

COUNCIL OF TERRITORY COOPERATION

Alice Springs

Monday 23 November 2009

Mr CHAIRMAN: We might get going; we have a lot of speakers today. I have just been given a gentle hint to try to keep on time, so I will do my best. First, before we start, as a council, we would like to acknowledge the traditional owners and custodians of this land we are on, and thank them for allowing us to hold our meeting here in Alice Springs.

I welcome the Central Land Council. I just need to be a little formal before we start as I have to say the following. This hearing is open to the public and is being recorded. A transcript will be produced and will be available to the public. In certain circumstances, the committee may decide that evidence or part thereof can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, but I remind you this is at the discretion of the committee. You are reminded evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record I ask that you state your full name and the capacity in which you are appearing to date. I also ask you state your name each time you speak.

CENTRAL LAND COUNCIL
David Ross, Director
Jayne Weepers, Manager Policy Section
Alyson Wright, Policy Officer
Virginia Newell, Legal staff

Mr CHAIRMAN: So welcome, and I ask David if he would like to give his full name and the capacity in which he speaks.

Mr ROSS: Thank you, Mr Chairman and members, for giving us the opportunity to raise a few issues with you. My name is David Ross, Director of the Central Land Council. I have a number of staff and workers with me today: Jayne Weepers, manager of our policy section; Alyson Wright, who is a policy officer who works for Jayne; and Virginia Newell one of my legal staff from the Central Land Council. We are here in that capacity. I will start off and raise a few issues with you and then go from there if you are happy with that.

Mr CHAIRMAN: I had better introduce ourselves. On my right is Alison Anderson, member for Macdonnell; Michael Gunner, member for Fannie Bay; Marion Scrymgour, member for Arafura; John Elferink, member for Port Darwin; and Willem van Westra Holthe ...

Mr WESTRA van HOLTHE: Close.

Mr CHAIRMAN: Hang on, hang on. I actually even have it written down here. Member for Katherine; he has too many 'Ws' in his name. He is a good fellow. My name is Gerry Wood - I can remember my own name - member for Nelson.

Thank you very much for coming. Just to get the ball rolling, we are, of course, the Council for Territory Cooperation, looking at three issues: SIHIP, the Strategic Indigenous Housing and Infrastructure Program; the local government reform; and *A Working Future* including homelands policy. What we are asking today is how you see the role of the Central Land Council fitting in to one, two, or all of those particular matters.

Mr ROSS: I will do a bit of an introduction from the CLC point of view. There are a number of documents to go with that and follow that up, otherwise it is just too much to go through. So, we will be as quick as we can to try to fit in with your time limits. Are you happy with that?

Mr CHAIRMAN: Yes.

Mr ROSS: Okay Chair, members. The Central Land Council welcomes the opportunity to present to this inquiry. You are all familiar with the role of the land council, the *Aboriginal Land Rights (Northern Territory) Act* and the *Native Title Act*, so we will not waste any time getting into all those details and generalities. We have a lot to say about all aspects of your inquiry: SIHIP, *A Working Future* and the local government reforms.

First though, we will try to provide a context for our specific comments. The last few years have been a period of profound and rapid change for remote Aboriginal communities in the Northern Territory, including:

- the imposition of the NTER measures, most significantly, income management; five year leases; changes to the permit system; store licensing; alcohol and pornography restrictions; and changes to CDEP;
- adoption by COAG of *Closing the Gap* targets; and the national priority community approach to remote service delivery.
- abolition of the Indigenous community health organisations and transfer of management to Aboriginal people;
- application of the Northern Territory *Planning Act* across Aboriginal land, combined with five-year leases, resulting in significant changes in the planning and planning consent processes for remote communities;
- abolition of the community councils and the old association councils in favour of the shires, under the new *Local Government Act* of the NT;
- scrapping of the bilingual program; and
- an announcement of the Northern Territory *A Working Future* program, including the Territory Growth Towns concept in the outstations funding policy.

The Central Land Council is extremely concerned about the community feedback of these changes to Aboriginal communities, families and individuals. The illegal rushing of these policies in coercing people into large settlements, reducing Aboriginal people's participation through NTER measures and reforms of the Labor government.

