NEWS

Committee chair Julie Owens (Parramatta, NSW) also said the bill would put Australia at risk of a World Trade Organization dispute with Malaysia and Indonesia, and threaten labelling harmonisation arrangements with New Zealand.

"We understand the strong feelings in the community about palm oil and any link it may have to deforestation and the reduction of orang-utan habitat," Ms Owens said.

"But the bill will not fix the problem. Instead, it will harm our international relationships with New Zealand, expose us to a WTO dispute, and threaten nationally uniform laws that annually save billions of dollars in costs for consumers and businesses.

"A long-running review sponsored by COAG is already looking into this. We should let the review run its course."

Coalition committee members issued a dissenting report noting the government supported the bill until recently and recommending the bill not be passed at this time in light of the government's stance.

Greens MP Adam Bandt (Melbourne, Vic) also released a dissenting report questioning why the bill lost support after passing the Senate.

"It is disappointing that the government is not prepared to support this bill and that the Coalition has altered its level of support," Mr Bandt said.

"If there are, as the government alleges, barriers to the parliament passing the bill, then the government has the power to remove those barriers, and should do everything necessary to enable labelling of palm oil and the passage of this bill.

"Further, the review of food labelling law and policy has been underway for two years and the rate of reform is frustratingly slow.

"The main driver for food labelling should be conveying information that enables consumers to make informed choices, rather than the demands of the food industry." •

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DEFENCE DIGITAL MEDIA

BACK TO BASE: *Maintenance measures to be implemented*

Defence to improve upkeep of bases

Audit recommendations accepted.

The Defence Department has told a parliamentary committee it has accepted the Auditor-General's advice on how to better maintain its vast portfolio of real estate and property worth $20 billion.

The Australian National Audit Office (ANAO) reported that Defence faced a $500 million shortfall over three years in maintaining its 72 major military bases, plus training areas and other military establishments scattered across the country. The annual upkeep of this Defence estate cost taxpayers about $482 million but, according to the audit office, Defence's maintenance management has "not been fully effective".

The ANAO considered Defence should have long-term upkeep plans and condition assessments of base facilities and infrastructure, including engineering services. It warned funding for current estate maintenance was insufficient and this funding shortfall will increase maintenance backlogs and reduce the life of existing assets.

Deputy secretary of defence support Simon Lewis told the Public Accounts and Audit Committee the department welcomed the ANAO report and had accepted the recommendations.

"We will embed the recommendations into our day-to-day processes," Mr Lewis said.

An earlier Defence budget audit report from 2008 described the Defence estate as an "ageing, complex and costly historical legacy in which investment for maintenance had been decreasing since the 1980s". It urged Defence to move to fewer "super bases" if they were consistent with strategic planning requirements.

But Mr Lewis told the parliamentary committee that consolidating military bases around Australia was unlikely to save much money in the short-term and most likely require spending more, not less, during any start-up phase.

The upfront costs would include the buying of new sites, repairing of former Defence sites so they could be sold or used for other purposes, and improving the facilities at existing bases where consolidation was to occur.

He told the MPs there would be savings but they would come further down the track. •

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