provided with did not provide a sufficient level of detail that we would expect, including under the Hague code of conduct, to which Australia is a party, which sets out things around the flight path and the nature of the capability et cetera. We did not consider that the requirements under the Hague code of conduct were met.

Senator COLLINS: Okay. Pacific islands were under the flight path or near the flight path. Are you aware of any other Pacific islands that were notified prior to the launch?

Senator Wong: There have been some public statements in relation to this. I'm not sure we are the ones to indicate when others were notified.

Senator COLLINS: Okay.

Senator Wong: But we can look at what is public.

Ms Lawson: Reportedly not all Pacific nations were pre-notified. There was a statement by the PIF forum ministers.

Senator COLLINS: Just to be clear, you didn't have any indication prior to the formal notification that this was going to happen? It was all a surprise to the Australian government?

Ms DeZoeten: That's not a matter I can comment on, Senator.

Senator COLLINS: Did DFAT notify Pacific islands to make sure they were aware that the missile was coming their way?

Senator Wong: We're not going to comment on that.

Ms DeZoeten: I won't go into the specifics of private bilateral conversations we may or may not have had. I will refer you to the comments the foreign minister made when she was in Suva. There were public comments in which she indicated that China had advised the Australian government of its intent to conduct a sea-based missile. She did make those comments publicly in advance of the test.

Senator COLLINS: But as a member of the Pacific family and for security within the Pacific family, I assume the Australian government would have notified Pacific island governments that this was about to happen in the region.

Ms Lawson: Senator, I think we've already answered the question.

Senator Wong: I was in Suva with the Prime Minister to sign the Vuvale Union and the Ocean of Peace Alliance.

Senator COLLINS: Okay.

Senator Wong: So you can draw the inference.

Senator COLLINS: You mentioned the Hague convention. What is DFAT's legal assessment of whether the test was consistent with China's obligations under international law?

Ms DeZoeten: There are a few things I would say in relation to the Hague code of conduct. The first thing is that it isn't a legal instrument. It is a voluntary arrangement which states subscribe to, if you like. From our perspective, we see it as a transparency and confidence building measure. There are 145 subscribed states, as I mentioned before, including, of course, Australia. China is not a signatory to the Hague code of conduct. We call on states to sign in and subscribe to the principles. It provides a range of non-legally binding processes. The first is notification to the other subscribing states. Of course, China is not a subscribing state so did not do that. So 145 states that subscribe to that did not meet that.

Senator COLLINS: But they did notify you, just not within the time frame that is expected. Is that what I understand to be correct?

Ms DeZoeten: They did notify all of the Hague code of conduct states as far as we are aware. They notified Australia but they didn't use the Hague code of conduct process. There's actually a process where all subscribing states to the Hague code of conduct have a process by which they are able to notify everybody else of an intention to undertake the test. It sets out a range of requirements, if you like. That includes things such as prelaunch notifications and information such as the generic class of the ballistic missile or the space launch vehicle; the planned launch notification window; the launch area; and the planned direction by which the missile test will take place.

Senator COLLINS: So none of that information was provided?

Ms DeZoeten: From our perspective, those requirements, principles or measures that are outlined were not met.

Senator COLLINS: Okay. The second part of my question is whether the test was consistent with China's obligations under international codes. I know you mentioned the Hague code of conduct. My apologies for calling it the Hague convention. Was the test consistent with broader obligations under international law?

Ms DeZoeten: We don't usually get into the specifics of international law advice. I'm not sure if my colleagues from the legal team have anything to add beyond that.

Senator COLLINS: Thank you.

Mr McCarthy: I really don't have a lot to add to Ms DeZoeten's answer. The Hague code of conduct is, of course, non-binding; it's not legally binding. There is actually very little in the way of legal framework that is in this area. Beyond that, we would be getting into the territory of the provision of legal advice. So there's not a lot further I can add to that.

Senator COLLINS: Okay. Just to be clear, the PRC doesn't recognise the Treaty of Rarotonga, does it, or the South Pacific Nuclear-Free Zone? Are you aware of that?

Ms DeZoeten: Senator, I'm looking at you wryly because it's a tricky answer. I'm just wanting to get to the right page. Obviously, there are states that are party to the South Pacific nuclear weapon free zone treaty. There are also a series of protocols to which nuclear weapon states can subscribe. If you give me one moment, I will find them. There are three. China, from my memory, is a party to those. Those relate in general terms to things around nuclear weapon states not coercing or threatening signatory parties to the treaty with nuclear weapons. One relates to those nuclear weapon states that have territories within the zone. The third one I'm just trying to remember. If you give me a minute, I can find it.

Senator COLLINS: More specifically, I think the Treaty of Rarotonga is probably the most important thing here.

Ms DeZoeten: So they are not a party. They cannot sign on to the Treaty of Rarotonga itself, but they can subscribe, as I understand it—my legal colleagues will tell me if I am wrong—to the protocols, which they have; I should say that is those that are relevant to them. Sorry to interrupt you.

Senator COLLINS: So they have signed to the protocols, or they have the ability to sign?

Mr McCarthy: Senator, Ms DeZoeten is entirely correct. That accords with my understanding. Maybe we can take that on notice and respond in the course of the session.

Ms DeZoeten: I've found the page. There are three protocols. Protocol 1 applies the prohibitions of the treaty with respect to nuclear weapon states in respective territories in the zone. That is not applicable to China. The second protocol to the Treaty of Rarotonga applies to not use or threaten to use nuclear explosive devices against any party to the treaty or each other's territory within the zone. China has ratified that protocol. The third protocol relates not to testing nuclear explosive devices within the zone. Again, China has ratified that protocol.

Senator COLLINS: Thank you very much. I go to the point that the minister raised before about being in Fiji at the time. Was it DFAT's assessment that it was coincidence that the missile test happened on the same day that the minister was there signing and ratifying the Ocean of Peace Alliance?

Ms DeZoeten: I can't speculate, Senator, on the intention of China in undertaking this activity.

Senator COLLINS: Was there any advice given to the minister about that at the time?

Ms DeZoeten: The focus at the time immediately, from my recollection, was about ensuring the minister was aware that it had occurred and explaining and providing briefing in relation to the Hague code of conduct, for example, and the nature of the information we had received. That was the immediate priority.

Senator COLLINS: Did you engage with China's embassy in Fiji while you were there after the test?

Ms DeZoeten: In Suva?

Senator COLLINS: In Suva, yes.

Ms DeZoeten: I might leave that to my colleagues in the Office of the Pacific. I was not in Suva at the time.

Senator COLLINS: I might ask you, Minister. While you were in Suva, did you engage with the Chinese embassy there regarding the missile test?

Senator Wong: That would not be the level at which I would make representations.

Senator COLLINS: Did you make any representations to the Chinese embassy here in Canberra?

Ms Lawson: Senator, the minister would not make representations to the embassy. That would be my job and that of my colleague here. Yes, we made representations to the embassy.

Senator COLLINS: What was the nature of the representation?

Senator Wong: Perhaps to shortcut this, the representation at the level I made was to foreign minister Wang Yi in Manila.

Senator COLLINS: Would you be able to share what the representation was?

Senator Wong: What I say privately I say publicly, which is that we emphasised the importance of transparency and the reassurance of intent. We regard the missile test as destabilising. We noted the strong expressions of concern from many Pacific leaders.

Senator COLLINS: What was the foreign minister's response?

Senator Wong: I'm not sure. I will see what information I can get you. I doubt that I would go into every detail of what he said. What I do say is that I'm clear with the Australian people about the representations we make on the matters that really are appropriate that it is public and in Australia because they articulate our national interest.

Senator COLLINS: Am I correct in thinking that you raised this in person with the foreign minister?

Senator Wong: I just said that.

Senator COLLINS: I'm sorry. I must not have heard you.

Senator Wong: Sorry.

Senator COLLINS: I thought you said that you made a public statement and a private statement.

Senator Wong: No. You asked me about representations. Ms Lawson explained her levels of representation and where other representations were made. What I am indicating to you is that I raised our concerns directly and personally with the foreign minister Wang Yi in Manila on 21 July.

Senator COLLINS: Thank you very much. Has the Prime Minister raised the test with Premier Li Qiang or President Xi?

Senator Wong: That would be a matter for PM&C.

Senator COLLINS: Has the PRC complained to Australia about the Australia-Fiji treaty?

Ms Adams: It doesn't really usually work like that. They may have made some public statement. I'm not really sure. We wouldn't have any other countries complaining to us about our treaty decisions as such.

Senator COLLINS: Nothing through the high commission over in Fiji on the local embassy there?

Ms Adams: Well, it's hard to imagine how that would come about.

Ms Lawson: Senator, I'm not aware of any specific representation. Certainly I can say that we've had many conversations with the Chinese government about our position on the Pacific and asserting our interests and our advocacy for the Pacific and for Pacific island countries. Generally that is the way the conversations go.

Senator COLLINS: Okay. Has DFAT raised the test in any multilateral forums, such as the NPT review conference process, the conference on disarmament or the UN First Committee?

Senator Wong: I don't know if officials can add to this. I can say to you at ministerial level the focus was to work with the PIF. There was a discussion, including in the PIF foreign ministers and in the leaders meeting.

Ms DeZoeten: That's right. I will add to the foreign minister's comments. As she said, the PIF leaders meeting communique and the foreign ministers communique both referenced the test. I'm happy to quote it to you if that would be helpful. The leaders meeting communique says that leaders, in recalling the Blue Pacific Ocean of Peace Declaration, registered concern about the recent intercontinental ballistic missile, or ICBM, test which overflew a number of members without adequate notice. Leaders called on all states undertaking ICBM testing to ensure transparency and reassurance, including through the provision of advanced notification of at least 24 hours in accordance with international practice. Leaders emphasised the importance of all states conducting ICBM tests to do so consistently with the Blue Pacific Ocean of Peace Declaration, the Treaty of Rarotonga and in respect of the sovereignty of forum members. I should make the point for completeness that the Republic of Naoero dissociated itself with that paragraph.

The other point to your question, Senator, at the top is, yes, we did make comments about this in multilateral fora as well. We joined a joint statement in the conference on disarmament in relation to the notification of ballistic missile launches. Australia, along with 39 other countries, joined this statement, which was US-led. Inter alia, that statement called on all countries to commit to participate in arrangements for providing advance

notification to affected states. It also indicated concern with the recent missile testing activity in the Pacific, which did not follow standard practices. It stated that conducting such tests without submitting advanced notice is dangerous and disrupts the peace and security of relevant nations in proximity to these tests; increases the risk of miscalculation; undermines global stability and security; and is incompatible with the responsibilities that come with possessing long-range missile capabilities.

Senator COLLINS: You mentioned that Naoero dissented from the final communication. Does DFAT assess that there was lobbying from the PRC to influence? I understand that the Prime Minister has said that the forum was draft in a very strong joint statement. In the end, China wasn't included in that. What is DFAT's assessment as to why it ended up that way?

Ms Lawson: I don't think that we can speculate on that type of thing.

Senator COLLINS: I wouldn't ask you for speculation. I will just ask you for your assessment. You would make assessment on the evidence that you have at hand. What is your assessment as to why China was not mentioned in the final joint statement?

Ms Peak: Senator, the language in the communique I think is clear. There weren't multiple recent ballistic missile tests that had occurred in the Pacific. I don't think anyone is left in any doubt by that language about which tests we are referring to.

Senator COLLINS: Naoero dissented from the final communique. Why was that?

Ms Peak: Senator, that would be a question for Naoero.

Senator COLLINS: Is there any information that DFAT has been presented with that the PRC pressured, threatened or offered inducements to anyone in the lead-up to the forum meeting?

Ms Adams: I don't think we would be presented with information of that nature.

Senator COLLINS: Has anybody in DFAT or any of our personnel posted out there seen it themselves, then?

Ms Peak: That would be a question to put to the countries themselves. What we can do is speak on behalf of Australia and how we operate in the Pacific Islands Forum in the decisions we make. For our own part, we were not.

Senator COLLINS: Has any foreign member told Australia that it has faced economic, diplomatic or other coercion from the PRC over its position on the test?

Ms Peak: Not that I'm aware.

Senator COLLINS: How does DFAT respond to the argument made by Kiribati's president that singling out China is unfair when the United States tests in the Marshall Islands?

Senator Wong: Senator—

Senator COLLINS: I will withdraw the question and move on. My apologies. I will move on from that question. What is DFAT's assessment of the likelihood of further PRC missile tests in the South Pacific?

Ms Lawson: We don't comment on hypotheticals.

Ms Adams: It's really hard to speculate.

Ms Lawson: It's hard to assess that.

Senator COLLINS: So you've had no communications from the PRC, then, that they will be conducting further tests?

Ms Adams: That's a different matter. The answer to that is no, not to my knowledge.

Senator COLLINS: Not to your knowledge? Good. You can pass the call.

CHAIR: Senator Pocock.

Senator BARBARA POCOCK: My questions go to the official development assistance program. Thanks for being here again. I have a number of lines of questions in this area. In response to my questioning at estimates on 4 June this year regarding conflicts of interest between the design and implementation functions, DFAT stated that processes exist to manage these conflicts and potential competitive advantages as a result. Instead of relying on information sharing through briefings in a two-step tender process that cannot reliably remove competitive advantage for firms with no information or involvement in design, why can't firms simply be banned from doing both design and implementation for the same program in the manner that firms are banned from doing both the implementation and evaluation of the same program?

Ms Cohen: Thank you for the question and for your interest in this issue. I recall in the hearing back in June we did indicate that there was an additional procurement mechanism coming online that would provide us with

some more options in the future for managing and reducing this potential conflict of interest or advantage. We are very close to being in a position where we can actually exclude contractors who have undertaken a design from subsequent procurements. I will ask Ms Shillito to speak to how that's rolling out. In effect, we are establishing a new mechanism through which we can procure design support. It will not only strengthen the robustness of that procurement; it also reduces the opportunity for unfair advantage. It will increase diversity in our market. I will ask Ms Shillito to give you an update on where it is at.

Ms Shillito: As Ms Cohen has mentioned, we are very close to finalising what we're describing as the DEV+ Panel. That's a panel that will provide streamlined access to a more diverse pool of providers in core development functions—namely, design; monitoring, evaluation and learning; due diligence and accreditation; safeguards; probity advice; and procurement evaluation. The panel has been operating since 26 August. We've onboarded 57 providers. It is still a live procurement process so we can't give you final numbers. But we expect to have it fully operational by the end of this year. We also expect that to provide a good mix of small to medium and large providers and providers who have worked for us before and a number of providers who haven't worked with the department before. As Ms Cohen has indicated, it will provide a capability that we can access that will enable us to separate design and implementation procurements. We're hoping to introduce that reform sometime in the 2027 calendar year.

Senator BARBARA POCOCK: I will come back to DEV+ later. I want to go to the question of cooling off and the revolving door issue. DFAT answered on notice my question at estimates on 4 June regarding cooling off and revolving door issues in the sector. QON 203 states, and I quote:

…26 DFAT officials have resigned from their APS job and returned to the Department as a contractor through a Labour Hire Company since 1 July 2023. …The other conflict-of-interest declarations identified through this cohort related to private interests.

What was the conflict in this case? How was it mitigated?

Ms Casson: I don't have the detail of that particular matter with us today, but I'm very happy to take that on notice.

Senator BARBARA POCOCK: Thank you. Why should so many relatively senior DFAT staff leave the APS in this manner and be retained for their expertise through private companies? Why are we seeing this?

Ms Casson: What I would say on that is that the use of contractors will depend on needing particular expertise, perhaps for a short period of time. When people leave the Public Service, there are still times when it is appropriate to draw on some of that expertise. We're obviously very focused on making sure that our capability in-house is very strong, so I think our trend is downwards on that. We obviously do quite a bit of work with our policy settings just to make sure that people are taking proper account of the issues that you should think about when you are making a decision about a contractor engagement. Certainly most of the contracting settings and the contracting situations in the department tend to go to where there is a need for a short-term, very specialist set of expertise rather than a pattern of need to do this on a regular basis.

Senator BARBARA POCOCK: I would like to know how and in what functions these 26 former APS officials are deployed within the public sector across Canberra and posts. If on notice you could help me with that, I would appreciate that.

Ms Casson: Yes. I'm happy to.

Senator BARBARA POCOCK: I'm very conscious this government has made commitments to reduce its dependence on contractors, consultants and labour hire, but it's not having success. We are at a $20 billion level of expenditure external to the public sector, which is back at the last year of the Morrison government. So I'm curious about this kind of exit and then reemployment as a consultant. Does it point to a structural problem in DFAT's ability to retain expertise and specialisations within the APS ranks? What are your thoughts about that?

Ms Casson: We've obviously been doing a lot of work under the strategic commissioning framework looking at the use of contractors in the department. We've reduced since 2022 the number of contractors from 1,375 in October 2022 to 788 in September 2026. That is a reduction of about 43 per cent. When people in the department are making decisions to engage contractors, we are tracking now the rationale so that we can understand whether it is straying into what we might consider core work for the department and for the APS or whether it is something that it is genuinely difficult to get into the Public Service that we might need for a short period of time. Minister Gallagher mentioned in the finance hearing yesterday or the APSC hearing—one of those; I'm sorry for not remembering which one—that one of the examples for DFAT, of course, is infrastructure financing projects in the Pacific. They are short term and very specialist. They are not core capability for the department. Most of the

time, it's a very strong indication. It's a difficulty recruiting that particular skill set in the APS or it's a short-term demand for resourcing. They are the two key reasons. I'm happy to take on notice some of the particulars.

Certainly in the DFAT context, some of the scenarios where we're using contractors is in some of our demand driven parts of the business. We know, for example, that we've got potential peaks coming for passport processing and requests, so we scale that up. But we don't need to keep that all the time, so we scale down. Generally, it's very specialised cyber and ICT skill sets and some very particular security projects. They are very short term, very specific and niche parts of the department's work, not core.

Senator BARBARA POCOCK: You mentioned that number from 1,375 in October 2022 to 788 in September this year. Has that been offset by an increase in permanent employment? How has that been managed? The work is presumably still there.

Ms Casson: Indeed. There obviously has been a corresponding increase of ASL to the department through several budget processes. Obviously the detail of that is clear in the PBS and elsewhere. We have obviously been doing contractor conversion in some places where it's relevant and appropriate. Where it's core work and that capability needs to be in the department, we are using some of that ASL, obviously, for contractor conversions. There has been, obviously, a corresponding increase in the department's ASL.

Senator BARBARA POCOCK: That same question on notice, No. 203, states, and I quote:

The department has supported four officers who separated since 1 July 2023 who intended to undertake employment with a managing contractor within the exclusion period.

It continues:

Each was assessed and all were approved by the relevant delegate as appropriate in the circumstances.

Can you confirm that in each of these cases the APS employees did not take up a private position to advise in relation to a contract or a grant agreement to which DFAT is or is proposed to be a party for a period of nine months post separation?

Ms Casson: I don't have the detail of those particular exemptions and processes here with me. I'm very happy to take that on notice.

Senator BARBARA POCOCK: Thank you. As you do that, I would be interested in how the assessment was made by the relevant DFAT delegate that each of these four cases was appropriate in the circumstances. I want to go to for-profit advisers based inside DFAT posts. I understand that several for-profit managing contractors have employed staff that act as 'embedded advisers' at different DFAT posts advising across design, implementation and evaluation functions for a range of programs. AusConnect recruitment material indicates that privately contracted consultants are being embedded long term at posts to provide technical advice. Can you confirm where and how these models are being used across the Australian international development program and what safeguards have been put in place?

Ms Cohen: It is a model that is used. I can't tell you the exact numbers or where it is now. I can say that we are aware that we need to have a robust system in place to manage that right from the outset of employment. That includes that the individuals sign conflict of interest declarations and deeds of confidentiality. They receive regular briefings and reminders about that. We also have information, particular clauses and requirements inserted into the contracts. They might be managed in different ways depending on the circumstances. Usually those personnel are bringing in unique and specialist expertise that we're looking for in the development program and that address technical or resource gaps. They allow us to really deliver on the government's development priorities, including in terms of surge support in particular. I do acknowledge this can raise challenges around perceived and real conflicts of interest. We continue to look at ensuring that we have the most robust system in place to manage that and to mitigate those risks. That includes some of the things that we talked about a few minutes ago in terms of a separation between different companies involved in the implementation versus the evaluation of a program, for example.

Senator BARBARA POCOCK: Do you think this is a good way to manage conflicts of interest and a good model to be managing work around?

Ms Cohen: The model of using contractors embedded in this way is working well for us in terms of being able to deliver on what is a very complex development program. It enables us to access the expertise that we need. I wouldn't say it's a model used widely or broadly. It's used in very specific circumstances, as I said. It's often related to very specific subsectors or the technical expertise we need. In those cases, it does allow us to get access to that expertise, have it incorporated into the broader work we are doing in the delivery of a program and, thus, improve the effectiveness of that delivery.

Senator BARBARA POCOCK: Are these mostly working for US owned managing contractors? Are these embedded firms in any way precluded from future contracting that they may be influencing due to their role at the posts?

Ms Cohen: I couldn't tell you off the top of my head which firms they are. The same approach applies in terms of conflict of interest, probity and separation. Ms Shillito might want to add to that.

Ms Shillito: I think, in addition to that, where we identify that there is an unmitigable conflict of interest, we would put in place physical measures—either restricting access to systems and information that those particular contractors have and sometimes even physical separation from the team they are advising. So we're very conscious of the perceived conflict of interest that creates and seek to manage that in all instances, including through things such as non-disclosure agreements and things such as that and confidentiality agreements.

Senator BARBARA POCOCK: When did you last have a blow-up around a conflict of interest? One measure of a system working well in that policing is that bad behaviour is ratted out and dealt with. When did you last have to do that? Fill us in on the rigour of what you're doing.

Ms Shillito: I can give you a recent example from the past two weeks. I have not been in this job for too long. I can look at that in more detail. Advice is often sought from us on how to manage conflicts of interest related to procurement processes. My division is responsible for overseeing the probity of the broader development program. There was one instance where an embedded contractor was asked to do some design work. We advised against that and said it is an unmitigable conflict of interest and that they would need to seek a procurement from the market for that.

Senator BARBARA POCOCK: Thank you. I asked questions in December last year about the market concentration in the managing contractor ecosystem. It was QON 304. DFAT's answer on notice mentioned that ODA procurements are open and not restricted to organisations and companies in Australia in line with the OECD principle of untied aid. Is that sufficient justification for DFAT allowing market concentration in the hands of a few large firms, many of which are headquartered in the US?

Ms Cohen: I recall that discussion and the question on notice. I think what we've discussed before in these sessions is that we acknowledge that there is in some cases concentration in the market in the delivery of the development program. We have been conscious of that for several years now. We have worked to try to address that issue. That has included things such as doing a lot of proactive outreach to potential bidders and firms of all sizes to make sure that we have as level a playing field as possible. It includes things such as the two-step tender process you mentioned before and briefing throughout the tender processes and a range of other mechanisms. We have seen a large increase in the number of different companies bidding for our work since USAID closed and, then again, when the UK development program also reduced its funding. So we have in some cases a doubling or a tripling of the number of responses to tenders. I think it will take a bit of time for the data to show the concentration being affected by that spreading out of the number of different bidders and tenders. We are watching that closely and monitoring it.

Senator BARBARA POCOCK: Isn't it also the case that there have been mergers and increasing concentration occurring at the same time? Is that also a concern? You have people who are missing out on business over there coming here. There is a concentration that is increasing, is there not?

Ms Cohen: The mergers were quite frequent probably four to five years ago. They've been less in recent years.

Ms Shillito: I can take that on notice, if that's possible.

Senator BARBARA POCOCK: Thank you.

Ms Shillito: I don't have that detail with me.

Senator BARBARA POCOCK: I would like to—

Ms Shillito: I would add in relation to Ms Cohen's comments that we have been very proactively reaching out to potential new entrants to the market. My team's done more than 30 engagements with new entrants to the market over the past two years. That includes providing information, of course, and very practical support on how to bid for DFAT work. It is things like how you price a DFAT project and how you write a DFAT bid. We're really conscious that we're keen to increase the competitiveness of those new entrants to diversify the market.

Senator BARBARA POCOCK: Thank you.

CHAIR: Are you going to another block?

Senator BARBARA POCOCK: I can give someone else a shot.

CHAIR: I will let officers from the Australian Centre for International Agricultural Research know that we are going to release them. I will hand over to Senator Sharma and then Senator Collins.

Senator SHARMA: Good afternoon. I have a question about a contract that was awarded to Wild Pacific Media to make a documentary. I have the contract number here, if that's helpful. It is CN4243289. Mr Nankervis, I will direct my question to you. Can you tell me what that contract was for?

Mr Nankervis: Certainly. That contract is for the production of a documentary. Wild Pacific Media has been contracted to deliver a full-length feature documentary and a range of other products and the global distribution of those products that go to Pacific climate leadership. This is part of the COP31 partnership that Australia has with the Pacific. The minister spoke this morning about our objectives under this COP31 partnership of amplifying Pacific voices—sharing Pacific stories, experiences and leadership with the world. The Pacific pre-COP was part of that, Senator, bringing leaders and ministers to the Pacific to see first-hand, for example, impacts in Tuvalu. Obviously, that can only reach a certain audience. This is addressing that problem or taking forward that objective through another means, which is the production of a documentary.

Senator SHARMA: Has the documentary been produced yet?

Mr Nankervis: It's in production.

Senator SHARMA: When do you expect it to be finalised?

Mr Nankervis: It will be launched at COP31 in Antalya.

Senator SHARMA: What is the value of it?

Mr Nankervis: A short version was screened at pre-COP in Fiji.

Senator SHARMA: What is the value of the contract?

Mr Nankervis: The value of the contract is around $2.7 million exclusive of GST.

Senator SHARMA: I saw a figure of $2.99 million. That must be inclusive of GST.

Mr Nankervis: Including GST.

Senator SHARMA: And it was conducted under a limited tender when, for reasons of extreme urgency brought about by events unforeseen, the goods and services could not be obtained in time under open tender. What were the reasons of extreme urgency here brought about by events unforeseen?

Mr Nankervis: That relates to the launch. So the launch will take place at COP31 in Antalya, which is in about two weeks. In order to have a full feature length documentary prepared in that time, the contractor has to conduct a range of interviews and so on right across the Pacific. Again, this comes back to amplifying Pacific voices. So the time frame was launched in Antalya. Obviously we have a particular opportunity under the COP31 partnership and our partnership with Türkiye to really amplify Pacific voices in Antalya.

Senator SHARMA: I'm just not clear what the event was that was unforeseen, though. The date of the COP in Antalya has been known for some time.

Mr Nankervis: The partnership with Turkiye, you will recall, was something that was worked on for a while. Australia had a candidacy to host COP31. That was resolved at the end of the year last year. After that, those arrangements were put in place, of course. Again, it goes back to the objective, which was amplifying Pacific voices. When, indeed, the COP31 wasn't being hosted in Australia and we had this arrangement with Turkiye with the pre-COP in the Pacific, we thought then about how else we could take forward that objective of amplifying Pacific voices.

Senator SHARMA: How long is the full-length documentary likely to be? What is the production brief?

Mr Nankervis: It's just over 70 minutes. It is somewhere between 70 and 75 minutes.

Senator SHARMA: And the shorter version that you mentioned that was aired?

Mr Nankervis: A 10-minute version.

Senator SHARMA: Is that publicly available?

Mr Nankervis: None of it is publicly available yet, but I expect it will be. This will go out to public release. The idea of a 10-minute version is to play that to world leaders in Antalya. We will have fewer world leaders who are able to sit down for a full feature length documentary.

Senator SHARMA: Understood.

Mr Nankervis: But a 10-minute version and then a three-minute version, which was played, as I mentioned, pre-COP in Fiji. We had very positive feedback from our Pacific partners on that screening. The impact of that screening is about the objective of the world seeing through this medium the impacts of climate on the Pacific.

That is not just climate vulnerability but climate adaptation, climate resilience and climate leadership in the Pacific.

Senator SHARMA: In the interests of time, I will move to another topic. I want to ask about development assistance for the Solomon Islands and, in particular, some recent media reporting about assistance to Solomon Islands constituent development funding—electoral assistance, basically. I saw the media reporting about a proposal for Australian development assistance to be provided to Solomon Islands members of parliament for electoral projects. It was in the ABC last month. Are you able to comment on the accuracy of those media reports and what the status is of that particular line of development assistance?

Ms Peak: We're aware of those media reports. They referred to a text message from our high commissioner Jeff Roach. Of course, it's no surprise that our high commissioner in the Solomon Islands, as are our high commissioners all around the Pacific, is in direct touch with politicians and parliamentarians in their country. I can't comment on the detail of that content. Of course, it's diplomatic communications. We would not comment on them.

Senator SHARMA: Has an agreement been reached, though, to provide the assistance that is outlined in Mr Roach's text messages?

Ms Peak: This is in the context of our ongoing negotiations on the comprehensive treaty that was agreed by Prime Minister Wale and Prime Minister Albanese just before our last Senate estimates. As you would appreciate, I can't comment on the content of negotiations until they come to a conclusion and they are publicly released.

Senator SHARMA: So this hasn't been finalised? That's what I'm trying to get to. If it's subject to negotiation, I understand you can't confirm the detail. I wanted to confirm that this hasn't been finalised and this is not confirmed.

Ms Peak: We will be able to provide you advice once the negotiations are finalised and subject to public release.

Senator SHARMA: I have nothing further on that. I have a question, though, about the Nakamal pact. I believe that, when we concluded that, there was a joint statement that Australia and Vanuatu issued that we expected, as part of that agreement, the Chinese police presence in Vanuatu to phase down over time. Am I reading that correctly?