This investment in homelands will have enormous ramifications. The NTER process, in conjunction with the radical overhaul in community government arrangements, has left Aboriginal people feeling very powerless and hopeless, and is bringing drastic reduction in opportunities at community levels, both men and women, to play a role in governing their communities.

Many smaller communities have no representation on the shire council. The local laws which should be applied in legitimate Aboriginal governments, simply does not seem to be consistent with the obvious need to engage and support local Aboriginal leaders in building a future for their families and communities or, as government puts it, resetting the relationships.

Conversely, the clear intent and result of all the above policies, this has significantly increased the reach, role and power of government in relation to remote Indigenous communities and individuals. Government attention and investments in remote community matters is welcome and necessary, but this presence should not be at the expense of community engagement and community decision making.

All they want is the capacity of individuals to determine their own future. There is the CLP view that the need to recognise and support strong and legitimate community government structures and processes for decision making is now more prudent than ever before.

The Central Land Council's main concerns can be summarised as:

1. The lack of recognition, support and structure for Aboriginal governance and decision making in remote communities.
2. The fact that the community Growth Towns policy has been designed for the Top End and not for the districts of Central Australia who are very concerned for the future, the majority of remote communities, as well as outstations, as a result of the COAG and Territory Growth Towns policy.
3. The Australian government's insistence on 40-year government leases for the construction of new houses, which are then trenching public housing rule. This is against trends from other states that are moving away from public housing to a more innovative mix of social and community housing.

The local government arrangements in the *A Working Future* program require significant reform. We will highlight some of our views and concerns today, and we would also like to table some documents to you with more detail and look forward to having further discussion with you.

Mr WOOD: Thank you, David. Are you going to table those documents?

Ms WEEPERS: The documents we would like to table are the Central Land Council's submission to the Northern Territory government outstation process. A subsequent letter to the Department of the Chief Minister on outstations; and Territory Growth Towns questions and concerns. And also a paper which is soon to be published, that we have commissioned by Mick Sanders, from the Australian National University, on Territory Growth Towns, which you might not have yet.

Mr CHAIRMAN: Have you any questions, member for Macdonnell?

Ms ANDERSON: We have not had a look at the documents yet.

Mr CHAIRMAN: There has been discussion about regional development, and it is an item in the local government reform agenda, and I presume regional development is about creating jobs and employment and opportunities for people. Do you play a role in the regional development plans councils are putting out?

Mr ROSS: Over a number of years there have been many policies, different proposals, and different programs. One council has been working with people in communities, talking about horticulture, agriculture, work we have progressed there. We have been working with the mining industry, and we have people employed through that process. There are several other proposals taking shape in different parts of the Centre through things we are involved in since the demise of the CDEP, and the agreement we have with the current Labor government on the lease back of parks, and the opportunity to get people employed through that process.

There are a number of things which are possible and taking shape, but, at the end of the day, it comes back to the opportunity to get funding to help with different processes. We hear people talking about the opportunity of Aboriginal people to get involved in economic development. I have already mentioned the opportunities the Central Land Council has gone through in putting together an organisation called Centre Farm, to do clearances on Aboriginal land around communities with proven underground water reserves, and the opportunity to do things there. That is moving along; the ability to get an agreement at Ali Curung. I understand the farm has been operating for several years, and they are about to take their fourth or fifth crop off that land.

As you have seen with other types of industries on Aboriginal land, over a period of time in the Territory people come and go. Some people come with opportunities; others have ideas of how they might do things. Until somebody comes to the table and puts concrete proposals on how they might undertake horticulture and agricultural development on Aboriginal land - there have been very few, if any, concrete proposals put on the table. I do not want to go down the path of trying to tie-up some of the land bringing in other developers. There are so many different people out there trying to take advantage that at the end of the day, unless people have something concrete to put on the table in terms of proposals, then we do not really want to talk to people. It is just a waste of time, and we have gone through those processes now a number of times.