Ms Peak: I will make a slight clarification. At the time the Prime Minister and Prime Minister Napat signed on 29 June, at that point the treaty itself was released. As part of that, the Nakamal committee was articulated in the treaty as a way for us to progress implementation on the content of the treaty and decide priorities as well as the way we do that to promote open discussion and consensus. Notwithstanding the fact that the treaty is not yet in force, both sides have a genuine commitment to progressing implementation and starting to flesh out where we will put our efforts. On 15 October, the inaugural Nakamal committee was convened. That was led on our side by the foreign minister and Minister Conroy and on the Vanuatu side by the Deputy Prime Minister. A joint statement was issued in relation to that. I think that's the one you are referring to.

Senator SHARMA: Yes. I think that's right, yes.

Ms Peak: In it, there was a number of elements. It included areas that we would work towards. The expectation articulated there between the governments is, as mentioned in the treaty, that Australia is the primary policing partner. Our expectation is that arrangements with other parties will reduce over time. The Vanuatu government gave us the reassurance that the arrangements were time limited and would reduce over time.

Senator SHARMA: It's a joint statement. It says that Vanuatu said that its police arrangement with China had been in place for some time, is time limited and is expected to reduce over time.

Ms Peak: Yes.

Senator SHARMA: The Nakamal Agreement is legally binding and has no expiry date.

Ms Peak: That was no surprise to us. We have been aware of arrangements being in place since 2014. As Minister Conroy said when he answered media on this issue, it was no surprise to us. That again underlines the importance of the Nakamal Agreement provisions, particularly the ones that give us assurance that there will be no foreign military bases, that there will be no militarisation of critical infrastructure and that Pacific Islands Forum members will be prioritised for security cooperation.

Senator SHARMA: Okay. There was a news report quoting Vanuatu's internal affairs minister early this week, I think, saying that there were no plans to reduce China's police presence in Vanuatu. Is the understanding we reached in October still current as we understand it, or have things changed?

Ms Peak: What I can say, Senator, is that the joint statement was agreed by both the Vanuatu government and Australian government. A joint statement is released publicly on the DFAT website as well as the Prime Minister's website in Vanuatu.

Senator SHARMA: Have we sought clarification or explanation for this apparently contradictory statement from the Vanuatu internal affairs minister? Are you aware of the statement or is the post aware of the statement?

Ms Peak: Yes. I am aware of the statement, Senator. We have that agreement with the government of Vanuatu. It was issued in a joint statement. I think questions in terms of Minister Napuat's statement should be directed to him and is a matter for the government of Vanuatu.

Senator SHARMA: My question is to DFAT, though. Have you sought clarification or explanation of that statement?

Ms Peak: Yes, we have.

Senator SHARMA: Thank you.

Senator COLLINS: I will jump through a few topics quite quickly in the interests of time. I want to follow up. There was reporting on the Taiwanese government official, the deputy foreign minister Chen Ming-chi, that indicated an intention or proposal to open a Perth trade office. Can anybody comment on that? You have a proposal for a trade office in Perth for Taiwan. Is that correct?

Mr Growder: Australia would consider any requests of this nature if they were made in accordance with our national interest. Under Australia's one China policy, we have a strong and productive unofficial relationship with Taiwan. It's appropriate for Australia to advance this unofficial engagement through the Taipei economic and cultural offices already in Australia—that is, in Canberra, Sydney, Melbourne and Brisbane—in accordance with our one China policy.

Senator COLLINS: So there are consulates in Brisbane, Canberra—

Mr Growder: Canberra, Brisbane, Melbourne and Sydney. They are not consulates. They are Taipei economic and cultural offices.

Senator COLLINS: What about the proposal to open a new trade office in Perth? Are you saying that is not going to be accepted? Has the proposal been submitted to DFAT?

Mr Growder: All I would say, Senator, again, is that we would consider any requests of this nature if they were made in accordance with our national interests.

Senator COLLINS: Okay. So it has been made?

Mr Growder: I wouldn't propose to comment any further.

Senator COLLINS: Has it been rejected?

Ms Lawson: Senator, we have no further comment to make on that topic.

Senator COLLINS: I would like to ask about the Antarctic Treaty and an ARC grant related to it. Mr McCarthy, are you from the Antarctic and Arctic geostrategic section?

Mr McCarthy: Senator, I'm the first assistant secretary. That section is within my division.

Senator COLLINS: I'm trying to understand. I will zoom through this quite quickly. There is a research grant that has been awarded to Professor Jeffery McGee at the University of Tasmania for $1.2 million. It is working on a project on Antarctic governance in an era of climate and geopolitical change. It is to do with the Australian Antarctic strategy and the 20-year action plan. Is that also work that the section you oversee will be looking into?

Mr McCarthy: Well, Senator, the actual program itself is administered by the Australian Antarctic Division within the Department of Climate Change, Energy, the Environment and Water. Professor McGee, I think, would be regarded as certainly one of Australia's preeminent Antarctic experts and, indeed, one of the world's preeminent Antarctic experts. So he is certainly very credentialed in the field. In terms of specific questions, you would have to go to the Australian Antarctic Division.

Senator COLLINS: Okay. I am trying to understand what the in-house capability is here for the strategy work that we're doing for Antarctica. How many staff do you have in that team?

Mr McCarthy: Certainly. That team consists of one director and five officers. It's considerably expanded over the last couple of years.

Senator COLLINS: From what?

Mr McCarthy: Well, when I first started in this job, which was in 2021, we didn't even have a dedicated Antarctic section. The levels may escape some people, but there was an APS6 and a graduate trainee. That was in

October 2021. We established a standalone Antarctic section in early 2023. That section has been growing consistently since then as, if you like, the focus on the geostrategic challenges in Antarctica have grown as a significant part of our work.

Senator COLLINS: Understood. I understand the significant experience of Professor McGee. In relation to the discussions that we were having before about the foreign relations scheme, is it a concern for DFAT that the University of Tasmania, which is doing this sensitive Antarctic project, operates a joint masters program with the Ocean University of China, which the US Department of War has placed on a banned entity list because of its links to the PLA Navy?

Mr McCarthy: Senator, it's not a question for us. You would have to direct that in the first instance to the Australian Antarctic Division and probably the University of Tasmania.

Senator COLLINS: Okay. Minister, I might direct that one to you, given our discussions before about the foreign relations scheme. Would you like me to repeat it?

Senator Wong: Yes, sorry.

Senator COLLINS: We were just talking about the Antarctic research project and the $1.2 million project that is being conducted at the University of Tasmania. Is it a concern that the University of Tasmania, which has been awarded this Antarctic project, operates a joint masters program with the Ocean University of China, which the US Department of War has placed on a banned entity list because of its links to the PLA Navy?

Senator Wong: I think Ms Heckscher has some information.

Ms Heckscher: I don't have information about the very specific arrangement that you've mentioned, but I can talk to you about the University of Tasmania and Antarctic collaboration generally.

Senator COLLINS: That's okay. I would love to hear about it, but we're just so short on time. I recognise that the Greens also have questions before four o'clock.

Ms Heckscher: I can reassure you that we talk regularly with the University of Tasmania and it ensures that it actually has careful due diligence and controls in place to manage its sensitive research engagement, including with Chinese institutions.

Senator COLLINS: Thank you. I want to ask about Zhongshan, the Chinese Antarctic base. There is a company in an Australian Antarctic territory. Is anybody aware of that?

Mr McCarthy: Senator, I can take that question.

Senator COLLINS: Thank you. It's about 109 kilometres from Australia's Davis base. In 2024, the UN aviation agency gave that airfield the International Civil Aviation Organisation code ZSSW. Are you aware of that?

Mr McCarthy: Not of exactly all of those details about its air permit. But I'm familiar with the base and the general line of the question that you are asking.

Senator COLLINS: It has been reported that China has assumed airspace management around Zhongshan. Is that correct?

Mr McCarthy: Senator, that would be a question operationally for the Australian Antarctic Division.

Senator COLLINS: Okay. This is about the diplomatic part. There are two more runways in our Antarctic territory. Has DFAT reached out diplomatically to China about these insertions on our territory?

Mr McCarthy: Well, I would not characterise them as insertions, Senator. Under the Antarctic Treaty, Antarctic Treaty parties, which include Australia, China and 27 other countries, commit to certain undertakings. Most importantly, article 1 is the non-militarisation objective. That is the peaceful uses objective. Article 4, if you like, freezes and preserves the claimant system, including our claim for 42 per cent of the continent in the Australian Antarctic Territory. Article 7 allows for the inspections regime with respect to Antarctic bases. It's a deal. It's a compromise. Provided any country, any one of the treaty parties, complies with the obligations of the treaty, we will recognise any Antarctic Treaty party's right to establish stations where it so wants to do. That was the nature of the original, if you like, deal that was struck between the United States and then Soviet Union many years ago. It still applies. We call on all Antarctic Treaty parties to comply with their obligations, including, most significantly, article 1, which, as I said, is about non-militarisation and peaceful use. Beyond that, we recognise that the treaty provides a right for any treaty party to establish a station.

Senator COLLINS: Thank you. Just in relation to article 1, is DFAT aware of the reporting that PLA military personnel have visited that base?

Mr McCarthy: Senator, we are aware of lots of things.

Senator COLLINS: I have one more very quick question on the NRL expansion and then we're done with me. With the Pacific rugby league World Cup teams, an overwhelming majority of players from Australia and New Zealand play in the Samoa, Tonga and Fiji teams. On the flipside of that, with the Pacific rugby union teams, most of them come through from in country. I wonder if we can have an update, please, on the progress towards securing Australian government funding for the Veimoana rugby partnership. Given the significant investment in rugby league, I want to make sure that we are advancing both sports equally. Especially for the national sports, I want to make sure that we're developing world-class players that come from the islands and we are strengthening the local institutions and teams there.

Mr Tattersall: Thanks for your ongoing interest in this topic. As we discussed last time, we've received the Veimoana Partnership proposal that was developed by Rugby Australia and has the endorsement of the three relevant governments. We've been in discussions with each of those governments and Rugby Australia during the intervening period. You may have seen under the Vuvale Union with Fiji there is a commitment to sport under that framework. We are continuing discussions with the government there about the exact constituent nature of that funding and the proportion that will be directed to rugby. We haven't reached a conclusion in those discussions yet. As Ms Peak mentioned earlier, we're also in discussions with the government of Tonga under the Kaume'a Ofi framework. It's yet to be determined what the outcome of those negotiations will be. But sport is certainly an interest of that country, as you would appreciate. In Samoa, we've also been discussing both with government and rugby union authorities the relevance of rugby union investment there. As you may appreciate, there are some ongoing governance challenges around the game there that we're watching with interest and in conversations with Rugby Australia. So at this point, I have nothing more to add to what I said a number of months ago other than saying that we are in further discussions with those governments and we'll have more to say in due course.

Senator COLLINS: Thank you very much.

Senator SHARMA: I want to ask about Greater Sunrise. Was the department or the government expecting or anticipating this decision by Woodside to sell down its stake in the Greater Sunrise project? Was the department given a heads-up or anything like that?

Mr Marcelo: What we knew was that Woodside was doing a strategic review of its global assets. We knew that they were discussing their ongoing interest in the Greater Sunrise project with Timor Leste, including Timor Gap. It's really a decision for them to make on the timing. We knew that Greater Sunrise was part of an overall global review.

Senator SHARMA: Okay. What is your assessment of the viability of Greater Sunrise without Woodside?

Mr Marcelo: It's not really for me to project that far ahead. These projects are, as you know, very complex. They involve a whole lot of decisions by commercial operators. I'm reluctant to really make an assessment about its viability. Woodside, in their statement, did comment about the quality of the asset. On their statement that they released when they made that decision, they did talk about the quality of the asset. But it's not really for me to talk about its viability.

Senator SHARMA: Is it expected that East Timor or Timor Leste will be seeking to find another foreign operator for this asset?

Mr Marcelo: That's really for Timor Gap.

Senator SHARMA: Has the government had any bilateral discussions with Timor Leste, subsequent to Woodside's decision, about finding another foreign operating partner?

Mr Marcelo: No, Senator. The announcement from Woodside was yesterday. We have not discussed this with Timor Leste.

Senator SHARMA: Thank you. That's all I had on that.

Senator Wong: We need to add to that answer.

Ms Chan: I want to add to what Mr Marcelo has said. Obviously, a project of this scale is a massive project. It's a commercial decision, as he said. A project such as this is a multibillion-dollar investment, so it is not surprising that it has a very long lead time, often taking many years from discovery to first production. It's not unusual in cases like this for those involved to look at changes in their corporate strategy, their capital allocation or their risk appetite. It does not change the Australian government's very strong commitment to the development of the Greater Sunrise gas fields. We recognise the importance of this to Timor Leste, as was confirmed in the Parseria declaration between Prime Minister Albanese and President Gusm o in January. What is clear, though, is that it's really for the commercial partners for the Sunrise joint venture to bring forward a proposal that is

technically feasible and commercially viable. That is for them to do. That has yet to occur. It needs to be, of course, consistent with the 2018 maritime boundary treaty between us.

Senator SHARMA: The bilateral treaty. Alright.

Senator SHOEBRIDGE: Minister, I know you were asked some questions earlier about imprisoned Australian prodemocracy activist Hiep Tran. Do you accept the position put—

Senator Wong: Hang on, Senator. I'll get the officials to the table. I will also get the right briefs. I don't know the extent to which you have consent from the family. Do you have consent from the family?

Senator SHOEBRIDGE: I'm asking this directly from representation from their representative.

Senator Wong: Do you have the family's consent to discuss this?

Senator SHOEBRIDGE: This is from their legal representative, thank you.

Senator Wong: Okay. This is the third time we've done this today. I'm happy to do it again. We'll assist you wherever we can.

Senator SHOEBRIDGE: Thank you. Do you accept the message passed on from Australian officials to his wife, which states, 'Hi. How are you all going? I want you to know that I never entered Vietnam on my own?' Do you accept that supports what is now a growing body of evidence that Mr Tran was actually abducted from Cambodia? Do you accept that as a position?

Dr Webster: As my colleague Ms McGregor said earlier, we're deeply concerned at Mr Tran's report that he was abducted in Cambodia and taken against his will to Vietnam. We have sought urgent clarification from both governments about the circumstances of his entry to Vietnam.

Senator SHOEBRIDGE: Have you reviewed what I understand is now evidence from five independent witnesses that confirms the abduction? Have you reviewed that evidence?

Dr Webster: We are aware of the evidence, but we have not yet reviewed it.

Senator SHOEBRIDGE: This is perhaps one of the most serious things that could happen to an Australian citizen—to be taken from a third country against their will and held in detention. I understand that he is now in the B34 Detention Centre in Ho Ch Minh City. I would assume that in those circumstances the Vietnamese ambassador would have been called in to have a direct explanation to the foreign minister. Has that happened, Foreign Minister?

Senator Wong: Senator, can I first say—I really would encourage you to do this—when we deal with these issues, it's not about publicity or media attention. It is about the interests of the Australian citizen. That is how I approach these matters. I would urge you to do the same.

Senator SHOEBRIDGE: I do.

Senator Wong: And—

Senator SHOEBRIDGE: I do.

Senator Wong: You have not asked for a briefing. If you wish to have a briefing and you are willing to deal with it in those circumstances, I will provide one provided the family gives consent. The family, the next of kin, has to give consent. That is the first point. I would really encourage you to bear that in mind. Secondly, we will say what we said before. We take seriously any allegation that an Australian may have been deprived of their liberty and moved across an international border against their will. As Dr Webster and Ms McGregor have said in response to a number of questions—I think this is the third or fourth tranche—we are seeking information from both governments.

Senator SHOEBRIDGE: The family have asked me to ask you here whether you will call on the Vietnamese ambassador and seek a direct explanation one to one. That seems the minimum that you would expect. It would match the statement that we got from Dr Webster that the government treats this with the utmost seriousness. You could make that direct request to the ambassador to come in and provide an explanation. I don't understand the resistance to you doing that.

Senator Wong: Senator, please don't politicise this. Please don't. I would really encourage you not to. This is an Australian citizen. The request that you have asserted to me is not the request that has been put to me by the family. I hope you are correct. What I would say is that Ms Chan can explain to you what has happened in relation to the ambassador. I can indicate to you that I have raised Mr Tran's case with my ministerial counterpart.

Ms Chan: We have raised our deep concerns about Mr Tran's wellbeing and welfare numerous times in Cambodia, in Vietnam and here in Canberra. We have made over 50 representations.

Senator SHOEBRIDGE: How many, sorry, Ms Chan?

Ms Chan: Over 50. That includes at senior levels. As Minister Wong said, it includes the minister being in touch with her counterpart.

Senator SHOEBRIDGE: Minister, I still do not understand. There is a significant body of independent evidence that an Australian citizen was abducted from a third country by another country. You have evidence given to Australian officials that I read earlier. It has been passed to Mr Tran's wife. It seems to confirm it. I am still at a loss as to why in these circumstances you resist calling in the Vietnamese ambassador. You haven't called in the Vietnamese ambassador to, first of all, make Australia's objections and concerns 100 per cent clear and, secondly, seek a formal explanation from Vietnam's representative in Australia as to this matter. That is the purpose of an ambassador. Why won't you do that?

Ms Chan: We have raised this. Our ambassador in Hanoi has raised this. I have raised this myself with the Vietnamese ambassador in Canberra a number of times already.

Senator SHOEBRIDGE: Yes, Ms Chan. I appreciate Ms Chan raising it. I have to say, as much respect as I have for Ms Chan, this is a moment for a foreign minister to step up and make it clear to the ambassador—

Senator Wong: I am at a loss why you are not listening to what I am saying. I have given you a very clear caution, but you are more interested in getting up a social media grab than in helping Mr Tran.

Senator SHOEBRIDGE: That is offensive and wrong.

Senator Wong: And I am really disappointed.

Senator SHOEBRIDGE: It is both offensive and wrong.

Senator Wong: I am disappointed by this.

Senator SHOEBRIDGE: I am disappointed by your condescending tone.

Senator Wong: If you want a private briefing, I will give you a private briefing. I have raised it at a ministerial level. That is more senior than an ambassador. That is the answer to your question. If you obtain privacy consent from the family, I'm happy to give you a private briefing. I'm not having a political argument in public circumstances. My interest is only in Mr Tran.

Senator SHOEBRIDGE: The very simple question I have asked is about why the ambassador, who is barely a few kilometres from here—

Senator Wong: Please, we are not answering any further.

Senator SHOEBRIDGE: who is the senior representative—

Senator Wong: I've answered that question.

Senator SHOEBRIDGE: of Vietnam.

Senator Wong: I've answered that question.

Senator SHOEBRIDGE: Why haven't you done the most obvious thing—

Senator Wong: I have answered that question.

Senator SHOEBRIDGE: and brought him—

CHAIR: Thank you, senators.

Senator SHOEBRIDGE: to the office—

Senator Wong: I have answered that question.

Senator SHOEBRIDGE: to seek a direct explanation?

Senator Wong: Senator Shoebridge.

CHAIR: Alright. Thank you.

Senator SHOEBRIDGE: You have not answered that question.

Senator Wong: I have.

Senator SHOEBRIDGE: You have avoided that question.

Senator Wong: I have answered that question.

CHAIR: Senator Shoebridge. Minister.

Senator Wong: The matter has been raised between ministers, which is a more senior level, and the ambassador has been spoken with by Ms Chan. I have indicated to you that this is a very sensitive matter. My sole focus will be the interests of the Australian citizen. If you obtain privacy consent for the family, I will brief you. I

am not discussing this any further in this forum other than to say this: article 9 of the International Covenant on Civil and Political Rights protects the right to liberty and security of the person and requires any deprivation of liberty to have a lawful basis and follow proper processes. That is Australia's position.

CHAIR: Thank you. Do you have any other matters, Senator Shoebridge?

Senator SHOEBRIDGE: I do. Minister, you are aware of the 900 Australian donated wheelchairs.

Senator Wong: Sorry, can we just change groups, please?

Senator SHOEBRIDGE: Yes. Minister, I know you're aware of the 900 wheelchairs donated by Australians for the purpose of providing some kind of respite to some of the many thousands of children in Gaza who have lost limbs or been paralysed or suffered horrific injuries as a result of Israel's genocide. Some of those wheelchairs have been sitting in storage in Jordan for almost two years because Israel is refusing to allow them to be passed through into Gaza. That is my understanding. Minister, did you discuss this with the King of Jordan when he was here? Did you raise this?

Senator Wong: First, I will say that Australia, with others, continues to call for and has been part of international pressure to allow humanitarian aid to flow unhindered into Gaza. I say again that Israel must comply with its obligation under international law, including the binding orders of the International Court of Justice, to provide medical supplies to Palestinians throughout Gaza. We have worked very closely with Jordan in relation to providing what humanitarian and medical assistance that we could that is possible and through international partners and international agencies. I am very aware of one component of that assistance, or part of that assistance, which is, of course, the wheelchairs for injured children. They have so generously been donated by Australian organisations. I have discussed this with Ayman Safadi, my ministerial counterpart. We spoke not only about these issues but more broadly about what more could be done because the flow of humanitarian assistance into Gaza is insufficient. I have asked DFAT officials to engage with the Jordanians on this. I have also asked DFAT to again engage with the Israeli authorities to see what more can be done on this issue.

Senator SHOEBRIDGE: Dr King, before you answer, I might just give some additional context. Maybe you can address it in a single answer if it's convenient. It's not just the 900 wheelchairs sitting in Jordan. Significant other medical equipment that has been arranged by PANZMA, the Palestinian Australian New Zealand Medical Association, is also being held in Jordan I think by the Jordan Hashemite Charity Organisation. There is this build-up of medical and other supplies coming from Australia to go and alleviate the appalling suffering in Gaza. It's sitting there in Jordan.

Senator Wong: Not just from Australia.

Senator SHOEBRIDGE: Indeed. Not just from Australia. Yet we have the Israeli authorities refusing to provide any solution to transit. It's not just wheelchairs and other medical equipment. They are even declaring that medical gauze for dressings is a dual purpose good and refusing to let that in too. What do you understand is happening, at least at an official level, between Australia and Israel given their appalling decisions here?

Dr King: I echo what Minister Wong said. We have raised this with the Jordanian government. We've raised this with the Israeli government. As you know, there's a broader question here of humanitarian assistance getting through, which we have continuously pressed at all levels, including most recently this week in the broad. In the specific sense, I'm aware of the blocked wheelchairs. I wasn't aware of other materials. We are touch with PANZMA on this. We will continue to work with the Jordanian government to press the Israelis on this. Having spoken to PANZMA and to the Israelis, I think we may have some creative solution to this, but I will remain in touch with PANZMA, as, indeed, will my colleagues, to get the wheelchairs released.

Senator SHOEBRIDGE: Dr King, what do Israeli officials say when you make, I assume, the most obvious humanitarian position consistent with international law? We've got 900 wheelchairs here for kids who have had their limbs blown off, who are paralysed and who have no other support. What are the Israeli officials saying as their reason why they won't let these 900 donated wheelchairs find their way into Gaza? What are they saying?

Dr King: I will need to check on the specifics of the wheelchairs. As you said before, there are many items that are classified as dual use. Some medical supplies are. I'm not sure whether the wheelchairs specifically are classified as such. Yes, there is a blockage of medical supplies and other humanitarian assistance generally.

Senator SHOEBRIDGE: Minister, we spoke about sanctions earlier and sanctions about illegal settlements. They are not letting medical gauze into Gaza and not letting wheelchairs across into Gaza. They are flouting international law and ignoring the representations we make. At what point do you escalate broader sanctions against Israel because of what they are doing here? Kids without limbs can't get wheelchairs. People who have had horrific injuries can't even get gauze to treat it. At what point do you say, 'Well, actually now we're going to raise the sanctions, make them harsher and clearer?'

Senator Wong: Senator, first, I think the Prime Minister and I have made very clear that Israel has responsibility for the catastrophic situation in Gaza. They are being judged by the international community. They will be judged by the International Court of Justice. We have worked with others in international fora. Statements have been made about the recognition of Palestine. We have imposed sanctions. If there is a change of Israeli government—a new Netanyahu government or a new Israeli government—we would say it has an obligation to ensure aid enters Gaza at scale.

Senator SHOEBRIDGE: I see the time. I know we're due to go to afternoon tea. I have a series of questions about Myanmar, but I will try to make it brief. Minister, I've had multiple representations to my office from the Australian Myanmar community. They are in deep distress about the continued military attacks again a range of peoples across Myanmar. There is the use of fighter jets for the bombing. There is the inability, it seems, of the international community to get sanctions to actually prevent the flow of jet fuel into Myanmar. Minister, is Australia making any efforts to work with countries in the region to prevent the flow of jet fuel into Myanmar?

Ms Linke: Since the military coup in February 2021, Australia has imposed sanctions on 21 individuals and seven entities in Myanmar to target those leaders responsible for deposing democratically elected leaders and for repression and violence towards the people of Myanmar and to limit the Myanmar military's access to funds and military materiel. In relation to jet fuel in particular, we weigh a range of considerations when deciding to impose sanctions. They are one tool at our disposal but rarely our first choice. Depending on the circumstances, other responses may be more appropriate or effective to address a situation of concern. We keep our sanctions towards Myanmar under regular review. We do not speculate about potential sanctions measures.

Senator SHOEBRIDGE: Minister, the call of the Myanmar Australian community—it is matched by calls from the various communities and groups under attack by the Myanmar government all across the country—has been almost universal. Can the world prevent jet fuel finding its way to Myanmar? The government is using their jets to bomb and kill at a scale that is truly horrific. Will Australia work with ASEAN and other countries to put sanctions in to stop that happening?

Senator Wong: Perhaps the officer who could help me with our sanctions could come forward. I would also note that one of Myanmar's biggest arms supplier is Russia, Senator Shoebridge.

Senator SHOEBRIDGE: Indeed. So we should stop giving money to Russia by buying Russian oil.

Senator Wong: You know, I'm really very happy to have a discussion with you on Russia and Ukraine—

Senator SHOEBRIDGE: So am I.

Senator Wong: after your unilateral change and upturning of Greens policy to abandon Ukraine.

Senator SHOEBRIDGE: You can falsely make those positions.

Senator Wong: I think other members of your party said that.

Senator SHOEBRIDGE: You are a foreign minister. You are meant to make statements based upon evidence. That statement is false.

Senator Wong: Sorry. I thought Greens members had said you unilaterally did that.

Senator SHOEBRIDGE: It is misleading. It's misleading. You know it's false and misleading. It undermines my confidence in any of the answers you give.

Senator Wong: Yes. It does undermine my confidence in any of your principal positions—

Senator SHOEBRIDGE: It undermines my confidence in any of the answers you give.

Senator Wong: if you are prepared to stand with Mr Putin.

Senator SHOEBRIDGE: Your comments earlier about not being political—

Senator Wong: I mean, it's just—

CHAIR: Alright.

Senator SHOEBRIDGE: or making condescending comments.

Senator Wong: Really.

Senator SHOEBRIDGE: And then you go and make a false statement like that.

Senator Wong: I know—

Senator SHOEBRIDGE: It does you no credit.

Senator Wong: Senator, I know you are sensitive about this.

Senator SHOEBRIDGE: It does you no credit.

Senator Wong: But my point is you can't be pro Russia in one context—

Senator SHOEBRIDGE: I am not pro Russia—

Senator Wong: and then being anti—

Senator SHOEBRIDGE: And you are deliberately—

Senator Wong: You can't be pro Russia and simply—

Senator SHOEBRIDGE: and offensively making that statement.

CHAIR: Order! Senators.

Senator SHOEBRIDGE: It's your government that allows billions of dollars of Russian oil to come to this country—

CHAIR: Senator Shoebridge. Senator Wong.

Senator SHOEBRIDGE: to be paid for.

CHAIR: Let's have a bit of order.

Senator SHOEBRIDGE: You are the government.

Senator Wong: Senator Shoebridge—

Senator SHOEBRIDGE: that allows billions of dollars of—

Senator Wong: That's not true.

Senator SHOEBRIDGE: Russian oil—

Senator Wong: That is a lie.

Senator SHOEBRIDGE: to come into this country—

Senator Wong: That is untrue.

Senator SHOEBRIDGE: to feed the Russian war machine.

CHAIR: Okay. Thank you.

Senator SHOEBRIDGE: You know this is true.

Senator Wong: Senator, you said—

CHAIR: Order! Senator Shoebridge.

Senator SHOEBRIDGE: You are supporting the same sanctions that the European Union puts in.

CHAIR: We'll just cut off the call.

Senator Wong: Senator.

Senator SHOEBRIDGE: You are shameless.

CHAIR: Point of order.

Senator Wong: I am not going to take lectures from you.

Senator SHOEBRIDGE: Shameless and false.

Senator Wong: I'm not going to take lectures from you.

CHAIR: Hang on. Colleagues.

Senator SHOEBRIDGE: You are as condescending as you wish to be.

Senator Wong: To now be so critical—

Senator SHOEBRIDGE: Shameless and false.

Senator Wong: of me and of our policy in relation to Myanmar.

CHAIR: We are suspending.

Senator Wong: I'm sorry, but you have to accept responsibility for the change in Greens policy that you've undertaken.

Senator SHOEBRIDGE: You have to accept responsibility for refusing to stop Russian oil—

CHAIR: Colleagues, enough!

Senator SHOEBRIDGE: coming to Australia—

CHAIR: Senator Shoebridge.

Senator SHOEBRIDGE: and feeding the Russian war machine—

CHAIR: Thank you very much. Otherwise I will end the call.

Senator SHOEBRIDGE: in the billions of dollars. And you refuse to stop that.

CHAIR: Senator Shoebridge.

Senator Wong: No matter how much you talk about that, everyone knows what you are doing, Senator.

CHAIR: Alright.

Senator SHOEBRIDGE: Everyone knows what you're doing.

CHAIR: Secretary, do you want to jump in here?

Senator Wong: You took a pro Putin stance.

Senator SHOEBRIDGE: Perhaps you could answer my question.

CHAIR: No. You don't have the call. Enough! Secretary or Deputy Secretary, would you like to add something?

Ms Chan: Senator, I will add that over 2½ years ago on 1 February 2024, the government imposed targeted sanctions on five entities to limit the Myanmar regime's access to funds for arms and for jet fuel specifically. That was two regime controlled banks that enabled the purchase of arms and materiel—the Myanmar Foreign Trade Bank and the Myanmar Investment and Commercial Bank—and three Myanmar based companies that provide jet fuel to the Myanmar military, being the Asia Sun Group, Asia Sun Trading Company Limited and Cargo Link Petroleum Logistics Company Limited.

Senator SHOEBRIDGE: Ms Chan, my question to you—

CHAIR: Hang on. Let the official finish first.

Senator SHOEBRIDGE: I thought she had finished.

Ms Chan: I was just going to add that if you are looking at how effective sanctions are, I guess it is quite complex. There is no really straightforward way to evaluate how effective they are. The complexity of them means that it does take time to actually see how they flow through. But we took that decision 2½ years ago.

Senator Wong: Russia applies no sanctions on Myanmar. In fact, it continues to supply them, as do other countries. Whatever the political argument you may wish to have about Australian sanctions, a fundamental issue here is that the flow of arms and fuel continues.

Senator SHOEBRIDGE: Which is why I was asking whether you are working with ASEAN partners in order to provide the greatest possible consistency to prevent jet fuel flowing in to Myanmar. Is this something that Australia is working with ASEAN partners on? It seems consistent with the agreed five-point consensus that I know the Myanmar Australian community is seeking Australia do everything to uphold. Is this something that Australia is working collectively with ASEAN on?

Senator Wong: Well, Senator, I'm told at a recent Parliament House gathering you talked about Australia making ASEAN do what we want.

Senator SHOEBRIDGE: No. I didn't.

Senator Wong: What I would say to you—

Senator SHOEBRIDGE: We simply didn't.

Senator Wong: Okay. That's what I'm told.

Senator SHOEBRIDGE: You can't help yourself, can you?

Senator Wong: Senator—

Senator SHOEBRIDGE: You just can't help yourself.

Senator Wong: Can I finish my answer?

Senator SHOEBRIDGE: You can't help yourself.

Senator Wong: If that is your position. I accept if it is not.

Senator SHOEBRIDGE: You can't help yourself.

Senator Wong: I accept if it's not.

CHAIR: Alright, Senators. C'mon.

Senator SHOEBRIDGE: Every time.

Senator Wong: If that—

Senator SHOEBRIDGE: you demean the position.

Senator Wong: I beg your pardon.

Senator SHOEBRIDGE: You demean the position when you do that. You demean the position of foreign minister each time you do this. You cheapen it.

Senator Wong: Why are you personally attacking me? You are personally attacking me.

Senator SHOEBRIDGE: You make a false assertion about me.

Senator Wong: Senator, I just—

CHAIR: Okay.

Senator Wong: You don't listen to me, do you?

Senator SHOEBRIDGE: You make a false assertion about me. I correct you.

Senator Wong: No. You're shouting at me. You don't—

Senator SHOEBRIDGE: I'm not shouting at you.

Senator Wong: You don't listen to me.

Senator SHOEBRIDGE: I am not shouting at you. You make a false assertion about me.

Senator Wong: I said to you if that wasn't—

CHAIR: Order! Senators. Order! Senators, listen. If you two aren't just going to comply for a moment, I will have to stop proceedings. I don't really want to do that. Senator Hanson is trying to get to her questions too.

Senator Wong: Thank you. I'm going to be very quick. Senator, I said if that was not what you said, I accept it. You didn't listen. That's what I said.

CHAIR: Alright.

Senator Wong: We do not tell ASEAN what to do. We are not members of ASEAN. We are the first dialogue partner, a fact of which we are very proud. We respect ASEAN's centrality and ASEAN processes. Of course we put a view. We will express our view to individual ASEAN countries. We have regular engagement with ASEAN as an entity. Ultimately, progress within the five-point consensus relates to how ASEAN chooses to deal with it. I think we all agree on the lack of progress towards peace and democracy in Myanmar. Ultimately, it will be an ASEAN-led approach.

Senator SHOEBRIDGE: Minister, I listened carefully to Ms Chan's statement about sanctions. Of course, the Myanmar military government has removed the civilian appointed leadership of the Myanmar central bank. I think they did it four years ago. They sentenced the deputy Bo Bo Nge to 20 years on a politically motivated corruption charge. They then appointed several military junta members to ensure they have complete control of the Myanmar central bank. Why has the Australian government put sanctions on the Myanmar Foreign Trade Bank and the Myanmar Investment and Commercial Bank, as described by Ms Chan, and not on the Myanmar central bank? That would cut off a far larger share of the regime's revenue and foreign currency access than the two banks already sanctioned. Why won't you do that?

Senator Wong: Senator, the formal answer is we don't speculate on sanctions. I note you didn't include the jet fuel companies that we have also sanctioned. The answer I have actually goes back to what I said to you before. I will try not to get into an escalation with you. Whatever you urge us to do will have no effect while ever other countries, including Russia, continue to supply oil fuel and military equipment. You can have an argument about whether Australian sanctions are sufficient, but the facts are there are far larger economies providing support to the junta. It's not what we do. We have a very different approach. An argument about Australian sanctions is actually not the central issue if you want to talk about how to deal with trying to prevent the junta from doing what it is doing to its people.

I would also say that one of the things I have sought to do since becoming foreign minister and through this period is to ensure we have official level and ministerial level engagement with—we recognise states, not governments—the NUG. I met, I think, last month with the NUG foreign representative.

Senator HANSON: My question relates to Australian embassies and the security that is provided to them around the world. That includes embassies, commissions, consulates and official residences. On the weekend when I attended the Veteran Games, I was approached by veterans. I will preface this to explain where I'm coming from. In 2015, DFAT awarded a three-year contract of $72.3 million for security at the Australian embassy in Kabul to Aegis Defence Services and its parent company GardaWorld, replacing Hart Security Australia. A contemporary reported that Hart employed about 120 Australian operators, many with former special

forces or infantry experience, and had recorded no serious incident during the five-year contract. I understand that was under the previous government. Are there any Australian companies now that are employed not only in Kabul but any embassies, consulates or anything around the world? Does DFAT currently include any requirement, preference or weighting for the employment of Australian citizens or permanent residents when evaluating embassy security tenders?

Mr Maclachlan: Thanks for your question. Our arrangements are contracting for security at embassies are governed by normal Commonwealth procurement rules. They would normally be open tender processes. We have different arrangements at different embassies depending on the security requirements we need in those locations. Locations such as Kyiv and Baghdad would be a higher level for obvious reasons than, say, an embassy in the US. Those normal procurement rules would apply. They are open tender. They will be evaluated on the conditions that apply, including value for money and the ability to deliver the service. We may look at whether or not they are an Australian company, but that is not the only factor that we would take into consideration. It's whether they can do the job at an affordable price that achieves value for money for the Australian taxpayer.

Senator HANSON: What is the current cost of security now?

Mr Maclachlan: I would have to take that on notice, I'm sorry, Senator. Do you mean in general, Senator?

Senator HANSON: Yes. I gave you the figure for a three-year contract of $72.3 million.

Mr Maclachlan: We are no longer present in Kabul.

Senator Wong: We are no longer in Kabul.

Senator HANSON: I know. But that was a contract at that time. Can you actually tell me what we are looking at for security at our embassies? Is there a separate price for whichever embassy it is?

Senator Wong: We will take it on notice, Senator Hanson, and try to assist. I want to make sure that I make this point. The security requirements of the Kabul embassy were obviously high compared to most of our posts. Therefore, obviously, the costs of that would be very high. It would not be right to look at quantum—the amount—then as to now to say there has somehow been a reduction in security for DFAT and Australian personnel, because you provide security based on a risk assessment and threat level and so forth. Us being in Kabul was a particular, almost unique situation. I have probably said it clumsily. I just want to be clear about that.

Senator HANSON: I understand that. I did go to Kabul, so I have a clear understanding of the security risk there. You had a company there that was Australian owned and doing the work there. There was no serious incident reported in the five-year contract. It had 120 Australian operators. You decided to replace them with Aegis Defence Services and GardaWorld. What was the reason? Was it because of the price?

Mr Maclachlan: Firstly, we're not operating in Kabul. That contract that you refer to, as I understand it from your question, applied to the operation in Kabul. We are no longer there. We would look at whatever our requirements are in each location. In Baghdad, for example, we do have contracting services in place. As I say, in other locations, we have different arrangements because we have different requirements. As the minister said, we make judgements based on our operating environment and the footprint that's there. We look at the physical security that is offered by the infrastructure that we have and the security that is offered by the hosting country. We make judgements about what additional levels we need to put in. I hasten to add that physical security in that sense is only part of the equation, if you like. We work to provide security firstly and foremost to our personnel, to our assets and to our information, which encompasses other aspects.

Senator HANSON: This is my last question. Is there any Australian company that we employ for security anywhere?

Mr Johnstone: There are two locations where we have contracted security at a scale similar to what we had in Kabul. That is Baghdad and Kyiv currently. Control Risks provides that current contract. They are also teamed, though, with an Australian company that supports that contract and is the Australian element of that contracting capability.

Senator HANSON: Thank you very much.

CHAIR: Thanks, Senator Hanson. The non-trade folks can go home. We will break now and come back in 15 minutes with the trade portfolio. Officers from the Australian Centre for International Agricultural Research have also been excused. They can go home. On that note, goodnight, everyone. We'll have the trade portfolio with Minister Farrell after our 15-minute break.

Proceedings suspended from 16:31 to 16:49

CHAIR: Good evening, everyone. I welcome Senator the Hon. Don Farrell, Minister for Tourism and Trade, and Mr George Mina, Deputy Secretary of the Trade and Investment Group within the Department of Foreign

Affairs and Trade, and all the officers of the department. Minister or Deputy Secretary, did either of you have an opening statement?

Senator Farrell: Thank you for that opportunity, but, no, I don't have one.

CHAIR: Mr Mina?

Mr Mina: I do, with your indulgence.

CHAIR: Yes, please.

Mr Mina: Thank you for this opportunity. The global trading environment is as complex and contested as it was last time we appeared before this committee, in June. The department has continued to work deliberately and effectively across our international network and with partner agencies to strengthen Australia's economic security and resilience in the face of these headwinds. As the secretary said this morning, we continue to invest in new rules and relationships, support the resilience of critical supply chains, advance multilateral trade reform at the WTO and beyond and expand opportunities for Australian exporters. Our strong trade performance demonstrates the value of this approach, with two-way trade reaching a record $1.3 trillion. We've also supported the government's efforts to bolster and diversify economic partnerships, including through a comprehensive free trade agreement with the European Union. This agreement will open a market of 450 million consumers, with a GDP valued at $30 trillion. It has been effectively closed to many Australian exporters for decades. It will deliver billions of dollars in trade and economic benefits to Australia, including nearly a billion dollars in preferential red meat access every year. At a time of uncertainty, this is a strong outcome for Australian agriculture, a strong outcome for Australian producers and exporters, and a strong outcome for our consumers.

Australia secured market access outcomes that are comparable to and, in many cases, better than those obtained by major agricultural exporters. For beef, we secured one of the most commercially valuable outcomes the European Union has ever granted to a competitive beef-exporting nation. The agreement levels the playing field with one of the world's most protected agricultural markets and provides our producers with commercially meaningful opportunities that would not exist under the status quo.

Let me be clear: the agreement does not compromise our sovereignty. It does not give the European Union authority over our domestic policies, emissions targets or climate settings. Australia retains the right to regulate in its own interests and to determine its own policy settings, consistent with its international obligations. Nor does the agreement lock Australia into net zero. Our commitment to net zero arises from our own nationally determined contributions under the Paris Agreement, not from any free trade agreement. Australia retains the right to determine and update its own contributions under that framework.

What this agreement does do is support greater trade, investment and job creation in clean energy, critical minerals and environmental goods and services. It will help Australia secure the benefits of the global transition to a lower emissions economy while maintaining full control over our domestic policy choices.

We are not immune to the disruption that's challenging the rules based system on which our prosperity relies. In July, the United States imposed section 301 tariffs on 60 of its trading partners, including Australia. The government has made clear that these tariffs are unjustified and unwarranted and should be removed. The government has advocated with the United States at all levels, including through leader-level engagement, ministerial advocacy, officials-level consultations and sustained efforts through our embassy in Washington. Even in the face of these measures, Australian exporters continue to access the US market, with non-gold exports growing by 7.5 per cent in 2025-26.

As a trading nation, our interests are best served by continuing our engagement with partners, pursuing new opportunities, strengthening our partnerships and continuing to support an open, stable and predictable trading system. The department will continue to advance these interests. As always, none of this work would be possible without the dedication, professionalism and expertise of DFAT staff here in Canberra and across our overseas network. I thank them for their efforts. Thank you, Chair. I've got copies for the secretariat.

CHAIR: Fantastic. Thank you, Mr Mina. We'll get that circulated to senators as soon as possible. Before we start, I want to bring senators' attention to the fact that we have a guest in our presence today, all the way from WA: the Hon. Stephen Price, who is the Speaker of the Legislative Assembly. I welcome the Speaker to Senate estimates; hopefully, you're not in the wrong room! Members of the House do stumble across what we do in the upper house here, working very hard, diligently. Welcome. I'm sure Tony and the team here in the Senate will look after you while you're here this afternoon. I'm going to now hand over to Senator Canavan to kick off with questions in the trade portfolio.

Senator CANAVAN: I might start with the opening statement. There are some negatives at the start. Your statement says, 'Nor does the agreement lock Australia into net zero.' Does the agreement lock us into the Paris Agreement?

Mr Mina: As I tried to set out in the statement and mentioned on the previous occasion we met, the agreement reaffirms our commitment to the Paris Agreement. Of course, we were members of the Paris Agreement before the free trade agreement and we are members after, so it simply restates that commitment. It was a binding commitment, but it was already a binding commitment before the free trade agreement.

Senator CANAVAN: I will quote from the fact sheet that the government distributed on signing the agreement. It said:

For the first time in a free trade agreement, Australia … has made a binding commitment to implement obligations under the Paris Agreement …

So this is the first time we're doing this.

Mr Mina: As we traversed last time, this was a commitment made in the free trade agreement. As I said earlier, it was a binding commitment prior to the free trade agreement—

Senator CANAVAN: Just to be clear, I'm not asking you to restate what you just said. I'm asking you to explain this statement: this is the first time we've made a binding commitment to the Paris Agreement in a trade agreement. Yes or no?

Mr Mina: As I said earlier, it was a restatement, a reaffirmation of an existing—

Senator CANAVAN: Sorry; we'll be here all night if we start like this. Can I get a clear answer? Is this the first time that we have made a binding commitment to the Paris Agreement in a trade agreement?

Mr Mina: It is the first time we have made a distinct reaffirmation of the Paris Agreement, yes.

Senator CANAVAN: You're regretting the choice of words in the fact sheet, I can see. But it's there for all to see. Unless you say otherwise, I take that as an accurate representation. We'll come later to the EU trade agreement. What penalties do we face under the Paris Agreement if we don't adhere to it?

Mr Mina: With respect to the enforcement provisions of the Paris Agreement, which is, of course, a climate department lead, I would have to refer you to the department of climate change and energy.

Senator CANAVAN: This is a substantive change, and I don't accept the evidence that you've provided here. There's something substantively different with this agreement, which we'll come to. Before getting to that agreement, though, I want to ask questions on the news overnight. Apparently, there are reports that the Prime Minister would like to renegotiate the Australia-UK free trade deal, particularly with regard to the provisions around working holiday makers. Has there been any communication with UK officials about renegotiating this agreement?

Mr Mina: In respect of your comment about this being a substantive change, I would have to restate my earlier evidence that this is a simple reaffirmation of our Paris Agreement—

Senator CANAVAN: I'll come back to that.

Mr Mina: I do need to make that point.

Senator CANAVAN: Okay.

Mr Mina: In respect of the Australia-UK working holiday-maker arrangements, you have picked up on one aspect of recent commentary by the government, but you have suggested, if I heard and understood you correctly, that this would require a renegotiation of the UK-Australia arrangements.

Senator CANAVAN: I'm just repeating the reports that have been—

Mr Mina: Those reports are not accurate.

Senator CANAVAN: Okay.

Mr Mina: The point to make to you, of course, is that Minister Burke is leading these discussions with respect to the working holiday-maker commitments with the UK. We're doing that collaboratively and cooperatively with the UK. We're discussing a range of options. Those options are being discussed by the Department of Home Affairs, Minister Burke and our representatives. In respect of the Australia-UK FTA, there is flexibility in that arrangement to amend the working holiday-maker commitments by mutual consent. So those reports are incorrect, that there is a plan to change or renegotiate, if those were the words that were used.

Senator CANAVAN: Could I ask about the distinction. If we amend the agreement by mutual consent, how is that different from renegotiating the agreement?

Mr Mina: There are provisions in the package to allow for either side, with respect to working holiday-maker arrangements, by mutual consent, to amend the arrangements—

Senator CANAVAN: That's a renegotiation, then; is that right? Another way of describing that would be a renegotiation.

Mr Mina: Had there been no such flexibility, there would have been a requirement for a renegotiation. What I'm trying to explain is that, built into the arrangements with the UK, there is that flexibility for both sides. It's explicit flexibility—

Senator CANAVAN: I would have thought that any agreement between two parties can be amended through mutual consent, presumably, because it's an agreement between two parties.

Mr Mina: What I'm trying to explain here is that, in this arrangement, there are explicit provisions that allow for either side to make amendments to the working holiday-maker commitments. That was preconceived and it was built into the UK-Australia—

Senator CANAVAN: So the government is seeking amendments to the free trade deal?

Mr Mina: No. That's precisely what I'm trying to explain.

Senator CANAVAN: But you just said—

Mr Mina: There is flexibility within the—

Senator CANAVAN: you had flexibility to amend the arrangements by mutual consent.

Mr Mina: The arrangements in respect of working holiday-makers.

Senator CANAVAN: Okay.

Mr Mina: Not the deal. Not the UK-Australia Free Trade Agreement.

Senator CANAVAN: Okay, but the working holiday-maker arrangements are part of that deal, aren't they?

Mr Mina: No, they are a separate visa category and advisory regime that sit within our visa system. Our short-term—

Senator CANAVAN: When we signed—certainly, in the brief I was given at the time in parliament—the UK free trade deal, part of the deal was giving greater access to British backpackers to our working holiday-maker scheme; is that correct?

Mr Mina: There are two concepts that you're raising here. The first relates to the working holiday-maker system. The second, indeed, relates to commitments made in the context of the UK-Australia Free Trade Agreement in relation to that system. What I've been trying to distinguish—

Senator CANAVAN: Yes, it was part of the deal, and we made commitments to that—

Mr Mina: Commitments to that in relation to that system. What I'm trying to explain is that in the UK-Australia arrangements there is flexibility in respect of those commitments.

Senator CANAVAN: What flexibility, what changes—however you describe it—are we asking for?

Mr Mina: This is being worked through at the moment by the government and with the UK. You'll have seen reports of comments by the Prime Minister to the effect that he's discussing with the UK government arrangements to increase the opportunity for UK working holiday-maker visa holders to participate in the employment markets in regional-rural Australia.

Senator CANAVAN: If we do pursue this desire to deal with issues in rural and regional Australia, would those changes require new legislation?

Mr Mina: In respect of Australia's visa regime and visa law, I'd have to defer to the Department of Home Affairs on that question.

Senator CANAVAN: Okay.

Mr Mina: There may be implementing regulations in relation to visas, but not in respect of the free trade agreement aspects.

Senator CANAVAN: Has the UK raised any reciprocal requests—a desire to make these amendments?

Mr Mina: Again, these conversations are best left in the hands of our Department of Home Affairs, who are leading on these issues, and Minister Burke.

Senator CANAVAN: This obviously seems to be a reaction to the mess that's been created by the delays in approval to working holiday-makers. The introduction of ballots and caps has gone down like a lead balloon in regional areas of the country. Have DFAT or any of the agencies under your organisation done an assessment of

the economic consequences of the recent changes to working holiday-maker visa applications and the proposed ones to introduce a ballot and a cap system?

Mr Mina: Modelling, no. These are issues on which the Department of Home Affairs leads. Of course, we would not agree with that characterisation.

Senator CANAVAN: Do you cover tourism in DFAT?

Mr Mina: Tourism is managed in the minister's portfolio.

Senator CANAVAN: Okay.

Mr Mina: It's not a—

Senator CANAVAN: Have you been asked by the minister to do—

Mr Mina: responsibility in the trade part of the portfolio.

Senator CANAVAN: I'm relatively new to this committee. Are tourism matters dealt with in this outcome now, or later?

Mr Mina: I think it would be later, with the Australian Tourism Commission and parts of AusTrade.

Senator CANAVAN: Are departmental officials going to be there, with those agencies?

Mr Mina: The point here is that the lead departmental agency who would work with those with interests in this issue would be the Department of Home Affairs.

Senator CANAVAN: Right. Where are the department officials that deal with tourism located in the Australian government?

Mr Mina: As I said, the Australian Tourism Commission and—

Senator CANAVAN: So it's only their—

Mr Mina: parts of AusTrade deal with tourism policy.

Senator CANAVAN: Okay.

Mr Mina: But, in respect of these visa related issues, they're managed by Home Affairs.

Senator CANAVAN: Okay. There's no separate tourism policy section within a department, as such?

Mr Mina: No tourism policy section, no.

Senator CANAVAN: I'll come back to those questions later. Moving on to another topic, Treasury put out a report last year about Australia's net zero transformation and about the potential for green commodity exports to overtake coal and LNG exports. This modelling was reused for the recent *Intergenerational report*. Has Treasury consulted with DFAT at all about its forecasts for green exports?

Mr Mina: I'm just consulting with Mr Woods. Not to our knowledge. These would be normal Treasury forecasting arrangements.

Senator CANAVAN: Have you done any independent or separate analysis about whether or not we'd be able to hit these projections or about who would be willing to buy green commodity exports to the extent that they'd overtake our coal and LNG exports? Have you done your own work on this?

Mr Mina: We don't have a very developed modelling capability. The Treasury leads on matters relating to modelling of the Australian economy, including aspects relating to the international economy.

Senator CANAVAN: I would have thought DFAT, of all agencies, would have a little bit more on-the-ground knowledge there in our key export markets. None of that is being fed back to Treasury to inform their advice to government on these issues?

Mr Mina: As Mr Woods is saying to me, in respect of resources exports, the Department of Industry, Science and Resources plays a key role with Treasury in those sorts of analyses and assessments.

Senator CANAVAN: I'm also interested because just recently the ASEAN Centre for Energy released their ninth energy outlook. They released it just a few weeks ago. That work is done with support from the Australian government. Under their baseline scenario, the coal supply from ASEAN countries will triple by 2060. This is a scenario that notionally incorporates the stated climate policies and goals of ASEAN members. Given we're funding that work, has anyone had a look at it and seen that countries in our region are tripling their coal supply? Surely, that should be factored in in our own domestic policy settings?

Mr Mina: The general principle I'd state is that, across the Australian government, we're taking a very close interest in the energy supply-and-demand trends in our region. The general principle is one of cooperation,

monitoring and assessments. In respect of the *9th ASEAN Energy Outlook*, it's not a publication that we feed into or contribute to. But they're probably—

Senator CANAVAN: I'm informed that we give financial support to this. Can anyone—

Mr Mina: I'm not doubting that at all. I would have to check, but my guess would be that the climate and energy portfolio or, indeed, our colleagues at Industry, Science and Resources would have had much closer engagement with that analytical work.

Mr Woods: The point that you're making broadly around ASEAN is probably true a little bit more widely throughout the region. If we look at energy statements and energy plans from North Asia as well, if we look at Japan and South Korea, we can see that there is a broader projection of a lift in energy needs and, with that, a requirement particularly for fossil fuels as well. What you are saying in terms of the ASEAN one is not unique to the region. In terms of how that is taken into account back here in Australia, again, going to the point that Mr Mina was making, the Department of Industry, Science and Resources have a team that put out quarterly reports, forecasts and projections for our major commodities, including energy. I think that questions about how much they take account of global supply and demand dynamics would be best addressed to them, but I would be very surprised if they aren't looking at the sort of global trends that we were both just talking about.

Senator CANAVAN: Has anyone in the department gone through this report and had a look at it?

Mr Woods: Certainly, in my team, no. I can't speak for whether some of our colleagues in the geographic team may have had a look at that.

Senator CANAVAN: On the acknowledgement page, on the second page of the report, they state—and I quote:

The development of AEO9 was made possible through the support of the United Kingdom Foreign, Commonwealth & Development Office (FCDO) through the ASEAN-UK Green Transition Fund (GTF); the Australian Government through the ASEAN-Australia Energy Cooperation Programme (AAECP), under the Australia for ASEAN Futures Initiative …

Is that an initiative and a program that we fund in this department?

Mr Mina: It sounds, indeed, as though it may be. If it is the case—

Senator CANAVAN: How much funding did we provide to—

Mr Mina: If it is the case, we would need to check with our colleagues in the—

Senator CANAVAN: There might be someone here who could help.

Mr Mina: the office of Southeast Asia. Mr Whyatt may be able to help us with that.

Mr J Whyatt: I don't have ASEAN specifically. I'm happy to take the details on notice. We do have a support program with the ASEAN Centre for Energy, as you outlined. My recollection is that it's about $6 million or $7 million in total. It funds a range of work. I haven't sighted this report specifically, but if you have specific questions, I'm happy to take them on notice.

Senator CANAVAN: Has anyone prepared a brief for the minister on this report?

Mr J Whyatt: I haven't, but I can take that on notice.

Senator CANAVAN: We're funding it. What's the point of funding it if we're not going to look at it or use it? It has massive implications for our country. It's a tripling of coal supply in our region, and coal is our second-biggest export. LNG is not far behind as well. This report covers that, too. I don't quite understand why there's not a massive focus on these things in our trade department.

Mr Mina: Mr Whyatt has agreed to take it on notice, but there is no question that we take a very close interest in energy trends in our region. There will be, of course, policymakers with close interest in this announcement.

Senator CANAVAN: I'm concerned about that, because the focus seems to be on running scare campaigns about the EU free trade deal. You talk of figures of $10 billion et cetera, which we'll get to. Our coal exports are multiple times that alone, and there's LNG again. There doesn't seem to be a lot of focus on the fact that, presumably, we may lose market share here big time if they're going to triple coal supply. Countries like Japan, Korea, China and India can potentially go to countries other than us that are closer to them to get their energy needs. Why isn't there a focus on this potential loss?

Mr Mina: It's very important that we rebut that. The individuals at the table may not be conversant with the report you raise, but the idea that we're not taking an interest in these issues or that we are not very closely engaged with the coal export questions you raise is not correct. Across the Australian government, as I've said, we have strong interests in regional energy trade trends in a range of portfolios, including in the department of

climate change and energy and the Department of Industry, Science and Resources. There may well be people who are investing very heavily in this analysis.

Senator CANAVAN: Alright. I'm glad I brought it to some people's attention. I follow these things very closely and am very, very concerned about our competitive position, particularly geopolitically, with countries like Russia very keen to supply more energy to our region.

Moving on to the EU free trade deal, which, as I say, is certainly the obsession of this government, I think you mentioned in your opening statement something about the benefits of the deal. I'm particularly interested in figures from the original fact sheet on the benefits of the deal, produced a while ago, which estimated that the deal would provide $7.8 billion in benefit to Australia. Can I confirm that was, I think, based on a European Commission study in 2020 titled 'The Trade and Sustainability Impact Assessment'?

Mr Mina: The way we go about assessments in and during a free trade agreement negotiation is to model once the negotiation itself has settled. We commissioned some modelling after the negotiations concluded. We'll be in a position, of course, to share that more widely in coming months. That particular figure that you mentioned is a reference to an early study by the European Union several years ago, at the outset of the negotiations, and it resulted from some modelling that they'd undertaken at that time.

Senator CANAVAN: Okay. I've heard the minister say $10 billion in different speeches. Is that based on that sort of assessment, uplifted, if you like?

Mr Mina: That $10 billion figure was put into the public arena by a former trade minister, Dr Craig Emerson, who runs the RMIT study centre on trade. Yes, we understand that he's also drawn from that figure and updated it. He's updated it—

Senator CANAVAN: Yes, so that was 2020 dollars and presumably—

Mr Mina: Correct: exchange rate and inflation effects. Precisely.

Senator CANAVAN: Fair enough. What were the reductions in trade barriers that study assumed?

Mr Mina: One could go back to the early modelling that the European Union took on at that time. It's important to note that figures on the impact of the trade deal can fall into roughly two major categories of analysis, the first relating to the economic welfare effects. With your own professional background, you know well that work concentrates on the GDP effects. Then there's material on the trade impact. This figure, we understand, was concentrating on the welfare or GDP impacts at an early stage of the negotiations.

Senator CANAVAN: I've gone back to that study. On page 15 of the study, they show that Australia's real GDP would increase in one of the scenarios by 4.8 billion euros, which, roughly speaking, with the exchange rate, does get you to 7.8. That would appear to be the basis of that. That scenario, though, is titled 'The Ambitious Scenario' in their description on page 11 of the study. The ambitious scenario includes agricultural tariffs and tariff rate quotas and the EU's price system for fruits and vegetables being abolished. So I'm just trying to check here: is the figure the government is using relying on the complete abolition of all quotas or tariffs on Australia's agricultural exports to the EU?

Mr Mina: No. As I said earlier, there are two types of impact in these agreements. Some of them relate to the GDP impacts; some of them relate to the trade impacts.

Senator CANAVAN: Right.

Mr Mina: In respect of the trade impacts, quite obviously they'll be many multiples higher than the GDP impacts. What we're talking about in early assessments of the impact of the FTA on the Australian economy are some fairly rough estimates, clearly, at the outset of the negotiation. Secondly, we are talking about some large orders of magnitude with respect to trade and smaller orders of magnitude—

Senator CANAVAN: Given that you've used these figures, Mr Mina, can I just ask you or the minister these questions. The minister has used these figures. What is the basis for these figures? What reductions in tariffs or quotas in the EU on Australian goods do those figures rely on?