Mr CHAIRMAN: You made a statement regarding growth towns, that there was too much emphasis on the north. Does that mean you think there should be more growth towns in the south or do you mean that we do not have them in the right places? When I say we, I am saying the government has not selected the right places or how do you think, if you believe in the growth towns, as a legitimate policy, what changes do you think should occur?

Mr ROSS: There should be a few changes and the people need to be much more involved in the decision making process. I mean, let us take Utopia for instance, an area that has around 900 people, which has never been part of a growth town process, it has not been part of a proper housing process because it is made of a number of different communities, within the one land trust area, it is not seen as a priority for government. Yet, people are living in deplorable conditions, you might say, the houses should have been demolished a long time ago.

There is also Lake Nash, which is something like 700 or 800 people, which is not seen as major area. There are other places that need to be considered and they have been left right out of the picture. We think

there should be much more discussion because this has all been about proposals being taken by someone else and the people on the ground have not even been included.

Mr CHAIRMAN: Are you saying that when the government put its policy together on what growth towns should be included, it had no discussions with the Central Land Council?

Mr ROSS: Certainly not.

Mr CHAIRMAN: Obviously you believe that you should have?

Mr ROSS: We believe there should have been consultation with people in the communities, in terms of what they want.

Mr CHAIRMAN: Do you think the process has gone too far or do you think we could say to the government, report back that we think that before you go down this path any further there should be more consultation?

Mr ROSS: Yes, I think there is a need for a hell of a lot more consultation and you are never going to solve people's problems by making decisions for them. They need to be included in the decision making process.

Mr CHAIRMAN: Overall, do you think the idea of a growth town, that is where at least bring in facilities like hospitals and high schools, is a good concept?

Mr ROSS: It remains to be seen, how that is to proceed, because we have been working with other people on smaller areas, like Willowra for instance, where we have been trying to get up a early childhood training program, and we are having great difficulty getting people to come to the table, to commit about how to take that forward. The nearest place, where these kids could go would be Yuendumu, that is two hours drive to get something like 30 kids, to early childhood and home again in the afternoon, that is just total madness. But the government keeps saying, 'we have this program, etcetera, and we are not going to play ball and it really is confusing and quite schizophrenic on how the government makes decisions.

Mr WESTRA van HOLTHE: David, can I just confirm something that you said before, the policy for growth towns and *Working Future*, that the government did not consult with the Central Land Council in formulating those policies?

Mr ROSS: No, certainly not. There have been discussions since the decision has been made, there has been some discussions, but there were certainly no discussions up front.

Ms ANDERSON: With all due respect to the comment, Mr Ross, I believe, when I when was the former Minister for Indigenous policy, my office did try to get hold of you and the Central Land Council for the briefings on *Working Future*, the message we got back was that you were moving and would not be available for a couple of weeks.

Mr ROSS: That could possibly be correct, but, at that time, the decision had already been made about what the government was going to do and, as you have just said, you wanted to give us a briefing on the decisions that had been made. It was not consultation about where these towns would be, the decision had been made and they were briefings to let us know what the decision was, and how the things are going to take place. We did have a discussion with you previous to that regarding outstations, and you informed us then what government decisions has been made and, how things were going to proceed from there.

Ms ANDERSON: I do not want to sit here, Mr Chairman, and stick up for the government, but what happened at that time - government policy is government policy - the consultations were done. As a former minister, we took a trip out to major communities, and only two out of the 20 growth towns that were left out before I left the Labor Party were Yuendumu and Hermannsburg. So, the consultation process had already gone on in the Top End communities with the Office for Indigenous Policy. An attempt from the office was made to the CLC to have briefings and engagement with the CLC, and it was continuously knocked back.

Mr ROSS: I will have to dispute that, Mr Chairman, because I think any person can see the result that the decision has been made. It was a briefing in the CLC after the event, rather than discussions up-front. If you had done that, maybe make it very clear that (inaudible) Alice Springs or in the Top End and how that was put in place and what has happened with communities and outstations in the Centre. We (inaudible) and the – look, make no bones about it, the government normally makes decisions, consults in the Top End

with the communities in the Top End. That is the way it has been, and the CLC gets tacked on at the end. (inaudible) and it is the structural thing (inaudible) for the government and they come to us after the decision has already been made in the Top End; what is in their best interests, and we get tacked on at the rear end. They said (inaudible) in a priority review where there is (inaudible). So, it is nothing new; it still happens. It is normal procedure again.