Mr Mina: I think we said earlier that Dr Emerson, an eminent former trade minister, has made reference to these sorts of figures. European leaders have made reference to bigger figures—

Senator CANAVAN: With all respect, I think an argument to rely on authority is not really good enough here. The report is publicly available. Have you read the report, Mr Mina?

Mr Mina: We're not relying on authority—

Senator CANAVAN: You are. You're relying on this report, because you quote it.

Mr Mina: If I could finish, please.

Senator CANAVAN: Okay.

Mr Mina: We are conducting our own modelling. We're doing it on the basis of a negotiated and concluded deal, rather than of particular scenarios. We're doing it in 2026 dollars and assessment, rather than in respect of 2020 dollars, exchange rates and so forth. So we will get through that model—

Senator CANAVAN: Okay, but can I bring you back. The minister has been out in national media saying, 'This deal is going to deliver $10 billion of benefit.' Does that rely on the EU completely getting rid of its tariffs and quotas on Australian agricultural products?

Mr Mina: No. It's a figure relating to order of magnitude—

Senator CANAVAN: How is that not misleading the Senate, Mr Mina? You just said no. It clearly does. Chair, can I table these two extracts from the EU Commission's report which clearly show that those figures rely on the complete abolition of tariffs and quotas. Are you disputing that evidence or not?

CHAIR: Let's get a copy, first of all.

Senator CANAVAN: Okay.

Mr Mina: My point was simple: that the figure of $10 billion was introduced into the public debate by an eminent former trade minister, and we understand that, yes, he has relied upon earlier assessments using EU modelling.

Senator CANAVAN: Hang on. Are you saying—

Mr Mina: I'm not telling you that we have modelling ourselves. We haven't done that yet. We will be working methodically through, after the deal has been concluded, to model the realistic parameters. After the negotiation has been finalised, we'll be in a position to share with you more, let's say, accurate and precise assessments. What I should also say is that—again, you know this better than most—with respect to macroeconomic modelling, general equilibrium modelling, of trade agreements, there's always a level of assumption made in those agreements—

Senator CANAVAN: And I'm asking about those assumptions, which you don't seem to be aware of. Are you seriously suggesting to this committee that the government's assessment of the benefits of this free trade deal to Australia rely on a former Labor trade minister, as eminent as he may be, not on the independent analysis done by your own department?

Mr Mina: My evidence is that we will conduct our own modelling. It's appropriate now, after a deal has been finalised, to be in a position to make assessments based on the negotiated and concluded deal. So, if you're looking for—and it's entirely reasonable—what are the most up-to-date and sensible assumptions upon which to base these assessments, we are in the process right now of conducting some modelling on that question.

Senator CANAVAN: These questions are all to the minister. He is being very quiet. Minister, on 19 October you did a doorstop at the Sydney Fish Market, where your website has you saying:

As I said, worth $10 billion from the start of the agreement, very quickly rising to $30 billion.

Was that $10 billion figure based on this EU Commission 2020 report?

Senator Farrell: It was based on a couple of things. The first was the analysis by Dr Emerson, which I think is a public document. The second was the assessment of President von der Leyen when she came here to sign the agreement. She was more optimistic about the future of this agreement, and that's where she mentioned the figure of $30 billion. My understanding of my conversation with her is that you reach that $30 billion as a result of all of the agreements that relate to the export of critical minerals. One of the features of this agreement is that our critical minerals will go into Europe tariff free, whereas our competitors will all continue to pay a tariff on their critical minerals exports. The figures I have used have been the ones provided by Dr Emerson, the EU President and the fact that I think, because of that significant critical minerals aspect to it, that will add very significantly to the benefits of this agreement.

Senator CANAVAN: So does your $10 billion figure rely on the complete removal of EU barriers to Australia's farming products?

Senator Farrell: The $10 billion figure relies on the assessment of Dr Emerson, the assessment of President von der Leyen and, as I say, the future benefits to Australia as a result of the removal of critical—

Senator CANAVAN: Do you know the basis for the $10 billion figure? Can anybody help you here? Exactly what reduction in EU barriers on Australian farm products is this figure based on?

Senator Farrell: I'm happy to go back and get Dr Emerson's assessment and provide that to you.

Senator CANAVAN: Has the department ever briefed the minister on the EU Commission 2020 report?

Mr Mina: Of course, we kept the minister apprised of earlier assessments in respect of the free trade agreement. You mentioned agricultural exports. We've also been able to point to, not only privately to the minister but in a range of public evidence, the very significant uplift in our agricultural exports position, where we currently have miserly access and where we are going to receive a very big uplift in our agricultural export access. I mentioned in my opening statement an outcome of nearly a billion dollars in new access in red meat alone. That gives you a sense, just in one subsector of one sector, agriculture, what the orders of magnitude will be.

Senator CANAVAN: I'll come to red meat. Minister, have you read the EU Commission 2020 report? Have you looked at it at all?

Senator Farrell: I think I read it in the context of the assessment by Dr Emerson.

Senator CANAVAN: Are you aware that the figures Dr Emerson came to then—if he was relying on this report—rely on the complete removal of barriers to trade to Australia's farm products into the EU?

Senator Farrell: I'd have to go back and have a look at Dr Emerson's report.

Senator CANAVAN: Okay, maybe on notice.

Senator Farrell: I don't have that—

Senator CANAVAN: Could you take on notice exactly what the basis of the $10 billion figure is? What particular—

Senator Farrell: Dr Emerson is a very good economist, and I think he's made a professional assessment of this. We have been relying on those figures, but not just on those figures; they were also the figures that President von der Leyen used when she announced the agreement. As I say, that figure is very much at the lower end of value to Australia because of that aspect of the critical minerals.

Senator CANAVAN: If you're going to rely on these figures, I would have thought you could basically explain them, particularly something as important as exactly what barriers to trade they assume are going to be removed to get to that figure. Could you take on notice whether or not the $10 billion figure—the $7.8 billion figure quoted in the original fact sheets—do rely on the complete removal of EU barriers to trade for Australia's farm exports?

Mr Mina: We can take that on notice, Senator. I make the obvious point that where we are now, without access to these very lucrative new markets, would provide us with zero economic benefit.

Senator CANAVAN: I get that—

Mr Mina: And we've got—

Senator CANAVAN: but if people have accurate information provided to them and, as it stands—

Mr Mina: We've got a very clear sense, in respect of agriculture, of the orders of magnitude. In respect of beef, it is an eightfold increase and, in respect of sheepmeat, it is a fivefold increase, that will lead, on an annual basis—

Senator CANAVAN: How much was the increase in red meat?

Mr Mina: On an annual basis, nearly a billion dollars a year.

Senator CANAVAN: No, the factor—how much of an increase?

Mr Mina: In respect of?

Senator CANAVAN: Red meat.

Mr Mina: Beef?

Senator CANAVAN: Yes, beef.

Mr Mina: Eightfold increase. In respect of sheepmeat, a fivefold increase. That leads you to an order of magnitude of a billion dollars in red meat alone. These are the kinds of figures on the trade impact. Can we be very clear: let's not confuse the trade and the GDP impacts. On the trade impact, there are some very big figures involved.

Senator CANAVAN: The key point here is that Australians deserve the Australian government providing accurate information to them. Clearly, because you haven't been able to say otherwise, I think the information being provided by the Australian government is misleading, because the suggestion from the minister was very clear—that this will provide $10 billion in benefit. It won't, because all the barriers to trade for our farm exports won't be removed, yet these figures are reliant on them being removed. In fact, there's another scenario that would have been more accurate to use in the modelling which provides a much lower figure. But the government has just ignored that and hidden that from the Australian people in your communications. I find it quite remarkable that

the department itself hasn't provided advice to the minister saying, 'Hey, that figure's a little bit high.' But it would seem that your department hasn't done the basic due diligence of looking at the underlying assumptions that figure goes to, in your rush to sell this dud deal.

Mr Mina: Senator, I really do need to respond on this.

Senator CANAVAN: You can't answer a basic question on it.

Mr Mina: If you are talking about the trade impact of this deal, quite obviously—quite obviously—if one subsector alone is leading to an annual uplift of a billion dollars—

Senator CANAVAN: If this is so good, why isn't the red-meat sector supporting it? They don't support it.

Mr Mina: Well—

Senator CANAVAN: They don't, and I'll come back to the red-meat quotas a bit more.

Mr Mina: If you are talking about the economic impact of one subsector alone, if you are talking about the trade impact, I think it's pretty obvious that the orders of magnitude involved are very significant.

Senator CANAVAN: We'll come back to those orders of magnitude later.

Mr Mina: If you are talking, Senator, about the department's advice—

Senator CANAVAN: Yes.

Mr Mina: I have to restate again that we are in the process of conducting economic modelling on the basis of a concluded deal, so that we can have the most accurate economic assessment—

Senator CANAVAN: Clearly, this modelling is not based on that. It's very far from that. I want to go to another issue here. On page 12 of this report, the European Commission discusses the treatment of the United Kingdom. The original modelling for this report was done in 2017 and, at the time, the UK was included as part of the EU in that modelling, even though Brexit was occurring at that time. With respect to what the EU Commission have done, they say:

… the anticipated impacts reported in this study on the European side refer to the EU27. However, in reporting the current state of play or current situation, we refer to the EU28—

that is, including the UK—

because the current situations are by definition about then 28 EU Member States.

It's a little unclear from this report, I must say—I'm being upfront because the EU Commission doesn't devote much attention to Australia, understandably—but, on this reading, it may appear that the increased benefits to Australia reported in this modelling exercise include Australia's potential increased exports to the UK. Am I reading that wrongly? Can anyone help me with the answer to this?

Mr Mina: We have undertaken to go back and have a look at this report.

Senator CANAVAN: Okay.

Mr Mina: But I make the point that the figure I gave you, of nearly a billion dollars in new revenue—

Senator CANAVAN: Chair, honestly, we're going to be here all night—

Mr Mina: If I can finish, please, Senator—

Senator CANAVAN: This is not a platform for—

CHAIR: Senator—

Senator CANAVAN: the secretary to advertise the government's policy. It is a platform for the opposition to ask questions about government policy. I haven't asked about red meat at all in my question.

CHAIR: You've asked the official, as I see it, to provide you with an answer. You may not appreciate his answer, but, at the end of the day, I think he's trying to provide an answer to you. In my opinion, he's being relevant. You're also entitled to keep asking questions.

Senator CANAVAN: I know, but then we'll be here all night.

Mr Mina: Senator, I just wanted to make the point—

Senator CANAVAN: Okay—

CHAIR: We're booked in until 10 pm.

Mr Mina: that if one were to include the UK and the EU FTAs—taking your concept of an EU28 impact—and if one were to look simply at the red-meat sector, we have done some calculations and, yes, we do have some figures that would emphasise the point you're making—that they could indeed be much greater.

Senator CANAVAN: Right.

Mr Mina: One estimate is that putting the EU and UK red-meat outcomes together would lead to $3.8 billion in increased market access per year. You can get a sense that, with the EU28 lens, as you're asking us to assess it, it is, indeed, significantly larger again. We are, of course, in a world where we've had to negotiate these issues separately.

Senator CANAVAN: I'm asking about the GDP, and you've made this point before. I'm asking about real GDP. I'm asking about a figure that DFAT included in a fact sheet on this deal where you said this deal would deliver $7.8 billion of benefit to Australia. The footnote refers to the EU Commission modelling report. Given that you've done all those things, I would have thought DFAT would have done some due diligence on exactly what was in that report, if you're going to include that figure. I'm simply asking: does that $7.8 billion figure include benefits to Australia of exports to the UK, yes or no?

Mr Mina: We will—

Senator CANAVAN: I find it remarkable that no-one can answer this question.

Mr Mina: I don't have page 12 in front of me.

Senator CANAVAN: You included the figure, not me, and you footnoted it. And you can't answer basic questions about that report. You are engaged in political spin right now, Mr Mina, to keep quoting these red-meat figures and all these things, yet you can't answer basic questions about a report that you refer to in your documentation.

CHAIR: Senator Canavan, I think that's a bit harsh, to be honest. I think the official is trying to provide you with an honest answer. I understand that Senator Ghosh has some questions. I am happy to rotate the call.

Senator CANAVAN: No, I have heaps of questions here.

CHAIR: I'm happy to come back to you.

Senator CANAVAN: This report that the—

CHAIR: Are you going to table it?

Senator CANAVAN: I'll table that page, the page about the UK—

CHAIR: I was going to rotate the call.

Senator CANAVAN: It's up to you, Chair.

CHAIR: You've had a fair crack. You've had 45 minutes.

Senator CANAVAN: Okay.

CHAIR: You've tabled that. We'll get copies to everyone. Senator Ghosh.

Senator GHOSH: The European Union, in 2025, was one of Australia's largest sources of foreign investment, with that number being in the vicinity of $966 billion. How will this trade agreement affect investment both from Australia into the EU and from the EU into Australia?

Mr Mina: This deal will have a major impact on two-way investment flows. As you have mentioned, the EU, as a single entity, is our second-largest investor. We've made provisions for facilitated investment screening arrangements for the European Union. We have made a range of improvements to goods sectors in which the EU wants to invest, including, as the minister has already made clear, in critical minerals, in green energy and in a whole range of energy resources infrastructure and related sectors. We would hope for and expect a continued uplift in that critical investment partnership with our European colleagues.

Senator GHOSH: Wonderful. You're speaking my language, Mr Mina, when you talk about critical minerals, energy and resources. It's an enormously important part of the Western Australian economy, and trade revenues from those industries are vital to both Western Australia and Australia as a whole. Are you able to shed some light on access and the impact of the Australia-EU free trade agreement in relation to Australia's seafood industry?

CHAIR: Gina Rinehart also supports the critical minerals element, if I'm not mistaken, Minister.

Ms Raper: The Australia-EU FTA will eliminate EU tariffs on Australian seafood at entry into force, subject to rules of origin on that Australian seafood qualifying under those rules of origin.

Senator GHOSH: Are you able to summarise very quickly the rules of origin, or that condition?

Ms Raper: The rules of origin differ, depending on where the seafood is caught. Seafood that is farmed or caught within Australia's territorial seas, up to 12 nautical miles from the coast, qualifies as originating. Seafood caught further offshore, in Australia's EEZ, or on the high seas, qualify subject to certain additional rules relating

to the registration of the vehicle, the flag under which it's sailing and the ownership of the vehicle. So those rules are a little complicated.

Senator GHOSH: Thank you very much for that summary. I think the services sector accounts for, give or take, roughly two-thirds of Australia's GDP. Are you able to offer some insight into the impact of the EU trade deal on Australian service provider access to European markets?

Ms Raper: Yes, Senator. The agreement will definitely open up opportunities for Australian service suppliers into the European Union. It will make it easier and more accessible for a range of Australian professionals to enter into the EU—intra-corporate transferees, contract service suppliers, independent professionals and so forth. It also contains a recognition of qualifications for Australian professionals. Under the free trade agreement, once an Australian professional qualification is recognised in one EU member state, it will be recognised in another EU member state without a need to requalify. We also have a particular provision in the free trade agreement called the innovation mobility pathway, which will also make it easier for researchers and technicians to travel to and work within the European Union.

Senator GHOSH: Wonderful. Australia has increased the number of bilateral trade agreements that we've entered, probably in the last two decades, and the importance of them has probably never been higher, as the global trade system comes under pressure and faces some significant barriers. How do the outcomes in this negotiation compare to other free trade agreements that we've concluded in the past? I'm thinking, front of mind, of the United States, Japan or China.

Mr Mina: The first two points you made, Senator, I can only wholeheartedly agree with. This is a very consequential agreement. It lifts our coverage from 79 per cent of Australia's trade covered by free trade agreements to 88 per cent. It puts us effectively in the position of having one of the best, if not the best, free trade networks on the planet, in terms of both coverage and quality. In respect of your point, Senator, about the significance of the moment and the turbulence in global trade, I tried in my opening statement to point to the significance of this deal in that context. Again, I wholeheartedly agree that this deal allows for a new commitment by both these major rules based players to the rules based system at a time when it's under major stress. It is a joint reaffirmation and reconfirmation of our commitment to rules based trade.

In respect of the comparative assessment that you've asked me for, Senator, there are a number of comparisons one could make. Even the US FTA, which was a very high quality FTA, did not cover all agricultural sectors and did not liberalise all agricultural sectors. Of course, famously, sugar was not a part of that final FTA deal. That's not the case here with the European Union. We have managed an uplift in every agricultural sector.

In respect of other developed country free trade agreements, such as Japan, Japan started with a coverage of 76 per cent of tariff lines at the entry into force. We're starting here with 89.7 per cent of tariff lines covered at entry into force. We know we are dealing with countries that are traditionally protectionist on agriculture. We understand that. But even with respect to another major agricultural protectionist country, Japan, this deal is leagues ahead. It's a high-quality deal by all of those measures.

Senator GHOSH: This is just an area of interest to me, which is in a slightly different direction: the Australian government's policy is now to exclude investor-state dispute settlement provisions from new trade and investment agreements. How do these fare in the EU trade deal?

Ms Raper: This FTA does not include investor-state dispute settlement provisions.

Senator GHOSH: Can I go back to some of the issues that you were answering questions on earlier. It relates to the 'affirmation'—I think that was the word you used, Mr Mina—of Australia's Paris accord and net zero commitment. Just to clarify that, does the EU FTA lock Australia into net zero in any way?

Mr Mina: No, it doesn't.

Senator GHOSH: Does it create any new obligations in respect of net zero?

Mr Mina: No, it doesn't.

Senator GHOSH: Is it a fixed-in-time proposition? If our obligations under our climate goals change, how does the EU trade agreement deal with that?

Mr Mina: The individually and nationally determined contributions under the Paris framework are just that—individual and nationally determined. We retain the flexibility to change those commitments under the Paris accord and we retain them under this free trade agreement. In fact, this free trade agreement explicitly recognises that flexibility. Article 18.2 of the agreement says:

… recognise the right of each Party to determine its sustainable development policies and priorities, to establish the levels of domestic environmental and labour protection it deems appropriate and adopt or modify its relevant laws and policies in a manner consistent with its commitments under the international agreements and labour standards referred to …

Even in the agreement text itself there is that explicit recognition of the flexibility we have under the Paris accord.

Senator GHOSH: This is my final question. It is taking advantage of the expertise we have at the table. We've discussed the services sector a little bit, we've discussed the resources sector a little bit and we've discussed agriculture. Are there sectors in the Australian economy that we haven't discussed yet that you are particularly excited about in relation to this deal or that are particularly game changing or groundbreaking?

Mr Mina: There are a whole range of those sectors. You've mentioned many of them. What we also mentioned earlier is the enormous potential, as the minister has already referenced, for us to work together with the EU on energy, critical minerals and the resources sector more generally, where the EU clearly has both the capabilities and capital to contribute to our economy and to our jobs and investment, and we have the resources that can seriously contribute to that partnership. There are big opportunities for us in the green economy sector, including the tens of billions of dollars of potential investment that's available. In respect of the goods and services related to the green economy, the agreement specifies, in the sustainable development chapter, a whole range of commodities which would be now subject to zero tariffs and a big part of the outcome of this deal.

Ms Raper: Of course, Australia will be eliminating most of the rest of our tariffs for imports from the European Union. That will benefit Australian manufacturers and industries who use European inputs into those processes. It also benefits the Australian consumer, who will be able to access a more affordable range of European products.

Senator GHOSH: Some of those items or materials—critical minerals being front of mind—also have strategic implications. There has been this concept, as we try and secure global supply chains for strategically important materials, of friendshoring or ally-shoring. It seems to me that this represents an example of that. Are you able to elaborate on that at all?

Mr Mina: Absolutely. In respect of our broader interests in critical minerals, what we want to do is work with all of our friends and partners globally to build resilient supply chains, diversify those supply chains and make sure that we're not overly reliant on one supplier or one set of suppliers, and to ensure that in Australia we can capture as much as possible of the exports relating to this sector and the uplift in processing that would be associated with this sector. What we need is capital—capital that invests in our processing of critical minerals, and markets, offtake partners. The enormous needs of European industry and European manufacturing, including not only the high-tech sectors but also the more downstream sectors, are only forecast to grow massively. So we have an opportunity there not only to attract the capital and expertise but also, as an export partner, to work with the European Union on these issues.

Senator GHOSH: Thank you.

Senator CANAVAN: Back to this modelling. The ambitious scenario I was mentioning before in the EU Commission modelling that we have relied on for our $10 billion figure includes the removal of non-tariff measures in manufacturing from the EU and Australia. The relevant one is Australia. In its list of non-tariff measures that would be removed, the EU Commission makes reference to the fact that Australian levies are 33 per cent sales tax. There is a luxury car tax on all imported and domestically produced cars valued over a specified threshold. Does the EU free trade deal lead to Australia removing the luxury car tax?

Ms Raper: No, the agreement does not lead to the elimination of the luxury car tax. But, as part of the package agreed with the EU, we have agreed to introduce a new luxury car tax category. That is for zero-emission vehicles. That will have a threshold of A$120,000.

Senator CANAVAN: Why, if the agreement doesn't abolish the luxury car tax, does the government rely on a modelling figure that's based on the luxury car tax being removed?

Ms Raper: As Mr Mina has explained, this was EU modelling done on a scenario that was much earlier in the process. We are now doing modelling on the concluded agreement to give accurate information.

Senator CANAVAN: But you put this figure in a fact sheet. You promoted it. The minister has repeated it. Why didn't you at least put in a footnote that said, 'Hey, there are elements of this $7.8 billion increase in real GDP which won't be realised because that still doesn't remove things like the luxury car tax, which it's based upon'?

Ms Raper: I think the footnote did refer to the report, and all of that is in the report.

Senator CANAVAN: If this was a private company you'd be in trouble for misleading and deceptive conduct, no doubt. No doubt. You put in the information to the public that this would deliver a $7.8 billion increase in real GDP. It is clearly based on changes that are not in the deal. Why have the department and the government put out misleading and deceptive information to the Australian people on the EU free trade deal?

Mr Mina: Our evidence is that, as Ms Raper has said, we were very transparent about the source of this early modelling result. It was nothing more than that. We have explained also our effort to update, based on recent negotiated results. We will be in a better position to equip you with those results once that modelling is concluded. It is important to note that economic modelling of all descriptions, as you know well, Senator, does rely upon assumptions. Those assumptions have been updated and we are therefore updating our analysis.

Senator CANAVAN: Can you point me to anywhere in the information that was released by the department and the government about this EU free trade deal where you have referred to those assumptions or referred to the fact that these figures may not reflect the deal as signed? Have you got any—

Mr Mina: I think Ms Raper just made the point that the—

Senator CANAVAN: No, before my questioning tonight. Before that, had you ever actually indicated in a footnote, with asterisks, 'Actually, these figures don't necessarily reflect the deal as signed'?

Mr Mina: As I said, and as in Ms Raper's evidence earlier, we have referenced the report to which you refer and we have referenced in that footnote where one can access that report, including, to the extent that it was available in 2020-21, what those assumptions were. Senator, that's why—

Senator CANAVAN: It took me a couple of hours to read through it this week, preparing notes.

Mr Mina: That's why we're doing this updated assessment.

Senator CANAVAN: And it's very disappointing to see the Australian government mislead the Australian people. It erodes trust in our institutions when departments and others sign off information which is clearly misleading—it is clearly misleading—to the Australian public. All of this information is publicly available and easy to access. The report also claims, under this scenario you've relied on, that Australia's rice exports will increase by 113 per cent, sugar exports to the EU will increase by 123 per cent and dairy exports to the EU will increase by 86 per cent. Do you stand by those increases? Will that happen under the EU free trade deal?

Mr Mina: I first make the point, as I have many times already, that this modelling is getting updated. In respect of dairy, what we can do is talk to the outcomes. We had a sector that had miserably low access into Europe. We have—

Senator CANAVAN: Can I just bring you back to the question. The question was—

Mr Mina: Do we accept—

Senator CANAVAN: You said in the fact sheet that it could increase—

Senator Farrell: Chair.

Senator CANAVAN: Australia's GDP by up to $7.8 billion.

Senator Farrell: Chair.

Senator CANAVAN: That relies on an 86 per cent increase in dairy exports. Is that going to happen?

CHAIR: Minister, do you want to add something there?

Senator Farrell: This was a week in which we were trying to improve respect in the parliament. The witness is trying to give a genuine and honest answer to the question that Senator Canavan has raised. Can I request that we try and maintain that respect and at least give the witness an opportunity to answer the question.

Senator CANAVAN: On the point of order, respect is earned, not given. It is not helped when public officials and the government present misleading information. That is why people are disrespecting our parliament—because there are lies being told—

Senator GHOSH: You've still got to give respect.

CHAIR: Order!

Senator CANAVAN: time and again about all sorts of things.

CHAIR: Order! As chair I'll enforce the standing orders, as required by the Senate and as adopted by the Senate. Mr Mina, did you have anything else to add to your evidence?

Mr Mina: I did. The senator has just made some comments about dairy. We had an average dairy tariff of 2.4 per cent. The European Union had an average dairy tariff of 27 per cent. Now that's largely gone to zero. So we have a massive levelling of the playing field on dairy. We are going to eliminate 87 per cent of the European

Union's dairy tariffs. One can draw one's own conclusions about the benefits that would provide to our dairy sector. The predominant point is that this is a massive uplift in dairy.

Senator CANAVAN: Do those tariffs include the tariff equivalents, including the subsidies that the EU provides to its dairy industry?

Mr Mina: They do not include subsidies because, as you know, subsidies are not typically negotiated in bilateral free trade agreements.

Senator CANAVAN: Neither are climate agreements. Neither are labour agreements.

Mr Mina: The Australian government has been consistent—

Senator CANAVAN: That wasn't a constraint.

Mr Mina: The Australian government has been a consistent supporter, on both sides of politics, of agricultural subsidy reform. We have been continuing to press our European counterparts for subsidy reform, including in dairy, for many years through the Cairns Group.

Senator CANAVAN: On the topic of dairy, are you aware that, with the EU Commission modelling, under its conservative scenario—which does not include the removal of agricultural non-tariff barriers; it's more accurately describing the agreement—the dairy industry in Australia would be one of six to see production fall, as a result of the agreement? Our production would fall. Are you aware of that?

Mr Mina: You are citing, I take it, the European Union's analysis?

Senator CANAVAN: That you've relied on, yes.

Mr Mina: We will conduct our own analysis and benefits—

Senator CANAVAN: That might explain why the dairy industry is ropeable about this. I might leave it there, given the time, and move on to another issue with this deal. Is the government aware that a Dutch environmental organisation, known as Both ENDS, has lodged a formal complaint with the European Commission, alleging that New Zealand has breached its climate obligations under the EU-New Zealand Free Trade Agreement? They lodged this on 29 September.

Mr Mina: We are aware of that report.

Senator CANAVAN: What's your awareness of the basis for their claim?

Ms Raper: This is a complaint made under a private mechanism of the European Union. It is not directly related to any mechanism in the EU-New Zealand FTA. Certainly, there is no means under the Australia-EU FTA for a private person or organisation, including an NGO from the EU, to bring any dispute against Australia under our FTA.

Senator CANAVAN: The complaint specifically challenges New Zealand's decision to reduce its 2015 methane reduction target from 24 to 47 per cent to 14 to 24 per cent. What's stopping a private group making a similar complaint on the EU-Australia free trade deal?

Ms Raper: Because there is no mechanism for them to do so under the Australia-EU FTA deal.

Senator CANAVAN: Is there such a mechanism under the New Zealand free trade deal with the EU?

Ms Raper: That would be a matter for the New Zealand government. As I said, it is under a commission domestic mechanism that this complaint has been brought.

Senator CANAVAN: Both ENDS have also identified New Zealand's reversal of its offshore oil and gas exploration ban. It has cited the New Zealand government investing $200 million in a gas security fund. It's also challenging New Zealand's decision to remove the legal requirement that its ETS align with the Paris Agreement targets. I've been assured time and time again that Australian laws can't be used or weaponised by climate activist groups, and we've seen them do that. Surely, there's a risk here that, similarly, what we're doing here is giving licence to European courts to make rulings on Australian government decisions.

Ms Raper: This is a matter within European processes, unrelated to our FTA.

Senator CANAVAN: Both ENDS have publicly identified that their next target will be Australia, after New Zealand. Are you aware of that?

Ms Raper: No, Senator.

Senator CANAVAN: They are going to pursue this. How can you give a guarantee about what European courts will decide on these matters? Can you give such guarantees?

Ms Raper: There is no connection between this process and the dispute settlement provisions in our FTA. They are completely unrelated processes.

Senator CANAVAN: But it's a treaty and an agreement that the EU has signed up to. I am no international lawyer, but quite often these international agreements are weaponised through international law courts and through European courts. We've seen that in the past. A European court is beyond the purview of the European Commission, presumably, and/or our own government, and it can decide what it may on the details of this agreement.

Mr Mina: Is there a question there, Senator?

Senator CANAVAN: We, presumably, cannot dictate or control what a European court may decide here.

Ms Raper: But they have no jurisdiction over us.

Senator CANAVAN: How do we know? They have potential jurisdiction over the agreement, though.

Ms Raper: No, they don't.

Senator CANAVAN: Why couldn't they rule that the EU has to enforce its deal, as those international courts have ruled that the Paris Agreement—

Senator Farrell: Chair, the witness is attempting to answer the question.

Senator CANAVAN: I don't think I was interrupting. I thought she had finished.

Senator Farrell: The witness was attempting to honestly answer the question, Senator Canavan. You continued to talk over her.

Senator CANAVAN: I apologise for that. I wasn't intending to.

CHAIR: We are getting closer to dinner. Let's keep marching on.

Ms Holmes: If I could add something, as was given in evidence previously, there are no investor-state dispute settlement provisions in the EU FTA at all, which means that only the EU, as the state, can take a state-to-state dispute settlement process. All the provisions regarding enforcement need to be done on a state-to-state basis. The reasons that motivate a country to take a dispute vary, but the actual dispute action can only be taken between the two states.

Senator CANAVAN: What's stopping a European court directing the European Commission to take that action?

Ms Holmes: The basis on which a government may take a dispute, or not, is independent of the FTA.

Senator CANAVAN: I am not sure that answers my question. European governments are subject, presumably, to European courts, just as we are to Australian courts. What would stop a European court ruling that the European Commission, European officials, have to take that state-to-state action that you refer to as being available to them under this agreement?

Ms Holmes: The point is that it's not something that is covered in the FTA. The basis on which the state in question in relation to a dispute action takes that decision is not addressed in the FTA. That is a matter for the Australian government or the—

Senator CANAVAN: That doesn't reassure me at all, particularly given our own experience. Just recently, a New South Wales court stopped a coal mine. We've been assured time and time again that these provisions wouldn't affect scope 3 emissions. It happens all the time in our own system. I don't see what would stop it happening in Europe, particularly given, probably, their activist class is even more weaponised than ours. Moving on to the provisions of the Paris Agreement, at the June estimates, when I asked about this, DFAT referred to the exceptions available in chapter 23 that would potentially provide the Australian government with flexibility in regard to things like climate agreements. On notice, it would appear DFAT has confirmed that article 23.1 does not apply to the trade and sustainable development chapter. Is that true?

Ms Raper: That's correct, Senator.

Senator CANAVAN: We can't rely on the general exceptions of 23.1 to defend ourselves against any potential breach of chapter 18?

Ms Raper: Yes, there are other exceptions that apply, but not that one.

Senator CANAVAN: With the other exceptions, 23.2 relates to national security, and it really focuses on things like arms control, fissionable materials and wartime. You've identified 23.3, which is taxation, particularly taxation agreements with other countries. 23.4 is about the treatment of information that may or may not be confidential under the agreement, and 23.5 relates to waivers of WTO agreements. I'm struggling to see how any of those subsections or subclauses of chapter 23 would give us an exception to chapter 18. Can you take me through how that would work?

Ms Raper: It would depend on the circumstances of the particular issue, in analysing whether any of those exceptions that you've just referred to apply. Of course, we have to look at the agreement in its entirety. As Mr Mina said earlier, the environment chapter, the trade and sustainable development chapter itself, already provides that flexibility very clearly in article 18.2 for a party to adapt or modify its environmental policies.

Senator CANAVAN: 'Adapt and modify' is different. Say we decided we'd pull out of the Paris Agreement—that's it, we're out—which of those exceptions would give us protection in that event?

Mr Mina: Once again, this agreement simply reaffirms Paris. In that respect, the—

Senator CANAVAN: Does it lock us into it, though? That's my question.

Mr Mina: If your question is whether it locks us into the particular targets under Paris, of course not.

Senator CANAVAN: No, it wasn't my question.

Mr Mina: But if it—

Senator CANAVAN: I'd appreciate it if my questions aren't reframed.

Mr Mina: No; if it's relating to enforcement in relation to whether to be a member of Paris, the answer there is simply that there are enforcement provisions here, quite evidently. That's the purpose of the relevant provisions relating to Paris. But the important point there is that the enforcement action can only take you back to where you were before the FTA. In other words, the enforcement action is only a denial of the benefits of the FTA. You don't go backwards from where you were before the FTA.

Senator CANAVAN: As the government has said, and as you have said, it binds us, then; it's a binding situation. 'Binding' is the verb you used, when announcing this deal. Obviously, if we are in a war, we can get out of Paris then, and we can rely on section 23.2. But that's a fairly extreme scenario. I don't see how any other provisions—the taxation provision, the information-sharing provision, the WTO waiver provision—provide any defence from having flexibility around our agreement to Paris or not.

Mr Mina: As to membership of Paris itself, we're already bound. This is a repetition of that, and nothing more than that.

Senator CANAVAN: But there are no penalties to get out of Paris. We've seen that with the US. There are no—

Mr Mina: Sorry, Senator; can you repeat that?

Senator CANAVAN: There are no ramifications to the Paris Agreement. There are to this. That is how this is different. This is binding Australia in a way we haven't been before.

Mr Mina: What I am trying to explain is that the only consequence under this agreement is a denial of the benefits under this agreement. In other words, you go back to where you were before the FTA was signed.

Senator CANAVAN: But it's fundamentally different from what we signed up to when we signed up for Paris. I was there at the time. Full transparency: I have never said, and now maintain, that we should be okay to stay in Paris, but only if it doesn't bind us in a legal fashion, which this now does, which you've admitted to.

Mr Mina: No, Senator, it is not fundamentally—

Senator CANAVAN: This is the core problem we have with it. It goes well beyond what we signed up to under the Paris Agreement.

Mr Mina: No, Senator, it does not fundamentally differ from the Paris commitment, nor does it go substantially beyond the Paris commitment. We were bound before—

Senator CANAVAN: I disagree with that.

Mr Mina: We were bound before the FTA. We reaffirmed, and repeated that Paris commitment in the FTA, so we were bound before and through this FTA.

Senator CANAVAN: I've outlined how I disagree with your—

Mr Mina: It is not a fundamental difference.

Senator CANAVAN: Unless you can tell me—

Mr Mina: It's in fact a simple reaffirmation of that.

Senator CANAVAN: You have established that there is a penalty, the denial of the benefits of this free trade agreement, if we get out of Paris. That is something that you have established. What is the denial of benefits to Australia under the Paris Agreement if we remove ourselves from that?

Mr Mina: Senator, on the first part of your question, that is accurate. On the second, we would need to refer that, as I said earlier, to experts on the Paris accord.

Senator CANAVAN: That's the difference. That's why we are fundamentally against this, because it is not—

Mr Mina: Senator, you go back to where you were before you signed the FTA; in other words, you don't access the significant uplift in economic opportunity here.

Senator CANAVAN: I don't think we should be binding ourselves on something—

Mr Mina: What you don't do—

Senator CANAVAN: as important as energy security.

Mr Mina: Senator, if I can finish; it is quite important.

CHAIR: Let the witness finish, please.

Mr Mina: What we do not do is impose any penalty on Australia beyond that which is contained in this free trade agreement. It is contained to the uplift—the economic uplift—that this deal provides to us. Yes, we wouldn't be able to access those benefits. That's an important reason why we are taking advantage and taking the full opportunity of this package.

CHAIR: I have a few questions. Mr Mina, could you talk us through the engagement in this deal around Horizon? I know there are a lot of interested people, particularly in the national security space, defence space, and even in academia. Could you or one of your officials talk to us about the benefits that arise out of this free trade deal with respect to Horizon?

Ms Raper: European Commission President von der Leyen, when she visited in March, made three important announcements. One was the conclusion of negotiation of this free trade agreement between Australia and the European Union, one was around Australia's association with Horizon Europe, and the other one was the Security and Defence Partnership. All of these three pillars of the advancement of the Australia-Europe relationship are complementary. The free trade agreement will help operationalise the other two parts of this relationship uplift. Specifically, the free trade agreement will provide the mobility provisions that will enable academics and researchers to travel to the European Union and live and work in order to access those research and development opportunities and funding under Horizon Europe. It will also allow our services professionals to do similar, and to be able to take advantage of those benefits.

Relating to the Security and Defence Partnership, we see provisions such as the investment improvements that we've referenced and the elimination of tariffs. The government procurement opportunities from the FTA will also help complement the other benefits in these arrangements between Australia and the European Union.

CHAIR: With respect to the funding pool that's available, could you elaborate on the access that we will all be able to have in terms of advanced computing, space, supply chain security and critical minerals? What will it mean in practical terms for the sectors in Australia that would benefit from having access to that pool, which I understand is quite substantial?

Mr McInnes: The funding package for Horizon Europe at the moment, for 2021-27, is around 95 million euros. It's the largest innovation and research scheme of its kind in the world. Australia is going through the process of entering into that Horizon Europe scheme.

CHAIR: What does that mean for innovation or productivity gains here?

Mr McInnes: I'd probably have to defer questions on particular innovation uplift to colleagues at the Department of Industry, Science and Resources. But it is a large scheme with huge potential.

CHAIR: You'd expect to see a much greater engagement and stronger research collaboration between academia and the Europeans in terms of the greater investment in space, for instance.

Mr McInnes: Absolutely. One of the other elements that Australia's entered into is the Security and Defence Partnership, which goes to some of those areas, like the defence industry, innovation, space dialogue and critical minerals. A range of those innovative sectors would be encompassed.

CHAIR: What value are you expecting that would also add, with our national security agencies having access under this deal? What are they expecting to gain?

Mr McInnes: Under the Security and Defence Partnership that the government announced earlier this year, there would be opportunity, as there has been already, in economic security. There's been a security dialogue that officials have held. There will be a range of opportunities to progress economic security, space and other areas with the EU.

CHAIR: Have you got more examples? What are the things that will come out of this? Surely you've got some practical examples you are able to provide to us.

Mr McInnes: We will enter into the first phase from January next year, so we are still going through that. For any other concrete examples, we would have to defer to the Department of Industry, Science and Resources.

CHAIR: Senator Ghosh mentioned critical minerals. There would be a number of businesses in Western Australia, and obviously across Australia, that would stand to benefit immensely. Arafura, the rare earth miner, has publicly supported the deal, as has the Minerals Council of Australia. Why is it that they are so supportive of this free trade deal?

Mr Mina: It goes precisely to the reasons you've set out, Senator. The first is the innovation pathways this provides Australia. We have a very fast-growing sector in space and high-tech exports, which has huge potential through our research collaborations, industrial partnerships and, indeed, university partnerships to take advantage of European expertise in this area. Secondly, with the resources that we have and the opportunity this deal presents for companies like Arafura and for other players associated with the Minerals Council to find partnerships for both offtake and investment to diversify those supply chains we've been talking about, we have a major opportunity here to embed our resources industry in one of the fastest-growing industrial sectors anywhere.

Thirdly, of course, is the investment that comes with the above two features. If you like, the Horizon package and the free trade agreement nestle together to provide big opportunities for the Australian resources sector.

CHAIR: In terms of the science innovation grants, did you say it was A$95 million?

Mr Mina: Euros.

CHAIR: I was under the impression it was billions.

Mr McInnes: Do you want us to convert it to Australian dollars?

CHAIR: What is that in Australian dollars?

Mr McInnes: It would be around A$130 million.

CHAIR: Would that then allow not just universities but others to tap into that research or pool the money for research and development? Is that your understanding on how that would operate?

Mr McInnes: It would give access to Australian researchers to access that.

CHAIR: Will that be managed through the department or one of the agencies that fall within DFAT, or is it a direct application to the Europeans?

Mr McInnes: The point of contact within the Australian government to manage that interaction would be the Department of Industry, Science and Resources.

CHAIR: Then fast forward. What are the next steps that will make sure that we do end up having access to funding like this? What are the next steps to ensure that the trade deal is in force?

Mr Mina: We need, on both sides, to bring this deal not only to signature but through our domestic ratification processes. We need to do that as soon as possible. We need to make sure that we have in place a treaty entering into force as soon as possible so that the tariff reductions, which are done over a period of years, as always is the case with free trade agreements, can kick in. The investment facilitation I spoke about earlier can kick in and the benefits of these industrial partnerships under Horizon can also start to flourish. Those benefits are available to us as soon as ratification commences.

CHAIR: In terms of that process, I think we all understand it will go to our committee that looks after treaties. Before that process starts, is it correct that the Europeans need to sign off and then it comes to us for signature? Is that how that works?

Ms Raper: Yes, Senator. Both sides need to complete domestic processes to get to signature, which is the next step that we're working towards. On the European side, a Council of Europe vote is required in order to approve European signature of the FTA.

CHAIR: How long will these processes take?

Ms Raper: They're currently underway, these processes. The European Commission have not yet submitted this FTA to their council, but we understand that it's imminent.

CHAIR: Once that happens, it comes to us. Does the minister—

Ms Raper: On our side, we have an ExCo process to give authority for signature. Once both sides confirm that we have our domestic authorities, there will be an arranged date for signature of the agreement. After signature, we will table the FTA in the Australian parliament, which will trigger the 20 joint standing days and the

operation of the Joint Standing Committee on Treaties. We also will have legislation that will need to pass through the parliament next year. On the European side, after signature they have a parliamentary process to approve the ratification of the deal.

CHAIR: Will the deal also look at abilities for us as a nation to tap into resourcing or other measures to help develop artificial intelligence and other advanced technologies?

Ms Raper: Absolutely. The innovation mobility pathway that I referred to works two ways. It will enable European experts and professionals to temporarily come to Australia in order to offer those skills in Australia. It will also help facilitate greater European investment in emerging fields, such as digital AI et cetera

CHAIR: Is there anything from a counterterrorism perspective as well, or is it purely economic? Would this form part of the arrangements?

Mr McInnes: Can you repeat the question, please, Chair.

CHAIR: I want to know if there is anything there that goes directly to counterterrorism arrangements. I know we mainly focus on economic matters, but are there any other non-economic factors that are covered as part of this EU trade deal?

Mr McInnes: I won't talk to the deal particularly, but the broader announcements that the government made with the EU earlier this year, including the Security and Defence Partnership, go to a range of sectors that we're looking to work with the EU on. That includes economic security and innovation in space, as I mentioned, but also defence and security areas, which would include counterterrorism. Chair, can I clarify one point on the funding for Horizon Europe?

CHAIR: Yes.

Mr McInnes: The funding in euros would be 95 billion, which would be equal to A$155 billion.

CHAIR: Is that just for Horizon?

Mr McInnes: That's for Horizon Europe, for the whole scheme, 2021-27.

CHAIR: Are there other similar packages like that within the deal that I haven't come across that academia or the research and development folks would be interested in, or in critical minerals?

Mr McInnes: I am not aware of those.

CHAIR: Mr Mina, have you got anything to add?

Ms Raper: Within the free trade agreement, the innovation mobility pathway also ensures access to other European research and innovation programs, such as EuroAccess EU, Erasmus+ and the Marie Sklodowska-Curie Actions.

CHAIR: What is the Erasmus+?

Ms Raper: These are research and innovation programs within the European Union.

CHAIR: Thank you. We'll break for dinner now.

Proceedings suspended from 18:28 to 19:16

CHAIR: Welcome back. Senator Canavan, do you want to kick off with some more questions?

Senator CANAVAN: Yes, thank you. I want to go to chapter 18 of the free trade deal, in particular article 18.2, which I think was referred to earlier as providing some sort of flexibility to the Australian government on its net zero climate commitments. Was the position that you put earlier that, particularly, clause 1 of 18.2 lets each party determine its own domestic environmental policies?

Mr Mina: The words are 'determine its sustainable development policies', 'establish the levels of domestic environmental and labour protection it deems appropriate' and to 'adopt or modify its relevant law and policies in a manner consistent with its commitments'. This is a very clear and explicit expression of the flexibility to which we were talking earlier.

Senator CANAVAN: Mr Mina, you didn't quite finish that sentence. It says 'consistent with its commitments under the'—

Mr Mina: 'Under the international agreements and labour standards referred to in this chapter'; that's right.

Senator CANAVAN: If I can finish my question, it reads:

… consistent with its commitments under the international agreements and labour standards referred to in this Chapter.

Later on in this chapter, specifically at 18.6, with respect to each party, it says:

The commitment to effectively implement the Paris Agreement includes the obligation to refrain from any act or omission which materially defeats the object and purpose of the Paris Agreement.

It goes on to say:

3. In light of paragraph 1, each Party shall:

(a) promote the mutual supportiveness of trade and climate policies and measures that contribute to the transition to a net zero and low greenhouse gas emission, sustainable circular economy and climate-resilient development;

Read together, that 18.2 'get out of jail' clause, so to speak, does nothing of the sort, because our government's flexibility to adapt or modify its relevant law is restrained by the commitments in this chapter, which include, as I said, in 18.6, measures that contribute to the transition to a net zero economy. On my very plain reading of that, we are committed to net zero under this deal.

Mr Mina: Senator, that's not correct. If you are referencing article 18.6.4—

Senator CANAVAN: No; I was reading from 18.6.3(a), which says:

each Party shall:

(a) promote the mutual supportiveness of trade and climate policies and measures that contribute to the transition to a net zero and low greenhouse gas emission, sustainable circular economy …

Mr Mina: Yes.

Senator CANAVAN: Given the words in 18.2, we can't do anything that's not consistent with 18.6.3(a).

Mr Mina: The very existence of an article at the top of the chapter titled 'Right to regulate' means precisely that.

Senator CANAVAN: But that very article that we just read out said you can only adopt or modify your commitments in a manner that's consistent with the commitments in this chapter, which includes the promotion of trade and climate policies and measures that contribute to the transition to a net zero economy.

Mr Mina: If I can be precise here, you've abridged that phrase: 'in a manner consistent with its commitments under the international agreements referred to in this chapter'.

Senator CANAVAN: 'And'—you're missing out the 'and'—'consistent with the commitments in this chapter'. This chapter includes 18.6.3(a), doesn't it?

Mr Mina: 'In a manner consistent with the commitments under the international agreements referred to in this chapter'. That could not be clearer.

Senator CANAVAN: Yes.

Mr Mina: The point of our evidence earlier was to be very clear that, under Paris, yes, we have nationally determined contributions. We have the right to amend those. This article here, the 'right to regulate' article, makes that explicit—clear and explicit.

Senator CANAVAN: To me, it clearly refers to the commitments referred to in this chapter, which include taking measures to go to net zero. It's a commitment to net zero.

Mr Mina: 'Commitments under the international agreements'. Senator, you've omitted those words again.

Senator CANAVAN: No. 'Commitments under the international agreements referred to in this chapter'.

Mr Mina: 'Under the international agreements in this chapter'.

Senator CANAVAN: Yes. And later on, in that chapter—

Mr Mina: If it is Paris to which you refer, we have nationally determined contributions—individual, nationally determined. Underline 'individual', and underline 'nationally determined'. We had that flexibility before this FTA came into effect, and we will have that flexibility afterwards, so nothing changes.

Senator CANAVAN: In article 18.6.3(a), at the start it says, 'in light of paragraph 1'. Paragraph 1 refers to the UNFCCC, the climate agreement, and the purpose and goals of the Paris Agreement. It's very clear to me. The problem with these sorts of things is that whatever you say here is not determinative, particularly for, say, a court where an activist group might take action. Whatever you say doesn't change the text. The text clearly refers to the fact that this commitment, the UNFCCC agreement and the Paris Agreement require us to promote the mutual supportiveness of trade and climate policies and measures that contribute to the transition to a net zero economy.

Mr Mina: Precisely, Senator. That is precisely the point we're making.

Senator CANAVAN: It's precisely the point that I'm making.

Mr Mina: The reference is to 'Paris', and Paris—

Senator CANAVAN: We've locked in to net zero under this deal.

Mr Mina: I don't know how you get to that position, Senator.

Senator CANAVAN: I have laid it out very clearly.

CHAIR: I do. But don't worry; they are political points.

Mr Mina: We have been pretty clear, Senator. We are trying to be helpful here. We are trying to explain the applicability of what is a very clear and explicit provision referencing the right to regulate. We also have been very clear in our evidence that the Paris Agreement contains the flexibility for countries to modify their nationally determined contributions. I think you are aware of that.

Senator CANAVAN: Can you refer to any statement by the government or yourselves before this became a controversial issue, in the days or weeks after the deal was announced, where you stated what you just stated there, that this deal—

Mr Mina: Senator—

Senator CANAVAN: Chair, can I finish my question?

Mr Mina: I am sorry; if you are continuing—

CHAIR: Everyone, just cool it a bit.

Mr Mina: Apologies.

Senator CANAVAN: Can you refer me back to anything that the government or department said in the days or weeks after the deal was struck that made the point that you're making tonight, that this deal does not lock us in to the Paris Agreement or does not lock us in to net zero?

Mr Mina: Yes, Senator. The minister has made this point on several occasions. I myself made this point in evidence to you on the last occasion we met at estimates. It ought not require constant reaffirmation because it is clear in the text of the chapter itself.

Senator CANAVAN: On notice, can you refer back to the first time you or the minister made that claim? Probably the first time was at estimates last time. That's my point. Seemingly, this has been an interpretation provided when this became controversial, not something that was made clear at the time that the deal was announced. At the time that the deal was announced, the government was trumpeting quite the opposite: 'This is the first time a trade deal has made the Paris Agreement binding.' Now that it has become controversial, 'Actually, no, we've got lots of flexibility.' When you go to the text of the deal, it is very clear that Paris is mentioned time and time again, and that any flexibility granted is constrained by requiring it to be consistent with the provisions in the agreement, which include—as the text in the agreement says—the promotion of trade and climate policies and measures that contribute to the transition to a net zero economy.

Mr Mina: Senator, it ought to be obvious that what is in black and white, the right to regulate, applies. It ought to be obvious that the Paris Agreement, which contains references to nationally determined contributions, allows for flexibility. We have stated this on numerous occasions. If you're asking me to go through the record and find references, we'll be happy to do that.

Senator CANAVAN: Has the department sought legal advice about whether or not this agreement does require parties to take measures that contribute to a net zero economy?

Ms Holmes: There's clearly a commitment to the Paris Agreement, which Mr Mina spoke to before the break. Specifically, in 18.6.2, the commitment to effectively implement the Paris Agreement 'includes the obligation to refrain from any act or omission which materially defeats the object and purpose of the Paris Agreement'. There is that clear obligation there, which can be subject to the dispute settlement. The distinction is the nationally determined contributions which remain within the sovereign right of the Australian government to determine—the distinction between the high-level commitment to the Paris Agreement and the specific commitments in the nationally determined contributions. There's a difference in relation to the level of the commitment that's been made.

Senator CANAVAN: I go back to my question: did you seek legal advice on whether net zero is a requirement to be consistent with this agreement?

Mr Mina: We have our own public international lawyers in the department. They have been integrally involved in the negotiation of this text.

Senator CANAVAN: Did you seek legal advice? Have you asked the Australian Government Solicitor for advice on these submissions?

Mr Mina: External legal advice beyond the department's international lawyers? We, of course, have carriage of public international law when it relates to trade in our department. You have here the Chief Trade Law Officer.

Senator CANAVAN: It is a yes or no answer to the question. I will ask specifically again: did you ask the Australian Government Solicitor for advice on whether or not net zero was required by this deal?

Mr Mina: No. We don't normally seek external legal advice—

Senator CANAVAN: As a minister, I did. I sought advice from the AGS all the time on different things like this.

Ms Holmes: If I can intervene, with the Attorney-General's Department Office of International Law, the Australian Government Solicitor and the Department of Foreign Affairs and Trade, all three can provide international legal advice. Therefore, all do provide that advice.

Senator CANAVAN: What was the office called?

Ms Holmes: Office of International Law.

Senator CANAVAN: Did that office provide legal advice on whether the agreement—

Ms Holmes: Either the Office of International Law in the Attorney-General's Department or relevant areas in DFAT, which include the legal division and my division, are able to provide international legal advice. We are not empowered to provide domestic legal advice. Either of those can provide advice to the government.

Ms Raper: Our negotiators worked alongside our internal public trade international lawyers in negotiating this agreement.

Ms Holmes: I can also confirm that we routinely, and in regard to this will, consult. There may be lead advice prepared by either ourselves or the Office of International Law. It is common practice for us to second-counsel each other's advice.

Senator CANAVAN: You did say earlier that a breach of this agreement would be 'any act or omission which materially defeats the object and purpose of the Paris Agreement'. That's a direct quote from the text. Is carbon neutrality a balance between emissions and offsets or net zero? Are any of those concepts an object or purpose of the Paris Agreement?

Ms Raper: This would be a matter for a dispute panel, should there ever be one taken, to interpret the provisions of the agreement. Our assessment is that this language sets a very high bar. It does not include what a country commits to under its Nationally Determined Contribution (NDC) but goes to a much higher standard, relating to the Paris Agreement. But its precise terms would have to be determined by a dispute settlement panel, should this occasion ever arise.

Senator CANAVAN: I'm just struggling here. Tell me if I'm wrong, but I think you claimed earlier that this agreement doesn't lock us into net zero—I dispute that, but that's your claim—and you can't seem to tell me whether net zero, carbon neutrality or any concept like that is an object or purpose of the Paris Agreement, which you have also said must not be defeated by any act or omission by parties to this agreement.

Ms Raper: The Paris Agreement allows each party to set its own NDC. The Australian government has had several NDCs over the years, and our first NDC did not include net zero.

Senator CANAVAN: I know, but this is a different issue.

Ms Raper: By definition, an NDC might or might not be net zero.

Senator CANAVAN: There are two different questions though. There are very few specific obligations under the Paris Agreement but, yes, one of them is that parties must set a national determined contribution, and I don't dispute that. Also, I agree with you that NDC does not have to be net zero. But this agreement does not just refer to the NDCs or the measurements in other obligations that must be done under the Paris Agreement. This agreement refers to the objects and purposes of the Paris Agreement. So I ask again: is net zero or any concept like it an object or purpose of the Paris Agreement?

Ms Raper: I guess I was trying to explain that, because the Paris Agreement allows the flexibility for a party to set its own NDC, which may or may not include net zero, it does not go to the purposes and objects of the Paris Agreement.

Senator CANAVAN: Obviously, I'm not going to get an answer. But if you cannot answer that question, I don't understand how you can conclude defendably that this agreement does not lock us into net zero, and that is because you can't tell me whether net zero is an object or purpose of the Paris Agreement.

Mr Mina: With respect, I think Ms Raper has answered the question directly, which is to say that we have flexibility as to whether, under the Paris Agreement, the NDC is or is not net zero, and that is not—

Senator CANAVAN: And I would repeat that the NDC is very different from the objects or purposes of the Paris Agreement.

Mr Mina: Correct. That is precisely the point, and—

Senator CANAVAN: I ask a question and then you go and talk about an issue that is not related to my question, so you're not answering the question that I asked.

Mr Mina: No. It is precisely the point that you've raised—

Senator CANAVAN: That was not my question. My question related to the objects and purposes of the Paris Agreement.

CHAIR: Senator Caravan, just let the witness answer. Please stop talking over each other. Mr Mina, do you want to conclude your answer, please?

Mr Mina: Thank you. That is precisely why we've reaffirmed that we do have that flexibility under the Paris Agreement and, therefore, under this agreement. As we have said before, this simply reaffirms that the test, as Ms Holmes and Ms Raper have said already, for breaching the objects and purposes sets a very high bar indeed. That is our assessment. It does not relate to the level at which one sets the NDC.

Senator CANAVAN: Is an object of the Paris Agreement a collective goal to balance global emissions in the second half of this century?

Mr Mina: Again, you're asking us (a) a hypothetical and (b), as Ms Raper has said—

Senator CANAVAN: It is not a hypothetical.

Mr Mina: something that would require litigation. We're not in a position to start to go through all of these scenarios—

Senator CANAVAN: And that's the problem.

Mr Mina: but we are making it clear that this is a very high bar. We're also making it clear that, with the counterfactual—that is, we either don't enter into this FTA or do meet this very high bar and breach it—the enforcement consequences are very simple and contained to this FTA. It would do nothing to our position but deny us the economic benefits of this deal.

Senator CANAVAN: Yes, but the key conclusion that you've mentioned is that you can't tell us and we have to wait to see what the dispute settlement process would find. Going to that process then too, I just want to understand exactly how this works: the powers to take measures from any party in the event of a breach or contravention. I go to article 25.5.2, which says that a party can take appropriate measures, as referred to in article 57.4—I think that might relate to disputes or some such; I'm just jumping around here—if there's a special urgency, as defined or, going to the only other thing listed, 'an act or omission of the other party that materially defeats the objects and purposes of the Paris Agreement.' Can you explain to me what measures a party can take, in the event that one of the parties acts in a way that materially defeats the objects and purposes of the Paris Agreement?

Ms Raper: This provision then refers to a different agreement, which is the Framework Agreement between the European Union and Australia, which came into force, I think, around 2018. This sets out its own procedures for dealing with disagreements under that different agreement to the FTA.

Senator CANAVAN: So, if the EU accuses us of doing something to defeat the objects and purposes of the Paris Agreement, what measures could they take under that other agreement?

Ms Raper: We'd have to refer to the article, which is referenced, of the framework agreement, and it—

Senator CANAVAN: Okay, but presumably you're responsible for that too?

Ms Raper: No, because it's not a trade agreement—

Senator CANAVAN: So who is?

Ms Raper: but it does set out procedures for state-to-state resolution of any difference of opinion under that agreement.

Senator CANAVAN: Who in the government is responsible for this framework agreement?

Mr Mina: That agreement was negotiated several years ago, and perhaps Mr McInnes has some background. But this relates to a political-level agreement between the European Union and Australia on some basic and foundational issues, including some human rights issues and so forth. I'm not sure whether either you or Mr McInnes can comment about this.

Ms Holmes: As Ms Raper has said, article 25.5 of the EU-Australia FTA then refers to the Australia-EU Framework Agreement, which is a high-level agreement that sits broadly with our bilateral area. But it specifically refers to clarifying that, for the purposes of that agreement, the EU-Australia FTA is considered one of the agreements that qualifies as a specific agreement under article 55.1. That then means that, in those cases referred to in 25.5.2, the relevant provisions of article 57 of the framework agreement can be invoked. Those provisions relate to matters of special urgency and then simply refer back to the agreements that may be relevant. So it's really a mechanism to clearly link the two agreements: the framework agreement and the specific references there, back to the FTA. The mechanisms under the framework agreement for resolving disputes are not as comprehensive as the mechanisms under the free trade agreement. I also might say that, in the same chapter that you were referring to, it's also relevant that article 25.7 goes to 'no direct effect of the FTA'. It states:

Nothing in this Agreement shall be construed as conferring rights or imposing obligations on persons, other than the rights or obligations created between the Parties under public international law, nor as permitting this Agreement to be directly invoked in a Party's legal system.

So they're just elements to the mechanism by which obligations or commitments can be challenged and enforced. As I said earlier, it's a state-to-state-only mechanism that would then be implemented in the free trade agreement. I think article 25.5 is simply linking that to the framework agreement, and article 25.7 is making clear that it is not creating a direct effect or giving any direct rights for any other body or group to directly enforce the obligations in the free trade agreement. So, if a breach were considered to have occurred, including a breach related to materially defeating the objects and purposes of the Paris Agreement, it would only be the mechanism under the dispute settlement chapter of the free trade agreement that would be invoked.