Ms ANDERSON: Mr Chairman, can I just ask a question on local government reform?

Mr CHAIRMAN: Can we wait. See if Marion wants to ...

Ms SCRYMGOUR: Just a couple of questions. John?

Mr ELFERINK: A couple of quick questions. I was intrigued by your comments in relation to investment money struggling to meet your benchmarks. So, basically, people come along, offer an idea that has not much concrete to it, so you think to yourself: 'Well, no point going down that path'. The question I have to ask is: what does the CLC do to actively pursue investment money in remote communities?

Mr ROSS: Like I said, we set up (inaudible) for them. We have gone about approving all the – and the Central Land Council has done most of the work previous, in proving up the underground water resources etcetera on Aboriginal land, and help get the Centrefarm up and running. It has its own organisation and its own life of its own. It has been adequately pursuing people to try to bring them into the process. No, I think your interpretation of what I said is incorrect. If someone comes with a proposal, we are happy to have a look at it.

The only people who have come to us recently, with any sort of proposal, was someone who wanted to go down the path of trying to set up and undertake all of the areas on Aboriginal land that was water resources which they then would go out and flog off to someone else. So they wanted to undertake a different purposes. Now, we are certainly not interested in doing that. The landowners do not want to get into that sort industry. That was the basis of that comment.

Mr ELFERINK: Okay, that is fine. What else do you do beyond that to actively pursue investment on traditional lands?

Mr ROSS: Well, we certainly have not been out doing that. The Tanami regional partnership agreement has an employee through the CLC who has been out in the Tanami area actively pursuing people as to whether they want to go into different business and things of that nature. That has a life of its own ...

Mr ELFERINK: How many people does that employ now?

Mr ROSS: One.

Mr ELFERINK: One person. How many jobs have been created?

Mr ROSS: Well, from my knowledge, apart from helping the people involved employed in the mining industry, which is what the Central Land Council does anyway, there has been nothing concrete come out of there, because people need to go through a business process, deal with the NT local business, small business set up, pursue funding and things of that nature to try and create opportunities. To my knowledge, there has been nothing created as such.

The Central Land Council, at the end of the day, is not here to set up and create businesses for people. We are just here to help people manage their land, not to get out there and actually pursue businesses as such, that is not our job, but we will help where the possibilities are on the table.

Mr ELFERINK: Well, the land council has adopted a greater role than just merely as land managers in other areas, including areas of business and, of course, Centacorp stands as an area where the land council has exerted some influence, as I understand it, the relationship between Centacorp heads, which is a successful corporation, as I understand it, it is doing quite well from the little bit of information that I can glean about it and is quite commercially aggressive. So the land council, which I understand provided some form of seed funding originally, and has some sort of directorship role, or members of the land council also have a directorship role in Centacorp. Why is it that the land council says, no, business management is not really our job, and then has such close links to an organisation like Centacorp?

Mr ROSS: Well, let me correct you, Mr Elferink. The Central Land Council, at no point, distributed any funding whatsoever to Centacorp.

Mr ELFERINK: There is a link between Central Land Council and Centacorp?

Mr ROSS: Well, we are just going through a Senate inquiry, and that inquiry will inform you if there may be any links between those two organisations, so I will not go into that.

Mr CHAIRMAN: Can I butt in there. We are drifting I think away from our core and we ...

Mr ELFERINK: I do want to talk about this.

Mr ROSS: We certainly are.

Mr CHAIR: I understand that, but we are mainly talking about SIHIP, local government reform and *A Working Future*, and we only have 10 minutes, so if I could just ask the member for Arafura.