Senator CANAVAN: First of all, article 57.4 of the framework agreement seems to refer back to a dispute resolution process. Is that right?

Ms Holmes: Yes.

Senator CANAVAN: Under the dispute resolution process in the framework agreement, is a ruling of an independent panel required before action is taken?

Ms Holmes: As I've said, the mechanisms under the framework agreement are not as comprehensive. In cases of urgency, it's a referral to the joint committee structures, under the framework agreement, and then potentially for ministerial consideration. There's not a tribunal or panel established but, as I've said—

Senator CANAVAN: You mentioned earlier that the framework agreement seems to deal with issues of human rights, and I think it also deals with weapons of mass destruction. I can under that there would be urgency in those cases and perhaps the need to obviate an independent panel process. Why then is anything that materially defeats an object or purpose of the Paris Agreement put on the same level as human rights breaches or issues around weapons of mass destruction?

Ms Holmes: I hesitate to provide more-specific legal advice, in relation to the framework agreement, because it's not a trade agreement and I'm the chief trade law officer.

Senator CANAVAN: But I'm referring to what's in the trade agreement.

Ms Holmes: Yes.

Senator CANAVAN: The evidence that I'm hearing on the other side of the table is, 'Oh, don't worry about it, Matt; we can do whatever we like under the Paris Agreement,' yet time and time again—

Ms Holmes: My evidence—

Senator CANAVAN: May I finish?

Ms Holmes: I'm sorry.

Senator CANAVAN: The evidence that I'm hearing is, 'Don't worry about it, as it's fine; we can do whatever we like under the Paris Agreement,' yet we have a provision here in this trade agreement that gives the EU the right to take action in a seemingly fairly urgent manner, without the need to go through independent panel processes to resolve a dispute, equivalent to what they could do regarding human rights and weapons of mass destruction, for anything that defeats the objects and purposes of the Paris Agreement. That provision does not seem consistent with your overall conclusion that this deal would not impose significant constraints on how we handle our commitments under the Paris Agreement.

Ms Holmes: I would make a few points. Article 57.4 states that the parties 'recognise that such a case of special urgency may serve as a ground for taking appropriate measures outside this agreement'—that is, the framework agreement—'in accordance with the rights and obligations of the parties under other agreements between the parties or under general international law'. That then means you turn back to the provisions of the

free trade agreement. My evidence is certainly not that there is absolutely no relevance or commitment; the commitment is to refrain from actions that materially defeat the objects and purposes of the Paris Agreement.

Senator CANAVAN: Absolutely.

Ms Holmes: On that basis, the EU, as the state, could potentially take a dispute and then, if it were established that whatever action the Australian government had taken did do that, through a panel process there would then potentially be scope to impose retaliation, which would have to be proportionate to the breach. Also, as Mr Mina has said, that takes you back to the position before the FTA, so it's contained in the FTA. So no one is saying that there are no consequences. We are saying that they are contained to the FTA and require that high bar, and we are able to change our nationally determined contribution. I think it's clear how it works.

Senator CANAVAN: I think you've just laid it out clearly: yes, the objects and purposes of the Paris Agreement are now going to be binding on us in a way they weren't previously. They're clearly not binding under the Paris Agreement proper, but now they will be—

Ms Holmes: They are legally binding.

Senator CANAVAN: There will be serious, real consequences, which weren't there before if we act in a way which materially defeats the objects and purpose of the Paris Agreement. That is clear.

Mr Mina: We have to reject that proposition again. This is not fundamentally different to the position we have at the moment. We are bound to the Paris Agreement. Currently, before the estimates—

Senator CANAVAN: You can't answer these questions when I ask them, so I don't know how we get to the conclusion. If I ask—

Mr Mina: If I can finish, we are bound currently, and we will be bound after the FTA, so that is not a fundamental difference. We want to meet this very high bar. As Ms Holmes just explained, yes, there are enforcement consequences, and they are limited to the FTA—

Senator CANAVAN: Under the Paris Agreement, do we face real consequences for doing something which materially defeats the objects and purposes of that agreement?

Mr Mina: This is the counterfactual. At the moment, we have no economic benefits from this FTA. We also don't face that enforcement risk of losing those economic benefits. So it is contained to the FTA—

Senator CANAVAN: We've established that pretty well here. This does bind us seriously, in a way, and it's very clear to me.

Mr Mina: It's very important that that distinction is made clear.

CHAIR: We're moving the call around. Senator Dowling.

Senator DOWLING: I want to ask some questions in relation to Australia's red-meat market access issues, if I can. For context, what's the volume of beef that we sell internationally, and how has that number changed over recent years?

Mr Mina: We've had an extraordinary uplift in the last five or six years in Australia's beef exports internationally, from something like $8 or $9 billion five or six years ago to $20.8 billion in 2025-26. Our beef trade is strong.

Senator DOWLING: What would be the causes of that growth? What's the main driver there?

Mr Mina: There are a variety of reasons for that. Part of it relates to herd sizes and sustainability in major producing countries. Part of it relates to our relative market access in relation to other major exporting parties—for instance, in the United States, our beef exports enter tariff free. I would hesitate to get into the climatic and other production conditions related to the expansion of the Australian herd, but clearly the success of our own production factors and capabilities is a big part of this. Economists at the Australian Bureau of Agricultural and Resource Economics would no doubt be well placed to talk you through those. Trade is a big feature, obviously, and the success is down to the trade environment and to the access we've been able to win.

Senator DOWLING: There's been a lot of commentary around how the proposed EU free trade agreement would affect beef. Could you give us any clear numbers on precisely what is the outcome for beef in the trade agreement?

Ms Raper: Yes, of course. I guess the important comparator is our current access to the EU market for Australian beef. Our only current guaranteed access is 4,400 tonnes. Under this free trade agreement we'll be able to increase that access to guaranteed preferential access of 35,000 tonnes. That is split into a number of different buckets, which I can go into, if you wish.

Mr Mina: If I may add to Ms Raper's evidence, the comparative outcomes here, with reference to competitor exporters into the EU, are extremely strong. Our access, which is now eight times higher under this FTA for beef into Europe, is more than individual Mercosur countries. We're able to win three times more in fact than New Zealand was able to achieve, three times more than Mexico was able to achieve and equivalent to the quantum of fresh and chilled access that Canada was able to achieve. But we also know that Canada has been unable to use its full access, which is larger than ours in theory. But their ability to use has been restrained. So this stacks up as, if not the best, one of the best outcomes anyone's able to achieve on beef into the EU market.

Ms Raper: The conditions attached to our access are also better. For example, we have no frozen only requirement, whereas, in the Mercosur deal, roughly half of their access is reserved for frozen beef. The Mercosur countries also continue to be subject to a 7.5 per cent tariff, whereas almost two-thirds of Australian beef under this deal will be duty free.

Senator DOWLING: To summarise that, to be clear, the outcomes for beef are superior to the status quo and superior to the outcomes negotiated for the Mercosur countries.

Mr Mina: That's right. And these were both on the quality of the outcomes that Ms Raper has just set out and the quantum of the access we achieved. These were extremely hard-fought negotiations. We've been at this deal to get access to EU agriculture for 20 years in various fora—the World Trade Organization, and then in this bilateral free trade agreement. Our negotiators, led by Ms Raper, achieved some extraordinary results, and this access is highly usable. It'll allow us to access that high premium price market in the EU of 450 million consumers. It will allow us to keep pace with and beat competitors who are moving ahead in their own access. Again, the counterfactual, stand still, gain nothing and worse, see our market share taken by other competitors.

Senator DOWLING: As a very experienced negotiation team, the idea that there was something better on the table, or there's some mythical superior outcome, that's just not the case.

Mr Mina: I was in various rooms with the minister who of course who had led a very difficult negotiation with both commissioners for trade and agriculture. We left nothing on the table.

Senator DOWLING: Thank you. Could I also focus now on an issue that I'm passionate about: Tasmanian vegetables. The industry body, AUSVEG, has strongly backed the trade agreement. I saw a quote where they've warned:

… a populist stampede to stop this Free Trade Agreement risks severe collateral damage to Australian vegetable growers, and our national food security.

I know in Tasmania, for example, Premium Fresh at Forth, which employs about 150 people and exports vegetables to Europe, they currently face a situation when a carrot arrives in Europe— if you could confirm this—it's greeted with a welcoming gift of a 3.6 per cent tariff. I think an onion arrives with about a 9.6 per cent tariff. Can you confirm if, under this deal that's been negotiated, those tariffs would actually disappear immediately. And what does that actually mean for the competitiveness of our vegetable growers, such as Premium Fresh at Forth.

Ms Raper: On entry into force, the vast majority of EU tariffs will be eliminated. That includes tariffs on vegetables and vegetable products. For example, under this FTA, on entry into force, we will see the 9.6 per cent tariff on onions to the EU eliminated. We will see the 13.6 per cent tariff on carrots eliminated, and tariffs of up to 11.5 per cent on potatoes will be eliminated.

Senator DOWLING: I've also seen some disturbing reports about losing market share to New Zealand. Charlton Farm Produce in north-west of Tasmania previously exported as much as 1,200 tonnes of onions to Spain, but that trade has fallen to zero since New Zealand secured preferential access under its own agreement with Europe. So can you explain the competitive disadvantage Australian growers have faced since that New Zealand free trade agreement came into effect, and how our agreement would help to address that?

Ms Raper: Well, New Zealand has had those tariffs eliminated. We have not, and we will not have them eliminated until this treaty enters into force. So we are currently at a significant tariff disadvantage, and, as a result, New Zealand has obtained that market share. This free trade agreement offers an opportunity to level that playing field with our competitors.

Senator DOWLING: The longer that we stay with the status quo and don't achieve this agreement the longer our growers face that disadvantage?

Ms Raper: Correct.

Senator DOWLING: Tasmania is also a very important producer of cherries, apples and pears. As I understand it, under the agreement, European tariffs that are up to 12 per cent on fresh cherries would be

eliminated. Could you outline some of the opportunities this agreement creates for our fruitgrowers, particularly including that staged removal of tariffs on apples and pears as well?

Ms Raper: Certainly. Yes, the current EU tariff of 12 per cent on Australian cherries will be eliminated on the entry into force of this agreement. Tariffs on pears of up to 10.4 per cent will be eliminated after three years following entry into force. Tariffs on apples of up to nine per cent will be eliminated at seven years, which is the term for the full implementation of the agreement.

Senator DOWLING: Reflecting the comprehensive nature of the agreement beyond horticulture, I also understand that there are removals of tariffs on Atlantic salmon, aluminium, zinc and wood products. Can you explain how the agreement improves market access, particularly for things like Tasmanian seafood producers and our established manufacturing and minerals processing industries?

Ms Raper: Yes. We also see tariffs removed on several seafood products. Importantly, the tariff on Atlantic salmon of two per cent will be eliminated under this agreement. In addition, there are other important tariff eliminations also on seafood, such as 12 per cent on prawns and 11 per cent on abalone.

Senator DOWLING: Your department figures show that Tasmania exported $4.6 billion in goods globally in 2025. But, of that $4.6 billion, only $95 million went to the EU. Does this suggest there's considerable scope for Tasmanian exporters to diversify now into that wealthy European market, given the additional opportunities for agriculture, seafood and manufacturing?

Ms Raper: That's absolutely right. As Mr Mina said earlier, the European market has been largely closed to Australian exports of agricultural products due to their very high tariffs. As a result, we've not been able to get our product into the EU market, because it's not being competitive with other countries that have got preferential access—you referenced New Zealand there. Because this agreement will remove those tariff disadvantages, we would expect our exports to increase accordingly.

Senator DOWLING: Thank you for that insight. That sounds like a pretty good deal to me, Chair, so I'm done.

CHAIR: You're sold! Good. I'll see if the coalition have any other questions. Senator Canavan, you have the call.

Senator CANAVAN: With this beef situation, what has happened to our quota to the EU of beef exports over the past decade? What was it 10 years ago, what is it today and what is it meant to be under this agreement?

Mr Mina: The major event in that period, in what was quite low access to begin with, was, as you've already said, the decision by the UK to leave the European Union. In that context, there was a further reduction by the EU 27 and the available access to beef. We can go into more detail if you wish.

Ms Raper: Prior to Brexit, Australian exporters could export 9,300 tonnes of beef to the EU, including the UK. But, once the UK left the EU in 2021, this quota was split roughly in half to 4,900 tonnes for the UK and 4,400 tonnes for the EU, which is where we're still stuck.

Senator CANAVAN: Didn't we have access to some other global quota as well?

Ms Raper: We do have access to a global quota.

Senator CANAVAN: What was that 10 years ago?

Ms Raper: That was established by the EU but has been reduced following US dispute action.

Senator CANAVAN: That's right.

Ms Raper: And now it's a share of a global quota of, I think, 10,000 tonnes. But that is shared amongst all countries who wish to access it, so it's not guaranteed.

Senator CANAVAN: When I speak to beef producers—and this is the reason they're ropeable about this deal—in their view, the access we get under this deal really, at best, re-establishes what we had before the EU side deal with the first Trump administration. What do you say to that claim?

Ms Raper: Based on the numbers I've just read out, I think this access will be higher.

Senator CANAVAN: But that 9,000 doesn't include the access to the global quota, does it?

Ms Raper: But that's not guaranteed access.

Senator CANAVAN: Okay, it's not guaranteed, but we had it and we were able to—I've seen some figures showing we exported around 30,000 tonnes to the EU a decade or so ago, and this deal does 35,000. This is where people get really upset about being gaslighted. Beef producers aren't fools; they know the EU sold us down the river in 2019 when they did a side deal with the Trump administration. That's their right and they did it, and,

effectively, we're being asked to now get out the champagne corks for a deal that goes back to what we had before the first Trump administration. It doesn't seem like a great deal for us on those terms.

Ms Raper: As we explained, those earlier figures were based on EU28. You have to look at both the EU FTA and the UK FTA outcomes as being the equivalent of that pre-Brexit number.

Senator CANAVAN: Do you have the figures for what we exported in tonnes to EU27 over the past decade?

Ms Raper: We will have that number but I'll have to take that on notice today.

Senator CANAVAN: That's the relevant thing. You're here saying it's such a great deal. I would like to see how much better it is relative to before the EU decided to do a side deal with the Trump administration. That was their right, but for us to turn around and celebrate the unwinding of that seems a bit rich.

Mr Mina: On the points you're making about historical access to the EU market, over the last several years—effectively, a decade—it has been quite low, as Ms Raper said. You are right that not only Brexit but also the US-EU negotiation after the beef hormones case was taken at the WTO have impacted significantly on our ability to access the EU market. In fact, over successive decades we have seen a tightening of access. With both the UK and EU deals, we are restoring and boosting significantly beyond the kinds of access levels we have had historically. The choice is not rewinding to a period before the US and the EU negotiated their bilateral deal, or of whether we could control the conditions with respect to Brexit. What we can control is negotiating our way to guaranteed new access, and doing that in a way that is comparable or better than all of our competitors. The point you're making about some historical erosions is a fair one, noting the point that we have control over these negotiations only bilaterally, and we've achieved an outcome that is comparable or better and which, in our view is one we should be taking. We left nothing on the table for both quantity and quality.

Senator CANAVAN: The problem here is I don't think our benchmark should be inferior deals that other countries have signed up to the EU with. Our benchmark should be the high standards that the Australian government has always demanded for free trade agreements, including the former coalition government. We signed the UK free trade deal where, eventually, we had unlimited access to export beef to the UK. With this deal, weakening our high standards on these matters weakens our long-term bargaining position. Clearly, the government has been a pushover here on this—they walked away from the same deal three years ago and now they've walked back and signed it. That is the definition of a pushover. It puts us in a weaker position going forward to negotiate strong access with other countries. I think it's very unfortunate. It's not a point that just I am making—the National Farmers Federation made this specific point in their media release the day after. If the access is so great, it's a little bit surprising that no beef representative group like the NFF, no sugar group and no dairy group has come out in favour of the deal. That's why they haven't, because—

Ms Raper: It's a fact that our current guaranteed access is 4,400 tonnes of beef to the EU, and that's all it will ever be unless we take this—

Senator CANAVAN: This is a repeated game; it's not just a one-off. We're looking at it a little bit too narrowly, in my view. I'm an economist who's been around these things for a long time. There was a period of time—when I was very young—when economists used not to look very kindly on bilateral free trade agreements because, notionally, they were in contravention of the most favoured nation status and the General Agreement on Tariffs and Trade. Did we get legal advice on whether this agreement has met the provisions of GATT and the need to substantially cover all trade?

Mr Mina: First, to address a couple of those assertions that we can't leave unanswered, this does not weaken standards or weaken access.

Senator CANAVAN: Well, it's a judgement call, but yes.

Mr Mina: Of course it is not a pushover—

Senator CANAVAN: And if they've disagreed—

Mr Mina: and there were substantial improvements from the deal that was on offer in 2023. All of that has to be corrected, I'm sorry. On the question of the GATT standards, article XXIV substantially all trade standards, as Ms Holmes and Ms Raper have made clear, our public international lawyers have been integrally involved in the negotiation of this deal, and, yes, we are confident that this deal meets those high standards. It's one of the highest standards FTAs we have ever negotiated. I made clear earlier that it, unlike the US-Australia FTA, left no agriculture sector uncovered, and, in respect of another major FTA—that with Japan—substantially higher coverage on the tariffs coverage. So it's obviously consistent with provision.

Senator CANAVAN: Okay. These are all judgements. As I say, it's not just me but almost all farm groups are coming to the same conclusions about these issues.

Ms Raper: Can I also add—

Senator CANAVAN: Okay but quickly, because I want to move on.

Ms Raper: There is a review clause after five years on the tariff rate quotas for beef and sheepmeat. That was a key request of Australian industry and one we've met in this agreement.

Senator CANAVAN: I want to turn back to this Both ENDS group. The deal gives some special rights to civil society groups or organisations. Is that correct?

Mr Mina: I think, on previous occasions, Senator, you and I traversed the reference in the agreement to the involvement of civil society in consultation with civil society, business, industry groups and other groups, as part of the way in which the agreement interfaces with the community.

Senator CANAVAN: Is there anything stopping the EU appointing Both ENDS to the domestic advisory group—or any organisation like that that might be very opposed to Australia's second and third largest exports?

Mr Mina: Senator, I think we've traversed that issue before. These are provisions that need to be worked through. Again, we traversed that last time as to the institutional arrangements relating to the agreement.

Senator CANAVAN: I'll just ask again: is there any restriction on the EU appointing non-governmental organisations that are opposed to Australia's coal and gas exports to the domestic advisory group that's referred to in article 22.7 of the agreement?

Mr Mina: I repeat, again, that is still being worked out, and it would be part of the institutional arrangements that are being agreed once the agreement comes into force. So we're not in a position to speculate about who the EU may or may not wish to appoint to these groups.

Senator CANAVAN: I want to quickly touch on the modelling. You said you're going to do some modelling on this deal.

Mr Mina: Yes.

Senator CANAVAN: Have you commissioned a 'modeller', so to speak?

Ms Raper: Yes, we have.

Senator CANAVAN: Who is that?

Ms Raper: CIE modelling, the Centre for International Economics.

Senator CANAVAN: I know CIE well. It's CGE modelling. Do you know what CGE model they're using?

Ms Raper: I do not, Senator, but we can get some more information on that for you.

Mr Mina: We can come back to you on notice.

Senator CANAVAN: Have you agreed a contract value for the consultancy?

Ms Raper: We do. The contract is on AusTender—$114,180.

Senator CANAVAN: Has it got a due date for it to be returned by?

Ms Raper: We've asked for it in the first quarter of next year.

Senator CANAVAN: Is it going look at or factor in subsidies the EU provides to its industry under the Common Agricultural Policy?

Ms Raper: It will be factoring in all of the outcomes that are contained in the agreement.

Senator CANAVAN: I'll ask again. Does that include looking at the impacts of the Common Agricultural Policy?

Mr Mina: We have explained before and will explain again that the free trade agreements, bilaterally, are not the venue, not the forum, in which to make changes to policies. The modelling will look at changes to policy prior to and then after the agreement is in force.

Senator CANAVAN: I understand that. But a key concern, particularly for the dairy industry, is that we are removing a tariff we impose on the EU in part to offset the distortive impacts of their massive subsidies to their dairy industry. Is the dairy industry's concern going to be looked at in this modelling? The dairy industry is concerned—quite rightly, in my view—that subsidised EU dairy production will be able to undercut Australian production under this agreement and force them out of business. Will that be modelled in the CIE's work?

Mr Mina: You're aware these issues were not part of the negotiations, so you will be aware that as I've said before the policy changes will not be modelled unless there are policy changes.

Senator CANAVAN: Right, so it won't be.

Mr Mina: What I also want to say about the dairy sector is that despite what have been very high levels of producer support—you're right on that, 16 to 18 per cent producer support in dairy—we both fought that in the WTO and improved where we could in the FTA context on the tariff and access outcomes, and 87 per cent of the lines are now duty free. They had tariffs up over 120 per cent. They're going to zero in most cases.

Senator CANAVAN: It's not the tariffs that they're concerned about.

Mr Mina: This is a massive levelling of the playing field. Admittedly, as you continue to point out, that does not address the subsidy issue. But nobody has expected it to, because this is an FTA, not a subsidy package. We would dearly like to get to those subsidies, and we're very—

Senator CANAVAN: We're always free not to sign. We can always say, 'If you're not going to deal with it, we don't have to.' If it's a non-tariff barrier, it's clearly—

Mr Mina: We're doing something more than complaining.

Senator CANAVAN: I always say that's it's their sovereign right to do these things.

Mr Mina: We're doing more than complaining. We are indeed taking these issues up at the WTO with the Cairns Group, and EU dairy subsidies are absolutely in our sights.

Senator CANAVAN: We're giving away all of our leverage now, so I don't think we're going to have any impact on the EU if we sign up to this deal. Are we locked in to removing the $1.22 per kilogram dairy tariff under the deal? Is there any way we can keep the tariff?

Ms Raper: Part of the deal was to eliminate that tariff over three years.

Senator CANAVAN: Is there a safeguard mechanism or something? Could we reimpose it if needed?

Ms Raper: There is a safeguard provision built into the agreement that, should there be a sudden surge of exports that is damaging our industry, we can suspend that tariff elimination for a certain period of time.

Senator CANAVAN: We'd have to wait.

Mr Mina: To add to that point, in addition to the FTA specific safeguards we also have access to the ongoing WTO safeguards agreement. That is a continuing feature of the trade policy landscape between us and the EU.

Senator CANAVAN: But we'd have to wait for the influx of imports to take safeguard action.

Mr Mina: As with all safeguard action, one needs to tie the allegation of injury to a rise in imports.

Senator CANAVAN: Is there anything stopping us, say, giving our dairy industry $1.22 per kilogram subsidy just like the EU does? Could we do that?

Mr Mina: You are aware that this deal massively improves the balance towards our—

Senator CANAVAN: We don't want to be here all night. Is there anything in this deal that would stop us?

Mr Mina: But it is relevant to your question because your question goes to whether we should be subsidising for a tariff reduction, but if you are levelling the playing field in our favour there's no rationale for a—

Senator CANAVAN: Yes, there is, because the EU continues to subsidise. We're not levelling the playing field in any way, shape or form because as you said earlier the EU producers get 16 to 17 per cent—the dairy industry says 30 per cent—of their income from taxpayer support. It's not a level playing field at all.

Mr Mina: I've been clear—

Senator CANAVAN: My question is—it's a simple question—is there anything in this agreement that would stop us providing equivalent subsidies to our dairy industry to level the playing field?

Mr Mina: I'm afraid I don't agree with the proposition.

Senator CANAVAN: I'm not asking for your policy opinion, though. Indeed, it's not usually—

Mr Mina: It's embedded in the question that there would be a requirement to restore—

Senator CANAVAN: No. I'm asking whether there is anything in the deal that would stop us providing a subsidy to our dairy industry.

Mr Mina: To the dairy industry, writ large, no.

Senator CANAVAN: I'm not asking whether it's a good or bad thing.

Mr Mina: This deal is not a subsidies deal.

Senator CANAVAN: Can I just get a clear answer. Is there anything in this deal which would stop us providing subsidy support directly to our dairy industry?

Mr Mina: Yes, I just said no. There is no such—

Senator CANAVAN: Okay, thank you. That's all I was wanting to get to. I wasn't asking for a policy opinion on whether it was good or bad. But I do dispute that it's levelled the playing field. It's certainly not doing that. Moving on to steel, will the CIE model the EU's steel tariff at 50 per cent, 25 per cent or some other level?

Ms Raper: It will model the current EU tariff, which is at 50 per cent.

Senator CANAVAN: That'll be the baseline?

Ms Raper: It's a 50 per cent out-of-quota rate. There is, of course, a quota that applies before that, but they will model that current EU measure.

Senator CANAVAN: They've also reduced the quota, haven't they.

Ms Raper: They have reduced the quota, yes.

Senator CANAVAN: What's been the change there?

Ms Raper: Well, there are different quotas for different countries on different steel products. For Australia, our annual duty free quota under this new EU measure is 47,320 tonnes.

Senator CANAVAN: Does that impact some of our exporters?

Ms Raper: It does. It is less than we were exporting to the European Union before the measure was introduced.

Senator CANAVAN: What was it before?

Ms Raper: About 300,000 tonnes.

Senator CANAVAN: Whoa! Was the 300,000 tonnes the quota—we were exporting and paying the tariff rate on top of sometimes?

Ms Raper: We were exporting and paying the then EU tariff rate, which I think was 25 per cent.

Senator CANAVAN: I think you're right.

Ms Raper: That increased under this measure. But we do have a side letter to this FTA on steel which allows us to come back and have a conversation, and that includes being able to seek an additional quota as an FTA partner, because our current quota is as a non-FTA partner.

Senator CANAVAN: I'm very disappointed in this part of what the EU has done. I don't see how this in any way could be the act of a friend or someone who wants to do a deal with us. We're not a major threat to their steel industry; we hardly produce any steel relative to them. What has been their rationale for singling us out to double our tariff and to significantly reduce the tariff-free access that we previously had?

Ms Raper: The EU's rationale is that it had a safeguard measure in place under WTO rules for eight years. Safeguards are required to be implemented on a global basis. They're not directed at one partner; they're directed to the whole world. That measure expired, and they were not allowed to renew it under WTO rules. The EU believed that its industry was still under threat and has introduced this new measure. Under this measure it has given countries country-specific quotas. We have one. We hope to get more. But it's a response to the global problem of structural excess capacity that we are not responsible for. The side letter to the agreement makes very clear that we are not the source of that problem.

Senator CANAVAN: But if we're not the source of that problem, how can the EU under international law be justified in taking safeguard action against our steel?

Ms Raper: Because safeguards are required to be applied on a global basis.

Senator CANAVAN: But you said they're providing country-specific quotas.

Ms Raper: They've got to apply the measure across the board, but then they can provide quotas within that measure on a country-specific basis.

Senator CANAVAN: Are we planning to take any action against the EU about this through the WTO processes?

Ms Raper: As I said, we have a provision in the FTA, on entry into force, that we can come back and have a conversation—via this side letter, I should say, not a provision—to seek an FTA partner-specific quota which would allow us to increase our actions—

Senator CANAVAN: Coming back to my question, are we considering WTO action?

Ms Raper: At the moment we have provisions in place that we will seek to access. That's where we are tracking our policy at the moment.

Senator CANAVAN: So we're not taking WTO action?

Ms Raper: We are not currently planning to do that.

Senator CANAVAN: We just lost our last blast furnace for structural steel. We do export a significant amount of hot-rolled coils to the EU. You said it's 300,000 tonnes. That's not immaterial in the context of our production. It's possibly getting around 10 per cent of our production once Whyalla goes. I don't understand how we're copping this. I can understand what the EU is doing, and you're right; there's a structural oversupply of steel. I wish we took a little bit more action, perhaps, against the people that are contributing to this. But we are clearly not the party contributing to this issue, yet we are facing EU action on it.

Ms Raper: We are taking action to work with other partners to try and address this problem of global excess steel capacity. We are members of the global forum on excess steel along with the European Union. And just three weeks ago—

Senator CANAVAN: Yes, I saw that.

Ms Raper: when the minister was in Milwaukee, we adopted a comprehensive framework for joint action to address this very issue. So Australia and the EU, together with other partners, are working together to try and solve this problem at its root cause. Measures like the EU's, at the moment, are a bandaid while we work on that larger endeavour.

Senator CANAVAN: What's the root cause?

Ms Raper: GFSEC—the Global Forum on Steel Excess Capacity.

Mr Mina: And the root causes, of course, under those auspices are distortions in domestic markets that lead to excess subsidies and lead to distortions on global markets. We, I think, are all aware of those pressures, particularly in the steel industry—globally, I mean.

Senator CANAVAN: Alright. Does this side letter constrain us to maintain our tariff on EU steel at a maximum of five per cent?

Ms Raper: I believe that's our WTO bound rate, but we can check that.

Senator CANAVAN: Would we, though, have safeguard provisions under the WTO to increase above five per cent?

Ms Raper: Safeguard is a very particular mechanism where you need to do an investigation and show threat et cetera, but those provisions do remain available to us.

Senator CANAVAN: Okay. And they remain available regardless of the side letter with the EU?

Ms Raper: Yes.

Senator CANAVAN: Okay. The EU apparently exported $785 million worth of iron and steel to Australia last year. We exported $285 million. If there's someone contributing to the excess supply, it's not us—yet we're facing further risk to our industry. Have we done any work on whether or not the EU's increased tariffs—which are significant, as we've gone through—put at risk our steel industry any further?

Mr Mina: This is a question relating to the impact of trade on domestic performance, and, no, we have not done any modelling or analytical work. But, quite clearly, this is not going to be helpful. Neither is the rise in steel safeguard actions, in fact, worldwide. It's precisely why we're investing in this cooperative effort with the European Union and the United States and others.

Senator CANAVAN: It doesn't sound very cooperative!

Mr Mina: Certainly, there are measures being taken unilaterally, which is precisely why we want to get ahead of this trend. Of course, Minister Farrell, in his capacity as our representative to that global forum, has been advocating strongly for these outcomes—as has Minister Ayres, in his work with countries on excess capacity.

Senator CANAVAN: So the CIE work won't look at this issue at all then, in terms of the impact of the EU's increased steel tariffs.

Ms Raper: It will model the outcomes of the agreement, so the current EU measure will be part of that model.

Senator CANAVAN: We're letting our steel industry wither.

CHAIR: Senator Ghosh has a few questions. I'll move the call on and then come back to you.

Senator GHOSH: My questions relate to the impact of the EU free trade agreement on Western Australian trade. I appreciate we don't always talk about it in state-by-state terms, but WA is an externally facing economy and the current environment is, therefore, particularly volatile for the Western Australian economy. Trade is a pretty essential enabler for our success and continued prosperity. As a state, we exported something like $237 billion worth of goods globally last year, but about $4 billion—or, as I do it on the back of an envelope, about 1.6

or 1.7 per cent only—to the EU. So I see this market, given its size, as an opportunity area for Western Australia. I really want to explore what this agreement means for certain WA industries, and I want to start with agriculture. Western Australia has some of the best wine regions in the country—although, just at the minute, Western Australian winemakers are struggling a little bit. I want to know what's going to be the effect of the EU free trade agreement on WA wine exports into Europe.

Ms Raper: Currently, the European Union charges Australian wine a tariff of $56 per 100 litres of wine. On entry into force of this agreement, that tariff will be eliminated.

Senator GHOSH: In lay terms, the practical effect of that is it makes Western Australian wine more price competitive in the EU?

Ms Raper: Absolutely, and compared to our competitors as well. Remember, New Zealand already has an FTA with the EU, so it has that tariff advantage—we don't—and so do other competitors. Mercosur includes wine-producing countries as well, even Canada, and we're behind all of those because we're paying the tariff and they are not.

Senator GHOSH: Obviously, we export a tremendous amount of wheat and related products from Western Australia. What's the impact on wheat exports to the EU in terms of tariffs out of this EU free trade agreement?

Ms Raper: Currently, Australian wheat and meslin to the European Union are paying up to $166 per tonne. Under this FTA that will be eliminated over five years. Also tariffs on durum wheat of up to $259 a tonne will also be eliminated.

Senator GHOSH: Are you able to effectively do that comparison with our competitor nations—that is to say, the countries that otherwise export wheat to the EU nations in competition with Australian wheat, but Western Australian wheat from my particular interest?

Ms Raper: Yes. Again, competitors who are wheat-producing, wheat-exporting countries who have FTAs with the EU will have a significant tariff advantage on Australian wheat exporters at the moment, which will be eliminated under this FTA.

Senator GHOSH: And is that the same for barley?

Ms Raper: Yes. For barley, we are currently paying $163 a tonne. That will be eliminated within five years after entry into force of this agreement.

Senator GHOSH: Obviously, there's the Western Australian cattle industry and there's the Western Australian sheep industry. Can you talk to me about those exports to the EU and the impact of this free trade agreement?

Ms Raper: Yes. As we discussed a short time ago, currently our access to the European Union for both beef and sheepmeat is extremely limited. It's 4,400 tonnes currently for beef. At full implementation, that will increase to 35,000 tonnes with commercially favourable conditions attached. Our sheepmeat access will increase to 25,000 tonnes.

Mr Mina: If I can add to Ms Raper's evidence, we did achieve a five-fold increase on sheepmeat. Neither the Mercosur countries nor Mexico achieved any increase in their deals with the European Union on sheepmeat. Of course, New Zealand did achieve a very big increase, but we judged that that will not have a meaningful impact on their export performance given that they've substantially underutilised their existing quotas. So our deal on beef is not only a 500 per cent increase but it stacks up very well in comparative terms.

Senator GHOSH: I understand the agreement contains a commitment to provide equal treatment between Australian service suppliers and European service suppliers in terms of the export of our services into the EU. Can you unpack that for me a little bit practically. What are the things that stand in the way currently of equal treatment that are going to be removed as a consequence of this agreement?

Ms Raper: We're talking about temporary entry for professionally qualified service suppliers. Currently, it's difficult for them to be able to travel and deliver those services within the EU market, so this agreement will give temporary entry to the EU for Australian citizens and permanent residents across several categories of service providers—business visitors, investors, intercorporate transferees, graduate trainees as well as contractual service suppliers and independent professionals. So particularly looking at Western Australia, key sectors of interests that we've included that access for in the free trade agreement include education services, tourism, communication services, financial services and environmental services.

Senator GHOSH: There's an obligation as well on the parties to this agreement to develop new standards and reduce regulatory barriers on an ongoing basis. I don't want to say it's expressed in terms that are aspirational

because it suggests that they won't get done. But how does that actually work in practical terms? What does that obligation look like in terms of what Australia needs to do and what the nations of the EU need to do?

Ms Raper: Are you referring to professional qualifications or are you referring to what we call technical barriers to trade?

Senator GHOSH: I'm referring to technical barriers to trade.

Ms Raper: The first thing to say is that under the agreement both sides reserve the right to set their own standards. It's an important sovereign right under the agreement, recognising that we both have systems and expectations for our consumers around product safety and so forth. But, under the agreement, it sets up ways to try and remove some of the friction between the trade related to those different standards and barriers. For example, it encourages acceptance of each other's testing and certification results. That helps to avoid unnecessary duplication. It provides greater transparency over the development of new standards before they take effect, which enabled us to have extra conversations about how to shape them. It establishes cooperation between our regulators who are setting those standards. It also promotes the use of international standards. These are important extra mechanisms for taking forward those interests with the European Union under this free trade agreement. They will be in addition to other dialogue processes that we have, but these are an important addition to those issues.

Senator GHOSH: If a European regulator decides that they want to change the standards that apply to a product that would fall within the scope of this free trade agreement or that would otherwise apply to an Australian provider, is there an obligation under the agreement for that regulatory body to reach out to our regulatory body and consult in relation to those changes? Or is it more that it sets up the relationship pathways and then, in effect, that will lead to greater cooperation as a consequence of the relationship?

Ms Raper: The focus of the chapter is very much on process and cooperation. Through those processes and those cooperative practices, as I said, it aims to reduce the friction in the trade relationship.

Senator GHOSH: I'll end on this—and maybe this is an aspirational question. I started with the volume of exports from Western Australia to the EU overall and noted that it's a relatively small percentage. Particularly in the agricultural space, what are the non-tariff related barriers that might be assisted by this agreement or might assist Western Australia to export more to the European Union?

Mr Mina: In addition to this big uplift in protected markets in agriculture, both tariffs and tariff-rate quotas, you've got, as Ms Raper has already said, provisions on technical barriers, provisions on cooperation on other forms of non-tariff barrier and provisions to help cooperate on SPS and biosecurity matters. There are a variety of means by which both sides' regulatory authorities can communicate and support that trade. On services, we know this is 70 per cent of our economy and a very fast growing area of international trade, and once again regulatory cooperation is at the core of effective access on many of these sectors as well.

Senator GHOSH: Thank you very much.

CHAIR: Senator Roberts.

Senator ROBERTS: Thank you for appearing tonight. My question is regarding the European Union free trade agreement and its chilling effect on Australian sovereignty. Others have unpicked the way in which this government, in order to get the deal done, has agreed to provisions it opposed in 2023. I won't go there again. My concern is this: Minister, why was implementing the Paris climate change agreement included in the European union free trade agreement?

Senator Farrell: Who was your question directed to?

Senator ROBERTS: The minister.

Senator Farrell: Could you repeat the question?

Senator ROBERTS: Sure. Why was implementing the Paris climate change agreement included in the EU FTA—the free trade agreement?

Senator Farrell: Australia, under Malcolm Turnbull, signed up to the Paris Agreement. That was a commitment. The Labor government supports that agreement, and the agreement simply reflects that we have entered into that agreement.

Senator ROBERTS: The UK free trade agreement also included an environmental section which uses the same words international agreements always use—non-binding words, also called weasel words. There's nothing binding in these agreements on Australia. Minister, did the United Kingdom free trade agreement make the Paris Agreement legally enforceable in Australia? And, if so, please specify the wording which had that effect.

Senator Farrell: The Paris Agreement is a separate agreement, Senator Roberts, and we have freely entered into that agreement, and it's the intention of the government to honour the commitments that we entered into. As I indicated before, that was entered into by Prime Minister Turnbull. The Australian government, the Albanese government, supports that provision, and we intend to honour our obligations under the Paris Agreement.

Senator ROBERTS: Minister, the European Union free trade agreement requires Australia to implement the Paris accord and creates a dispute resolution process, including penalties, if we fail to comply—true or false?

Senator Farrell: Those questions were all answered earlier in the proceedings, but—

Senator ROBERTS: One word—true or false?

Senator Farrell: I can only repeat what I've already said, Senator Roberts. Australia has freely entered into the Paris Agreement. It's the Paris Agreement that requires us to do certain things in conjunction with what we have agreed to do. It's the Paris Agreement, and our international obligations on that, that impose requirements on Australia to act in a certain way, and it's the intention of the government to honour those proceedings.

Senator ROBERTS: Minister, are you aware that the Paris Agreement was stitched together in a way that makes it not an agreement? After the embarrassment of the UN's COP at Copenhagen, at the next COP—in Paris—they signed an agreement that said, 'You can do basically whatever you want.' China said, 'We'll think about it in 2050.' India said, 'We'll think about it in 2060'—no commitment whatsoever. Australia is one of very few countries that signed their life away and wants to destroy their economy. That's not an agreement; that's a suicide note. The European Union free trade agreement requires implementation of the major pillars of the Paris Agreement, which you helpfully list out on your website. It's a bloody long list. Any failure to implement any one of these will trigger the dispute resolution functions of the agreement, resulting in trade sanctions or penalties against Australian produce, meaning you've sold out our farmers. You've lured them into a trap. You've promised very slight benefits from the trade agreement, and then they'll be sanctioned—they'll be cut off—if anyone dares go against the Paris Agreement. Minister, how is that not making the Paris Agreement legally binding? You haven't denied it, I suppose?

Senator Farrell: I beg your pardon?

Senator ROBERTS: You haven't denied that it's legally binding. You're just saying why that's necessary.

Senator Farrell: I disagree with a lot of what you've said there, Senator Roberts. If you've got an interest in finding out more about this—the practical application of the EU free trade agreement, including all the benefits under the agreement—then I would be happy to provide expert advice from many of the people at the table here so that you get a full briefing on the implementation of this agreement. The agreement does represent significant advances for Australian businesses, and that's why almost all of the Australian business community is supporting this agreement.

A little bit earlier, I talked about the fact that Mr Craig Emerson, an eminent economist, has valued the early operation of the free trade agreement to provide benefits to the Australian economy at about $10 billion. That very quickly rises to a figure of $30 billion as a result of the provisions that relate to critical minerals. Your state and Western Australia, of course, and now the Northern Territory have been making significant progress on the development of critical minerals. One of the key provisions here is that, for the first time, our critical minerals go into the European Union tariff free. None of our competitors don't get that same advantage, so that gives us a very significant advantage in terms of our access to the European Union.

I understand that certain parts of the Australian economy haven't been happy with everything that they have received out of this agreement. Beef producers, in particular, have made some adverse comments about the agreement. Fortunately, my job is to represent the national interest, and overwhelmingly Australian business support this agreement. The BCA came out again, I think today or yesterday, in support of it. ACCI is very strongly in support of it. The AiG is very strongly in support of it, as are the seafood council and wine and spirits Australia. I can go through all of these organisations that very strongly support it.

I have to make a decision in the national interest and I have to make an assessment as to whether, on balance, this agreement is good for the Australian economy. Right now, the world is falling into two camps—the camp of tariffs and protectionism or the camp of free and fair trade. This government, the Albanese government, has nailed its colours to the mast, and we support free and fair trade. If you do that and a country comes to you and says, 'Look, we would like to reduce tariff barriers on Australian goods into our economy', firstly, I think we have an obligation to negotiate with that country, as we have done. If, on balance, the agreement is in the national interest, we have an obligation to recommend to the Australian people and to the Australian parliament that it is worth doing. If you don't do that in those circumstances and you reject the offer of that country—or region—to reduce tariff barriers, you're not just sending a message to that country; you're sending a message to all of the

countries with whom you have reduced trade barriers that Australia no longer believes in reducing tariffs. The prosperity of your state, Senator Roberts, is very much linked to the removal of tariffs. Australia's prosperity has been built on the fact that we've been able to reach these agreements with all of these countries around the world.

Why is the European agreement so important to Australia? Well, at the moment we have about 30 trade agreements with countries around the world. The European free trade agreement is not one new agreement; it's effectively 27 new agreements, because there are 27 countries in the European Union. So, in one fell swoop, we double the number of countries with whom we have a free trade agreement. We're talking about the second-largest economy in the world. This is a region with 450 million consumers, mostly middle-class consumers. Compare that to the population of Australia, Senator Roberts, of 28, 29 million people, so many times larger than us. More importantly, they have a GDP of something in the vicinity of $33 trillion. So this represents a great opportunity. It hasn't been easy, Senator Roberts, to negotiate an agreement with the Europeans. Former coalition ministers tried. Steve Ciobo had a crack, Simon Birmingham had a crack, Dan Tehan had a crack. And on two occasions we rejected offers from the European Union to their great disappointment. But they made a significant improvement in the offer on the last occasion in a whole string of areas where, under the previous negotiator, Valdis Dombrovskis, they weren't prepared to give us a better offer. Under the current Trade Minister, Maros Sefcovic, significant improvements were made in just about every area of the agreement.

As I say, these agreements are a balance of judgement. I had managed to get the UK Free Trade Agreement through the parliament. I managed to get the Indian Free Trade Agreement through the parliament and to negotiate the UAE trade agreement. In that process, Senator Roberts, last year was a record year for Australian trade. We hit $1.37 trillion. Never in the history of Australia have we done so much trade, and in a circumstance where trade was really unstable right around the world for a whole range of reasons. But, Senator Roberts, we can't stop there. If we are going to grow the Queensland contribution to trade, we need to find new markets to export our goods to. So if, as 27 European countries have said to us, 'We want to buy more of your products, and, in the process, we're going to significantly reduce the tariffs,' I don't believe we can say, as a matter of national interest, that we're going to reject that offer. As I say, if we send a message to the rest of the world, 'We're not interested in the removal of tariffs,' that will have consequences on all of our other agreements. All of the other countries will say, 'Australia is moving away from free and fair trade. Perhaps we ought to be doing the same.' And that in my view, has real consequences for your state. You can focus on one relatively small part of the agreement. Obviously, you're focusing on the climate change provision—

Senator ROBERTS: The ability to put sanctions on our country is not a small issue.

Senator Farrell: Senator, I just don't think you're looking at the totality of the agreement. I'd urge you to take advantage of my offer of getting a full report and your colleague there is also welcome to attend. I'd ask you, for the moment, to keep an open mind on the agreement, and have a look at the totality of the agreement. I believe when you do that, Senator Roberts, you will come to the same conclusion that I have come to, namely that, on balance, the national interest is served by us continuing to process this agreement, sign this agreement and implement this agreement.

Senator ROBERTS: Firstly, you raised many issues that I have to respond to. You asked them in the form of questions. I will happily accept your offer of a briefing, but please tell your people to bring their bloody data.

Senator Farrell: I will ensure they bring everything that you require. If you give me a list of things you particularly want, I'll make sure it's available for you at the meeting.

Senator ROBERTS: Bring their data on Paris and on trade.

Senator Farrell: Yes. Would your colleague like to attend that meeting as well?

Senator WHITTEN: Absolutely.

Senator Farrell: Okay. I will ensure you get the best advice. I myself will attend in case you've got any questions for me.

Senator ROBERTS: We need some staff to be able to listen to you.

Senator CICCONE: Don't worry, Don's alright. He'll manage on his own.

Senator ROBERTS: You've got to have staff. You laugh about it.

Senator Farrell: No, I'm sorry, I shouldn't laugh.

Senator ROBERTS: Secondly, farmers under the European union free trade agreement are being held to ransom to basically force people to implement the Paris Agreement. The third thing is that we want to discuss sovereignty. That's very, very important—

Senator Farrell: I'll get—

Senator ROBERTS: your simplistic portrayal—by the way, China has nothing like the health and safety regulations that we have, nothing like the workplace relations legislation that we have to protect workers, nothing like the environmental regulations and nothing like the consumer protection legislation. I could go on and on and on. They're not factored into it. China also doesn't have the bloody Paris Agreement, which drives the price of our electricity through the roof, and we subsidise their solar and wind. They're making a killing out of us. Mr Farrell, I advance the interests of 28 million Australians. I'm not terribly interested in the interests of 450 million Europeans. But I think the best message to send to the world for us is 'Australia first'.

Senator Farrell: I understand the position that you're putting to me, but, as I say, the offer is there to get—

Senator ROBERTS: I accepted it.

Senator Farrell: I understand.

Senator ROBERTS: Data on Paris, data on trade.

Senator Farrell: The only thing I'd ask you to do is to keep an open mind. I'll provide you with all of the information, and you can make an assessment yourself as to whether, on balance, this agreement is good or bad for the Australian economy.

Senator ROBERTS: I always keep an open mind—

Senator Farrell: Thank you.

Senator ROBERTS: but I'm heavily governed by data.

Senator Farrell: I understand and will provide as much information as I'm able to.

Senator ROBERTS: Thank you, Minister.

Senator Farrell: I'm very pleased with your response there.

Senator ROBERTS: We look forward to something on our staff.

CHAIR: Senator Canavan.

Senator CANAVAN: You mentioned there were significant improvements in the deal from the last time you rejected it to the time you accepted it. What were they?

Senator Farrell: I'll get a list of them for you and send them through.

Senator CANAVAN: You can't just give us the top three or so right now?

Senator Farrell: I can give you a range of them, but I'd like to give you an absolutely accurate response.

Senator CANAVAN: The claim from others that saw the deal is that it barely changed.

Senator Farrell: That simply is not true.

Senator CANAVAN: If the improvements are significant, I'm not so sure why, having been given the floor, you can't tell us what they are.

Senator Farrell: I'm happy to supply you with a complete list of them.

Senator CANAVAN: I am astounded that has to be taken on notice. You're the one selling this deal, telling us it's worth $10 billion on dodgy figures, and you're saying 'significant improvements', yet you can't even list a single one.

Senator Farrell: I'm astounded that you would be opposing this agreement.

Senator CANAVAN: Given that you can't even outline one improvement in the deal made from the one you rejected three years ago, it's pretty explainable why I would be against it, just like you were against it three years ago. Moving on—I want to get off the free trade deal because we only have an hour or so left and there are some other issues—I want to ask about the consultation DFAT do before entering into agreements. Could you outline what that consultation is and to what extent, Deputy Secretary, you think it's effective at the moment?

Mr Mina: We have an extensive process of consultation before entering into new free trade agreements. We typically open for submissions. We often will do extensive outreach. We will place as much information as we can on our websites. We do extend quite a lot of information and request quite a lot of information.

Senator CANAVAN: Given you already do those things, do we need a trade advisory group established under legislation?

Mr Mina: The purpose of a more structured process of consultation would be to do that—to provide greater structure to our consultation efforts. We've just been through about 18 months of a very structured consultative mechanism in the minister's Trade 2040 Taskforce, which included representatives from business, peak bodies, unions and companies. The value of that was made very clear through the high-quality report that that group

produced just a couple of months ago looking at the future of Australia's trade settings, considering all the major trends that are occurring in our trade landscape. That experience has informed the government's interest in taking forward a more structured approach to trade consultation, as has a longstanding request from many parts of the community to contribute in a more structured way to the trade negotiations agenda.

Senator CANAVAN: Would the consultation of the last 18 months have been improved by a legislated trade advisory group?

Mr Kewalram: Just to add a little bit of context: the recommendation for a more structured and, indeed, legislated process flowed from the Joint Standing Committee on Trade and Investment Growth inquiry on areas of improvement to existing processes for trade and investment agreements and negotiations. All their recommendations are on the inquiry homepage—

Senator CANAVAN: I was on the committee.

Mr Kewalram: Exactly. I remember discussing this—

Senator CANAVAN: Did that recommendation come from DFAT? Did DFAT recommend to the minister the need for a legislated trade advisory group?

Mr Kewalram: The recommendation came from the Joint Standing Committee on Trade and Investment.

Senator CANAVAN: Has DFAT recommended or provided advice to the minister that there is a need for a legislated trade advisory group?

Mr Kewalram: We are currently in the process of working through the range of the government's response and providing advice on that. The government has introduced the legislation on the basis of part of the response to the group.

Senator CANAVAN: Do members of the proposed trade advisory group require security clearances?

Mr Kewalram: The intention is that they would sign nondisclosure agreements but not the full security clearance process, as is the case with some other systems.

Senator CANAVAN: Is there anything stopping the establishment of a trade advisory group without legislation?

Mr Kewalram: The Trade 2040 Taskforce that Deputy Secretary Mina was referring to was not set up by legislation—so, in that sense, yes.

Senator CANAVAN: So it can be done.

Mr Kewalram: As I said, this was responding to a specific—

Senator CANAVAN: At that inquiry you referred to earlier, assistant secretary Ms Holmes stated that legislation was not essential to have a consultation process. That remains DFAT's position?

Mr Kewalram: Do you mean in terms of consultations in general on trade?

Senator CANAVAN: On trade agreements. It's not essential to have it legislated?

Mr Kewalram: As Mr Mina was saying, right now, before any agreement, we usually call for submissions, engage with stakeholders and go back and forth through a range of consultations. All that does not need legislation.

Senator CANAVAN: At that parliamentary inquiry, associate secretary Tim Yeend warned that a legislative approach could lock negotiators into particular approaches and constrain the Australian government's ability to respond to changing circumstances in the negotiation. Has DFAT provided advice to the government or the minister about those concerns with a legislative approach?

Mr Kewalram: The legislation which was tabled by the minister earlier this year seeks to strike that balance between ensuring flexibility and ensuring that a clear voice that will be providing advice is legislated. That was a dynamic that was considered in the drafting of the bill.

Senator CANAVAN: The legislation mandates the appointment of trade union representatives on the group. Did DFAT recommend that?

Mr Kewalram: First of all, it's a bill; it's not yet legislation. We worked very closely with the government in providing advice on drafting the bill. I think that's probably as far as I can go.

Senator CANAVAN: Moving on: a few weeks ago, Minister, you raised the prospect that Australian super funds could invest in the US lamb industry. What's the status of that proposal?

Senator Farrell: I was talking with two groups about that very issue today. We have a circumstance where the United States government has made a reference to its trade authorities to review Australian exports of lamb

into the United States. Australia, on some occasions, represents somewhere between 50 and 70 per cent of all lamb that's eaten in the United States. I want to put lamb exports into perspective. For every lamb chop that an American eats, they eat 10 pork chops, 50 beef patties and 80 buffalo chicken wings—so lamb is a very small part of the protein in the American diet. In discussions with all our major exporters to the United States, it became very clear to me that there is an opportunity to work with the American industry to try and increase the level of lamb exports into the United States. Many companies, including some great South Australian companies like Thomas Foods, are already investing in additional provisions into the United States.

Last week, our ambassador, Ambassador Moriarty, led the argument against America increasing restrictions on Australian lamb, whether that comes in the form of a higher tariff or quotas or some combination. In the next 10 days or so, the American committee—six individuals—looking at this will make a determination as to whether or not we are in breach of export obligations into the United States. If that happens, then we will need to provide a response or a remedy in a certain period of time. It's my view that we should have an all-of-government and all-of-Australia response to the American decision. It's not beyond the realms of possibility that the United States applies, say, a 50 per cent tariff on top of the 12½ per cent tariff that they're applying. So, in discussion with the industry, we need to come up with a formal response in the event of an adverse result. I've had discussions with my counterpart, Ambassador Greer, and agriculture minister Rollins, about whether or not there's an opportunity to lift the level of consumption of lamb into the United States. I'll continue to work in conjunction with, in particular, the people I met today, our government representatives over there, the ambassador and industry generally about how we might make a positive contribution to increasing the appetite of Americans for lamb, particularly Australian lamb. In the process, we'll perhaps try and build the supply chain of lamb into the American consumer market.

Senator CANAVAN: Okay. Just can I confirm, though, that the Australian government's not proposing that there'd be any obligation on super funds to invest in the US lamb industry or any foreign markets.

Senator Farrell: No. Nobody has ever suggested that.

Senator CANAVAN: Okay.

Senator Farrell: I was a member of a superannuation for fund for 15 years. I'm well and truly aware of the fiduciary obligations of super funds and was never suggesting that there should be any breach of our fiduciary duties. Currently, lamb exports represent about a $1.5 billion export to the United States. It's not a big figure in terms of the United States, but it is a significant figure for Australian lamb exporters. I want to do everything I can to assist the Australian lamb exports. If the Americans were to apply the sort of tariff that is being bandied about in the United States, it would almost certainly end Australian lamb exports to the United States. An immediate impact of $1.5 billion on the Australian lamb export industry would be as significant as when, under the Morrison government, China imposed 220 per cent tariffs on Australian wine. It would have that very same impact. I think for the Americans to proceed with this the way they might is actually completely counterproductive to their own interests because, in the absence of fantastic Australian lamb into the US market, that market itself will collapse. So I think there's the potential here of economic self-harm by the American lamb producers to their own industry if they proceed with these extra tariffs. I want to engage and I will engage Ambassador Greer on this topic, as I have already. I think we should engage Secretary Rollins, and I think we have to have an all-Australian response to this because lamb exporters don't deserve to lose this market. The lamb industry and the Australian government have to work together to find a solution to this problem: a solution which ensures that Americans eat more lamb and we get our wonderful product to continue to go into the American market.

Senator CANAVAN: Well, look, I agree with all of that. Moving on. You did just, as you have done many times, berate the former coalition government for China making a decision about their tariffs. Given that—

Senator Farrell: All I did, Senator, with due respect, was point out that the wine industry lost more than $1 billion worth of trade.

Senator CANAVAN: But you blame us for that. And with that in mind—

Senator Farrell: I never blamed you for that. I simply made the observation that, if the Americans proceed with this, the effect on the Australian lamb industry will be exactly the same as what happened to the Australian wine industry.

Senator CANAVAN: You have blamed the coalition many times for those Chinese tariffs. That being said, then, why haven't you been able to prevent the US from imposing higher tariffs on Australia under the forced labour provisions than they have on other developed countries? If the coalition is to blame for the China situation, why aren't you then to blame for these high tariffs from the US?

Senator Farrell: There is a significant difference between what is occurring in the United States and—you might not like the answer, Senator Canavan, but at least give me the respect of listening to me without—

Senator CANAVAN: I have.

Senator Farrell: making those funny little comments that you make. There is a significant difference between what's occurring now in the United States and what was occurring in China. When China imposed those $20 billion worth of bans on Australian products, we were singled out for treatment, and so, for instance, when the bans were imposed on beef our quotas were being filled by other countries—Brazil, Argentina and so forth.

What's happening in the United States is this: on so-called Liberation Day in April of last year, the United States government decided to impose a range of tariff regimes on every country that basically traded with the United States. Those tariff regimes range from a figure of 10 per cent, which is at the lowest, to anything up to 50 per cent or a figure even higher. Consumers in United States took a case to the American Supreme Court to challenge the implementation of those tariffs, and they were successful in overturning the tariffs. In response to that, the American government then imposed an across-the-board tariff of 10 per cent. So while we had had an advantageous provision originally, when the original decision was made by President Trump, all of a sudden we were returned to the average of all of the countries. Under American law that could only have been applied for a period of six months, and that six months—

Mr Mina: It was 150 days—five months.

Senator Farrell: I've just been corrected; it was 150 days. At the end of that, when that provision was coming to an end, the United States government then had to find another way of keeping the tariffs. They chose to go down the path of examining the responses of countries to modern slavery. Again, they made an almost universal application of modern slavery against every country in the world and lifted the tariff to 12½ per cent. Countries like Australia, the United Kingdom and New Zealand were all lumped in a similar category. Interestingly, countries like Pakistan and Bangladesh were exempted from that higher increase.

We continue to argue against that uniform application. The point I make on the distinguishing factor between what happened in China and what is now happening in the United States is that the United States are applying these tariffs right across the board as a policy position to reintroduce tariffs. That wasn't what was happening in China. But, Senator Canavan, despite all of those tariffs being applied, our exports to the United States have gone up by 67 per cent. Despite the application of these tariffs, Australia has managed to increase our exports to the United States.

When I was talking to Senator Roberts a bit earlier, I referred to the fact that last year's was a record figure for trade, at $1.37 trillion. One of the reasons for that higher increase in our trade figures is the fact that we have been able to increase our exports to the United States. How have we done that? Well, Senator Canavan—I know you're looking a bit bored there—the reason that we have been able to do that is our three largest exports, in terms of both volume and value, are beef, gold and copper, and all of those three products enter the United States tariff free. Whereas the other products that we sell into the United States are subject to a 12½ per cent tariff or higher—as in the case of steel or aluminium, 50 per cent—those products, which represent both higher value and higher volume, have given us that figure of 67 per cent.

Why is beef such a significant contributor? The American beef stock, because of drought, is very low. They've in fact even invited other countries to increase the amount of beef exports. You'll have seen a figure of 300,000 tonnes made available to, particularly, the South Americans. The net result is that we are increasing our exports to the United Kingdom. I met CSL, one of the companies that export significant amounts of product into the United States. They believe there's an opportunity to increase exports in their space. We're doing everything we can—and I think, having met with the meat industry today, they're appreciative of the efforts the Australian government is going to—but there's certainly more work to be done in that space, and we don't resile from that for one moment, Senator Canavan.

Senator CANAVAN: I was looking a bit bored because you've described what happened but you haven't answered my question. Why haven't you been able to get the same lower tariff that the UK and other countries have got on these across-the-board tariffs on forced-labour issues?

Mr Mina: I think here we have to talk about the US's approach to the test and the thresholds they were applying in respect of what they wanted to see from partners on dealing with modern slavery in their supply chains. The US was very clear they opposed a binary test. Either one has a blanket import ban or one doesn't. What we've been trying to argue to them—and we're continuing to press this case—is that we have a different approach. We have the same policy objective to remove modern slavery from supply chains. As I think we discussed last time, we are emphasising to them that we have a different approach which relies on business-based

accountability mechanisms. In fact, there are many aspects of our approach that are more effective, because you can reach higher up supply chains, identify risks and deal with them at their source.

We've also in the last couple of months—and, again, this is at the highest levels; the Prime Minister and the minister have been making these points—introduced a legislative reform package that goes to higher and more serious civil and criminal penalties for offences, particularly for companies with revenues over a hundred million dollars. We've introduced that into the discussion with the Americans. Minister Farrell was able to do that in his last discussions, not only in Milwaukee but actually back in August. We have been continuing to advocate on the effectiveness of our reforms, which are obviously yet to be brought into force, but we will be pressing for the Americans to recognise those reforms, as the Prime Minister has done.

Senator CANAVAN: To make it clear, I don't blame the minister or the government for not getting a better deal. The primary blame for these tariffs is with the United States administration, clearly. But I think the last 10 minutes or so that we're not going to get back demonstrate how absurd it is to blame the former, coalition government for China's actions. The people responsible for increasing protection are the countries that do it, and I'm not going to run down our country or our officials by making these sorts of things political. We should stand together when action like this is taken. That's the point I was making. Thank you. We might move on, given the time.

CHAIR: I have one or two questions with respect to the EU deal and Victoria, given I'm a very proud Victorian. How will the agreement support the European investment in Victoria's priority sectors such as life sciences, renewable energy and defence industries?

Ms Raper: Many of the benefits we talked about earlier will, of course, also benefit Victoria, but, to drill down a little bit on key Victorian exports, we will see under this FTA the elimination of tariffs on key Victorian exports, such as 12.8 per cent on chemicals and pharmaceuticals, 14 per cent on machinery and electrical parts, 12 per cent on textiles and 4.5 per cent on auto parts. On agriculture, the outcomes that we referred to earlier on beef, sheepmeat, wine, wheat and barley will also benefit Victoria. We haven't talked too much about tree nuts, but there is an almond tariff elimination of up to 5.6 per cent. On seafood, Victorian mussels will benefit from the elimination of a 10 per cent tariff, and 11 per cent for abalone.

Of course, we have one market access for Australian cheese into the European market, which is often overlooked in the discussion on dairy and the FTA. So we will see the elimination of EU tariffs on cheese—which are extraordinarily high, as I think Deputy Secretary Mina referred to earlier—with $3,872 a tonne eliminated within three years, which is an amazing opportunity for Australian cheese exporters. We also have benefits, of course, for the Victorian services exporters, particularly priority areas there. Some of them I referred to before, such as education and tourism, but also digital services, financial services and environmental services will benefit Victorian services exporters. Those are a few of the highlights that I think will be particularly interesting to the state of Victoria.

CHAIR: Victoria is also Australia's second-largest service exporter. How will the agreement, including the new Innovation Mobility Pathway, help Victoria's universities, researchers and service providers grow in the EU market?

Ms Raper: The Innovation Mobility Pathway is a new mobility initiative under the agreement that will make it easier for researchers and technicians to travel to and work within the European Union. It is particularly directed at people with experience in areas such as advanced manufacturing, AI, computing and communications, biotechnology, gene technology and vaccines, energy, the environment, quantum sensing, robotics and space. There are quite a few industries there that are important in the Victorian market. What it will mean is that they will be able to travel to and work in the EU in order to undertake their research. Our researchers will be able to stay in the EU for up to nine months while they get that started and be able to travel across the European Union states. Also, importantly, they will be able to have their qualifications recognised throughout the EU. As I mentioned earlier, recognition of qualifications in one EU member state will mean that they won't need to be requalified in another European Union member state.

CHAIR: Are degrees recognised or—

Ms Raper: Professional qualifications, such as being an engineer, for example.

CHAIR: I assume you've got a broader list with those qualifications that you might be able to supply the committee.

Ms Raper: There's no set list. It's essentially any qualification where you need to get a certification that you have met the standard. Once you do it in one member state, there'll be no need for requalification in the others.

CHAIR: Excellent. I'll finish on this one then. Victoria, as we know, has a very strong and proud pharmaceutical and advanced manufacturing base. In light of the events that are occurring at the moment around the world, particularly the removal of tariffs of up to 12.8 per cent on pharmaceuticals and 14 per cent on machinery, what opportunities do these present for Victorian manufacturers? Is there anything from that that you're able to add in terms of what will help our pharmaceutical industry?

Ms Raper: I think it essentially levels the playing field with our competitors who already have free trade agreements into the European Union, who are not currently paying those tariffs on their exports. It means that Australian and Victorian pharmaceuticals and machinery will gain more market access share into the European Union.

CHAIR: Is that machinery not just for manufacturing but also for agriculture or other—

Ms Raper: Yes, it will extend to agricultural machinery as well.

Mr Mina: If I can add, this is one of the best examples of how the Horizon Europe agreement and the free trade agreement work together. We all know the biomedical capabilities of Victoria, and we also know about the extraordinary research links that the European research community have with Melbourne and the biochemical and biomedical vicinity of Melbourne. This is an area—not just the tariff liberalisation to which Ms Raper has referred but also the Horizon Europe linkages—that we'll be able to reinforce here and will give an economic dividend to Victoria's medical industry and pharmaceutical industry.

CHAIR: Mr Mina, I thank you and your team for tonight. I believe there are no other questions for the Trade portfolio within the department, so thank you to you and all your officers for your appearance this evening. You are free to go home!

Export Finance Australia

[21:28]

CHAIR: I now welcome John Hopkins, Managing Director and Chief Executive Officer of Export Finance Australia and officers of the agency. Good evening. Do you have an opening statement tonight?

Mr Hopkins: I do.

CHAIR: Is it something that you might be able to table, and we could circulate it to the committee—just in the interests of time?

Mr Hopkins: If that's your preference?

CHAIR: We only have half an hour left, so that would be my preference—

Mr Hopkins: I would be happy to do that.

CHAIR: unless there is something that you need to flesh out from your opening statement. Are you happy to table it?

Mr Hopkins: Yes.

CHAIR: We'll get that circulated. Senator Canavan

Senator CANAVAN: I'll try to be very quick, given the time. I'm sorry about that. I just had some questions on the fuel and fertiliser fund. What are the realised losses so far under that facility?

Mr Hopkins: The cost to the government to date is approximately $250 million to $350 million.

Senator CANAVAN: What was the total value of the contracts that we underwrote?

Mr Hopkins: The total value of the facility as a whole was $7.5 billion, but the maximum value of the contracts that we entered into was about $2.9 billion.

Senator CANAVAN: So the losses have been 10 per cent or so—

Mr Hopkins: significantly less.

Senator CANAVAN: of that. Well, it's a fair loss, but okay. Things, I suppose, weren't necessary. There have been a lot of complaints that the facility did favour some importers of fertiliser compared to others. Have you received those complaints? How have you responded to them?

Mr Hopkins: I'm aware of the complaints of industry, but, again, we executed on the facility per the directions of the department that we engaged with.

Senator CANAVAN: Did you take any specific action to, say, the complaints raised by Fertilizer Australia? I believe they wrote to Minister Collins on 4 May. Was any action taken subsequent to that?

I think it's important to note that we are still engaged with companies under the broad auspices of the facility. Although the facility is currently paused, there are a number of companies that we are still engaged with should the facility be revived again.

Senator CANAVAN: Alright. I will put a lot on notice. There have also been complaints that it's had impact on competition. Have you or is anyone else in government looking at those issues?

Mr Hopkins: We engaged both with our external legal advisers at the time we were going through the process of delivering under the facility on competition issues and also with the ACCC, as did relevant departments throughout the process of delivery under the facility.

Senator CANAVAN: Did that include discussions with the ACCC?

Mr Hopkins: It did.

Senator CANAVAN: Did the ACCC raise any particular concerns on how the facility was being operated?

Mr Hopkins: The ACCC provided some guidance as to how we should be engaging with companies, and we follow that guidance.

Senator CANAVAN: What changes did you make as a result of that ACCC guidance?

Mr Hopkins: There was no change required. It was just guidance, and we had already been following that guidance, so we just took note of it.

Senator CANAVAN: Okay. The scheme is now suspended, I believe. When was that done, and who made the decision to do that?

Mr Hopkins: I don't have the exact date. It was probably a month or so ago. We can get you the exact date on notice.

Senator CANAVAN: Okay. Are you aware that the Ridley group in its financial statements has said—I am quoting the CFDs, referring to the arrangements contracted with the government here, or the EFA: 'The CFDs had a favourable market value of $53.6 million at 30 June 2026'. Are you aware of Ridley reporting those results?

Mr Hopkins: I'm aware of that Ridley reporting, yes.

Senator CANAVAN: Does that mean they've made $50 million from a government facility?

Mr Hopkins: How they report these matters in their accounts is a matter for Ridley. As I said to you, we've outlined what we think the approximate costs are of the facility to government. Ridley has its own separate accounting and obligations.

Senator CANAVAN: Have you done any investigations to see if this facility has led to windfall profits to individual companies and what could be—

Mr Hopkins: The facility is not designed to provide windfall profits to companies.

Senator CANAVAN: I know it's not, but have you looked at whether it has?

Mr Hopkins: We have been operating the facility in a way that does not provide that opportunity for companies. Whatever companies are doing to create profit is not as a result of the facilities that they have entered into with us.

Senator CANAVAN: Ridley says they've made $50 million out of this, but you haven't done any investigation to see whether or not—I'm not saying you intended to deliver such a gain, but you haven't actually looked to see whether, unintentionally, some companies have received windfall profits?

Mr Hopkins: It's not my responsibility to look at the accounts of Ridley. That's a matter for them.

Senator CANAVAN: I would have thought it was a responsibility of the government to make sure we don't inadvertently provide windfall profits. We'll have questions on notice, and I apologise for the time. There's a lot on other issues tonight.

I want to ask about an investment I think Export Finance Australia is made into the Emerging Africa and Asia Infrastructure Fund. Could you tell me a bit about that?

Ms Copping: That was a loan under our Indo-Pacific infrastructure mandate. It wasn't an equity investment.

Senator CANAVAN: And how much was it?

Ms Copping: I might have to get back to you on that. If you just give me a couple of minutes whilst you keep going with questions, I should be able to respond.

Senator CANAVAN: Alright. By the look of my research, it looks like $154 million. What is that going towards? What's the loan for? What's it building?

Ms Copping: That loan is for financing of infrastructure in South-East Asia.

Senator CANAVAN: So not Africa at all?

Ms Copping: No, it's not for Africa. In fact, the financing is conditional on it being used for South-East Asia.

Senator CANAVAN: Okay. What sort of infrastructure is it investing in?

Ms Copping: The expectation is that it will include a range of infrastructure, including energy, transport and logistics.

Senator CANAVAN: Is it restricted to renewable energy?

Ms Copping: No, it's not.

Senator CANAVAN: It can be used for gas?

Ms Copping: No. That financing is provided on our commercial account, and we are unable to finance fossil fuels.

Senator CANAVAN: So it can't do coal either.

Ms Copping: No.

Senator CANAVAN: Can it do nuclear?

Ms Copping: It's not what they're looking at; that is my understanding.

Senator CANAVAN: Okay. I'm trying to think what else there is. So it can't do coal, it can't do gas, it can't do nuclear. Can it do hydro? I suppose that's still renewable.

Ms Copping: Hydro theoretically could be included, obviously subject—

Senator CANAVAN: And wind and solar. So are there any non-renewable sources that it can invest in?

Ms Copping: Energy transition can include a range of things, including transmission lines and other forms of energy requirement or energy transition, not just generation.

Senator CANAVAN: But on the energy generation side, there are no non-renewable sources that it can be invested in.

Ms Copping: We are unable to finance fossil fuel transactions, and that includes generation.

Senator CANAVAN: Is there any benefit to Australian businesses from these projects?

Ms Copping: South-East Asia is an important market for Australia, and a key part of what we do is support trade and investment, as you know. When we look at providing this financing, yes, we're looking at financing sustainable infrastructure, but we're also looking to build long-term commercial relationships and investment pathways for Australian companies, and we expect that there will be additional opportunities for Australian businesses as a result of the financing and investing that we make into the region.

Senator CANAVAN: Have we established how much it was exactly?

Ms Copping: Sorry, I'll have to get back to you on that one.

Senator CANAVAN: Okay. On my figures, it's $150 million, which is a lot of money. So are there any specific Australian businesses that have benefited? Sorry, have you got that figure?

Ms Copping: I can confirm that it is $155 million.

Senator CANAVAN: That's a fair amount of money. Can you point to any specific Australian businesses that have benefited from this investment of $155 million?

Ms Copping: Not specifically in terms of content; however, as we said, this financing and investing creates additional relationships and commercial opportunities in the future for Australian businesses.

Senator CANAVAN: Okay. Thanks, Chair.

CHAIR: Excellent. Senator Whitten, I understand you've got some questions. In the interests of time, if you could be quick, that'd be great.

Senator WHITTEN: I'll be as quick as I can.

CHAIR: I know you will.

Senator WHITTEN: Could you please confirm the reported transaction amounts from your transaction register for financing renewable energy projects from your commercial account: $258.62 million for Power Finance Corporation Limited in India, which is Indian government owned; $104.04 million for GOP Assets Proprietary Limited in India, Indonesia, Malaysia, Philippines, Thailand and Vietnam; Singapore incorporated, registered on 21 March 2025, Global Infrastructure Partners became a wholly owned subsidiary of BlackRock;

$75.41 million for Gulf renewable energy company; I've got a supply agreement with Goldwind in Thailand; from the National Interest Account, $77.07 million in equity transaction involving Pentagreen PGC Green Investments, Indonesia, Malaysia, Philippines, Thailand, Vietnam; and $175 million to IMF investors as part of the South-East Asia Investment Financing Facility to finance the renewable energy transition in South-East Asia—giving a total of $690 million. Is everyone okay with spending $690 million on renewables projects in foreign countries?

Mr Hopkins: One of our mandates is to support South-East Asia and infrastructure in South-East Asia that has an Australian benefit. Some of the transactions that you're referring to are part of that broader mandate. Again, some of those transactions, as you've mentioned, are commercial account transactions. They're done on a commercial basis, so we actually derive revenue from those transactions, which, again, is pumped back into our business to help support more Australian exporters. There are opportunities in South-East Asia that, as my colleague said, provide a commercial opportunity pathway for certain companies but also deliver a commercial return to the organisation, which we then realise as profit and can then pump back into the business or deliver as a dividend back to government.

Senator WHITTEN: Yes, I'm all for Australia making money, but are there any Australian companies involved in any of these?

Mr Hopkins: Some of the investments that we made are Australian investment funds and/or are owned by Australian entities, like superannuation funds.

Senator WHITTEN: What proportion of the financing of these transactions directly supports Australians?

Mr Hopkins: We have some detail. I think we did some analysis following the last Senate estimates session that we had, where approximately, in terms of value, 84 per cent of the value of transactions that we engage in have direct Australian support.

Senator WHITTEN: Are you a secured creditor in any of these transactions?

Mr Hopkins: Most of our financing involves some form of security, yes.

Senator WHITTEN: Okay. That's all; thank you, Chair.

CHAIR: Gee, that was quick. I'm glad you read my brief and memo. Good on you—you get a gold star! I appreciate that, Senator. On that note, I'm going to say thank you very much to you and your agency, John.

Australian Trade and Investment Commission

[21:40]

CHAIR: I now welcome Dr Paul Grimes PSM, Chief Executive Officer of Austrade, or, officially, the Australian Trade and Investment Commission. Good evening, Dr Grimes. Do you have an opening statement?

Dr Grimes: No opening statement from me.

CHAIR: Fantastic—music to my ears. Senator Bleyer, off you go.

Senator BLEYER: I have some questions around the promised cuts to working holiday-makers and how it impacts the tourism industry. Do we need to have a change of panel? Thank you for stepping up.

Dr Grimes: Yes, we'll bring the appropriate officers to the table.

Senator BLEYER: Tourism businesses and working holiday-makers have been unfairly included in a political campaign to cut the overseas migration rate. Did you give input prior to the promised cap and ballot system being proposed?

Mr Dowie: The answer to your question is: yes, we did provide input to government.

Senator BLEYER: Briefly, in the time available, can you summarise the input, please, that you gave, having regard to the impact that it would have on the tourism industry in this country.

Mr Dowie: We did provide advice to government on the impact that it would have. Given we did provide advice to government as part of a deliberative process, I'm happy to take on notice what we are able to share with you about what we were able to provide.

Senator BLEYER: Did your input include that it would have an adverse impact on the tourism industry in this country?

Mr Dowie: We looked at what the impact of it would be, particularly around the expenditure from that group, as well as what a potential labour supply impact would look like.

Senator BLEYER: And that it's likely to have a $1.6 billion adverse impact per year on the tourism industry in Australia?

Mr Dowie: I'm aware that $1.6 billion figure has been put forward by some industry groups—about what their assessment of the impact of it would be.

Senator BLEYER: Australia's leading industry group.

Mr Dowie: Well, as I say, I'm aware—I think that that particular analysis has come from the Australian Tourism Industry Council as to what their assessment of the impact of the change would be.

Senator BLEYER: I crunched their numbers, and it added up to me. Did it add up to you?

Mr Dowie: As I said, that's a matter for them in terms of how they calculated that particular number and—

Senator BLEYER: What do you think about the number?

Mr Dowie: That's a number that ATEC have calculated, so I'm not in a position to speak about how they've done that.

Senator BLEYER: It makes sense, when they set out the bases, to arrive at that figure, doesn't it?

Mr Dowie: What I'd say is that I think it's worth while looking at what the change that government did announce was. In particular, some of the main changes that we're seeing here that Minister Burke has announced are the introduction of caps and ballots for the second and third years of the Working Holiday Maker program. In particular, what Minister Burke has announced is that there will be a reduction of 38,000 visas, based on current figures, in year 2 and year 3 of that program.

Senator BLEYER: An almost 50 per cent cut to working holiday-makers—that's right, isn't it?

Mr Dowie: I think it's important to distinguish the difference between the entire Working Holiday Maker program and the changes that have been announced to the second and third years of the program.

Senator BLEYER: Overall, in any given three-year period, it's almost 50 per cent, isn't it?

Mr Dowie: I don't think it's almost 50 per cent in terms of the entire program. I think at the moment—I can check some figures from the Department of Home Affairs—there are about 225,000 Working Holiday Maker visas that are in the country as of June of this year. That 38,000 figure, as I said, only relates to the second and third year of the program, not the first year of the program, which is where the majority of Working Holiday Maker visas are granted.

Senator BLEYER: I'm not sure that's right, but what modelling have you done on the impacts to the Australian tourism sector from these cuts to backpackers?

Mr Dowie: To be clear, as I said, there were changes to the Working Holiday Maker program that Minister Burke has announced.

Senator BLEYER: What modelling have you done? Have you done modelling?

Mr Dowie: We've estimated, to our best ability, what we think the impact of that will be, and that was the basis upon which we provided advice to government.

Senator BLEYER: What's your estimate of the impact?

Mr Dowie: As I said, that full estimate was the subject of advice that we did provide to government.

Senator BLEYER: You have done modelling—

Mr Dowie: We have done an assessment of what we think the impact—

Senator BLEYER: so you're refusing to answer the question on what reason or basis?

Mr Dowie: As I've said to you, we've provided advice to government about that. I'm happy to take on notice what we are able to provide from that advice, but I think it's worthwhile to share some observations around some of the things that we know from the Working Holiday Maker program. As I said, there'll be 38,000 fewer second- and third-year visa holders once the ballot is applied—

Senator BLEYER: I'm sorry to interrupt, but I am aware of the changes. I'm specifically interested to talk to you about the impact that it will have on the fabulous tourism industry in this country, particularly Tasmania. Tasmania is 16 times more reliant on backpackers than any other part of Australia. If we can turn to UK working holiday-makers, they are excluded from these promised cuts to backpackers, but they're not required to perform any work in regional Australia. If we said that we will impose a requirement on UK backpackers to perform work in regional Australia and they continue to be uncapped, all we're going to be doing is discriminating against backpackers from other countries in favour of UK working holiday-makers, aren't we?

Dr Grimes: I think it's appropriate to focus on the different elements of the impact on the tourism industry. One is the impact on expenditure in tourism, but fundamentally I think the—

Senator BLEYER: My question is about UK working holiday-makers. We don't have much time, and I'd like my question answered, please.

Dr Grimes: I understand. In fact, I was hoping to be helpful.

Senator BLEYER: I would like my question answered, please. It was about UK working—

CHAIR: The witness is trying to. Let's let Paul provide an answer, and then we'll move on. Paul, continue please.

Dr Grimes: One of the things that is a point of focus is the impact on labour supply. Mr Dowie would be able to give you an indication of the broad impacts on labour supply and how that compares with labour supply to the tourism industry in total, which I think was the thrust of the question you were getting at. The second question you were asking, about fairness, is really a matter that isn't about the tourism portfolio but would rather be one to be directed to the Department of Home Affairs.

Senator BLEYER: We also have the PALM scheme in this country. The PALM scheme has a lot of limitations that don't make it enthusiastically embraced by the tourism industry—like minimum hour obligations, where the employer continues to pay the costs of the PALM scheme visa holder even if they can't give that visa holder work, because our tourism industry is so heavily reliant on casual workers during the warmer and busier months. So it's correct, isn't it, that the tourism industry does not embrace the PALM scheme?

Mr Dowie: I think there are a variety of views from the sector about the PALM scheme. I don't have the exact figures in front of me, but from my last recollection there are over 600 workers working in the accommodation sector under the PALM scheme. We'd have to get advice from the department of employment, which I think runs that program, for the precise figure for you.

Senator BLEYER: The unfairness that would be attached to using UK working holiday-makers to meet the needs of our tourism industry and the unhelpful way that the PALM scheme applies to our tourism industry takes us back to needing to keep the current rate of backpackers, doesn't it, to be able to properly support our thriving tourism industry in this country? You agree with that, don't you?

Mr Dowie: I think you're asking me to express an opinion on various aspects of government policy.

Senator BLEYER: Having regard to those facts, you'd be aware of how reliant our tourism industry is on backpackers and you'd be aware of the unfairness and the limitations to which I've referred to other options that might otherwise be available. So doesn't that take us back to the fact that our tourism industry depends on backpackers and needs to continue to do so?

Mr Dowie: Certainly, the tourism industry does utilise backpackers for aspects of its labour force. I'm happy to take you through what our data says about that.

Senator BLEYER: Go ahead.

Mr Dowie: What our data from the international visitor survey suggests is that around 86 per cent of first-year working holiday-makers undertake some form of work when they're in the country. Our survey also says that, of those that do work, approximately 40 per cent work in the tourism sector.

Senator BLEYER: Speaking of surveys, are you aware of ATIC's survey, the Australian Tourism Industry Council's survey, that was undertaken in September this year, which was an opinion poll of 1,000 Australians, where 72 per cent considered working holiday-makers to be not migrants but tourists travelling around Australia and earning money to put back into our regional communities to pay their way through their holidays and 76 per cent supported working holiday-makers staying longer to travel and work across regional Australia. Only eight per cent supported the changes that are intended to be made to decrease the rate of backpackers to almost 50 per cent. Are you aware of that poll?

Dr Grimes: I think this is going into matters that are really for the Department of Home Affairs, not for the tourism portfolio.

Senator BLEYER: You play an advisory role to the decision-maker, being the government.

Dr Grimes: Indeed, and, as Mr Dowie indicated, we're happy to be helpful in providing you with information on the labour force impacts of the changes.

Senator BLEYER: I'm very grateful for the advisory role that you play on behalf of our tourism industry for our government, so I'm interested to understand if you are aware of this poll, because of course polls like this would inform the advice that you give to our decision-makers in this country.

Dr Grimes: But, fundamentally, the question is going to matters for the Department of Home Affairs rather than for the tourism portfolio. As I mentioned a moment ago, the principal impacts from our perspective are on labour supply.

Senator BLEYER: When you give advice to government, is it motivated by the best interests of the tourism industry in this country?

Dr Grimes: We're a Public Service agency, so we're motivated by the public interest. One of the reasons why we created, within Austrade, the Office of Tourism and the Visitor Economy was precisely to ensure that there was a strong capability within the Australian government to provide advice on the tourism industry and to liaise closely with industry. We take that very, very seriously—indeed quite passionately—but we are very mindful of the fact that, as public servants, our focus is on the public interest in general.

Senator BLEYER: The public interest, from all of the matters to which I have referred this evening, clearly supports keeping the rate of backpackers at its current rate so we can properly support our tourism industry, doesn't it?

Dr Grimes: I'll take that as an expression of opinion. As I said, we're here to assist you with matters relating to tourism.

Senator BLEYER: And matters that are in the public interest, so I was then testing what you consider to be in the public interest if that's your motivation—

Dr Grimes: It's well established that it's not the role of officials to be providing matters of opinion before estimates committees.

Senator BLEYER: That's not what I was asking. They're my questions, Chair; I'll give someone else a chance in the next five minutes. Thank you very much for answering my questions.

Senator CANAVAN: We have one more witness, don't we, Chair?

CHAIR: We do, but I doubt we'll get to them.

Senator CANAVAN: I've just got one question then. On the follow-up from Senator Bleyer, you mentioned that most of the visas are year 1. The problem, though, is—this is the feedback I've got from employers; I've spoken to quite a few backpacker workers themselves—without the incentive of year 2 and year 3, either they're not going to come here or, if they do, they won't go to the rural and remote areas, because there's not the same guaranteed incentive for them. Have you looked at the effect of the ballots and caps on whether or not people come here for year 1 in the first place?

Mr Dowie: We've been able to look at the changes about what our—let me rephrase. We've been able to provide what we think the impact of these changes is, based on what our data tells us about what people are currently doing at the moment. So, in terms of any behavioural change that there might be as a result of this—for example, as you've mentioned, are fewer people going to work in regional areas as a consequence of this?—we've not been able to model or to estimate that with any degree of certainty, because there hasn't really been a benchmark for us to use, because this is—

Senator CANAVAN: Certainly, the colloquial feedback I'm getting—but alright. Sorry to cut you off, but, given the time, I think we—if it's okay, Chair, I've got some similar questions for Tourism Australia.

CHAIR: Okay. Thanks, Paul and team. We'll now welcome Tourism Australia. Hurry up! Sorry, we've only got four minutes. Mr Mack, if you have an opening statement, could you please table it. It will be circulated to the committee. Senator Canavan.

Senator CANAVAN: First of all, following on from that discussion, which I think you were in the room for, the tourism industry is up in arms about these changes to working holiday-maker visas. Have you done any work on assessing what the impact will be and whether their claims are correct?

Mr Mack: For us at Tourism Australia, we're a demand-generating agency, so it's not our role to work on modelling. That's what our other agency partners will do for us, in that sense. We focus on marketing and what we can do to create demand. We do liaise with our industry quite extensively in our work, through conferences, events and one-on-one engagement. We share feedback we get from our industry with our stakeholders, yes.

Senator CANAVAN: Tourism Australia has previously identified that working holiday-makers are among Australia's highest-value visitors, contributing $3.2 billion back in 2019. If fewer of them come here, what's going to be the impact on our local tourism industry?

Mr Mack: In terms of the modelling, that's not, as I said, something that we do. For us, it's about demand generation. We talk to a number of high-yielding traveller cohorts. Working holiday-makers are one of those, as

are business events and as are leisure travellers—those that are coming for a holiday or visiting friends and relatives. So it's a broader group that we put under the umbrella of high-yielding travellers.

Senator CANAVAN: Did the government ask Tourism Australia for any advice on the impacts of a ballot and a cap system?

Mr Mack: Our role as an agency is not to advise on policy. But, as I said, in terms of when we get feedback from industry, that's what we share.

Senator CANAVAN: Did the government ask you for any advice in this case?

Mr Mack: I guess we might have shared it ahead of being asked, but we certainly have continual dialogue between our minister's office and ourselves.

Senator CANAVAN: Another issue for the tourism sector I'm hearing about is that the fuel crisis has made it very difficult for those exposed to international tourism, given that the costs of getting here have gone up. Do you do any work on trying to help or promote that Australians holiday at home as a cheaper alternative?

Mr Mack: From our perspective, we don't focus on domestic tourism. We're solely focused on international, inbound tourism, so we leave the domestic work to our states and territories.

Senator CANAVAN: Has Tourism Australia ever done work on inbound tourism or domestic tourism?

Mr Mack: Domestic tourism—we have in the past, yes.

Senator CANAVAN: There's been no reflection on there being maybe a shift to that, given the high transport costs since the Iran crisis?

Mr Mack: The last time we were involved in it was during COVID, when borders were closed. We were looking at it then. Our state and territory partners do a great job in that space for us. While costs are going up—you're right about the impact on fuel prices and airfare costs—the demand is still there. People are still wanting to travel. We're trying to grab that share of international visitors because, when they come, they support our industry in a greater way than domestic travellers. They'll stay longer, they'll spend more, they'll stay mid-week and they will disperse widely. So that's solely our focus, and we maintain that focus.

Senator CANAVAN: Is that a decision you can make—about domestic tourism—or are you directed by government on where to focus?

Mr Mack: We'd be directed on that.

Senator CANAVAN: Okay. Thank you, Chair.

CHAIR: Thank you, Mr Mack, and thank you to your team. That concludes today's proceedings. The committee is due to recommence its examination of estimates tomorrow, with the Department of Defence. I want to thank ministers Wong and Farrell; all the officers; the Department of Foreign Affairs and Trade and their agencies; and all the witnesses. Thank you also to Hansard, Broadcasting and the secretariat.

Committee adjourned at 22:00