Ms SCRYMGOUR: Mr Chairman, David, when we had our first hearing in Darwin, and I am going to SIHIP and the leasing, I noticed that you mentioned in your opening paragraph that the Central Land Council – when I looked at the matrix that was provided to the committee, they were saying there were a number of section 31 meetings, so all the leases were in sort of limbo, the section 31 leases, which is really to the land council, to happen. Does the Central Land Council have an issue with 40 year leases? I am trying to seek clarification from your opening paragraph where you said 40 year leases versus 10 year leases, in that, whether you could just clarify that part you talked about in terms of leasing in the Centre?

Mr ROSS: We have three proposals from minister Macklin to discuss, with briefing notes, a leasing proposal. Traditional owners in those three communities have been very concerned about the 40 year leases. People who live in those communities, who were born there, have lived there for a long time, and the traditional owners, have huge problems with the idea of a 40 year lease. There (inaudible) are they going to come up and we will go through all the processes.

Mr CHAIRMAN: Do you see that clashing with the concept of a Northern Territory Housing house, that they are hoping will last 40-odd years if it is built correctly, then being on a lease that may be less than that, like 10 years? Do you see this as a problem for NT Housing; they are trying to build a house for the long term, but the lease is only for a short term, or are you saying there should not be any problem renegotiating the short term lease to cover the life of the house?

Mr ROSS: The discussion is to lease for 40 years to the Commonwealth. The Executive Director of Township Lease, who acts on behalf of the Commonwealth, and the agreement with this government is he leases to Territory Housing for 10 years as property managers. Anywhere else in Australia people are going for a different model of public housing, not having the government being the sole operator of public housing. For 10 years the proposal is the NT government, through the shires, will operate it, if traditional owners and the community agree with it. Then you open it up so other people can have an opportunity. No one is saying the Northern Territory government, through its Housing Commission, or the shires, is the greatest public housing operator in the country; other people should have the opportunity to do so. If the community organises itself to be the housing operator, why should they not do it, or why should others not be invited to a tender process? Why does the government want to do it? We are saying, after a period of time, if people agree, this is the process which should take place.

Mr CHAIRMAN: Would not the simple answer be the government owns the houses? They would ...

Mr ROSS: Well, do they?

Mr CHAIRMAN: It is a ...

Mr ROSS: We are talking about Aboriginal freehold land. People received title to this land a number of years ago. Houses have been built; those fixed assets belong to the Land Trust.

Mr CHAIRMAN: I am talking about the new houses they are building.

Mr ROSS: That is a different agreement. This is the process which is being proposed.

Ms SCRYMGOUR: David, are you saying the discussions with the 40 year leases for housing in Central Australia are not negotiated with the Northern Territory government, but rather through the Office of Township Leasing, or with the Commonwealth government, rather than a 40 year lease to the Northern Territory government to allow public housing to be built under secure tenure?

Mr ROSS: The Central Land Council will be talking to the Commonwealth about a 40 year lease. If traditional owners and the community agree with it, then we would be talking to the Commonwealth. The Commonwealth then deals with the Northern Territory government. At the end of the day, it is the Commonwealth putting the money forward. The Central Land Council sees it should be dealing with the Commonwealth. We work under a Commonwealth act; the title is under the Commonwealth, we need to deal with the Commonwealth.

Ms ANDERSON: David, the opening statement you made about the shires and their governing mechanisms, I would like clarity on that. What concerns do you have about the structure?

Mr ROSS: The concerns raised to us, throughout the CLC region, is people used to have their own councils and associations to run their communities. Most of these people are now sitting on the sideline with what money they have being quarantined, no decision making power, a shire manager who, in most cases, sits in the office and does not interact with most people, sometimes waving a big stick at people. This is what is reported back to us by people in the community. Most meetings I go to, whether it is land council meetings, I organised meetings in communities, discussions that we have with people, there are many people out there who are not happy with the shire structure and how it is, there needs to be a rethink, and they need to be involved in the ongoing process. At the moment people are sitting on the side line on day to day decision making and people want a better system than what we have at the present time.

Ms ANDERSON: To follow up first, Mr Chairman, what I gather, as a local member, when I get around to the communities, is that people are not happy with those structures of the shire and that they have, at the community level, some governance structure as well, that beats up to the shires and to the shire council. You are always going to have a handful of people that are going to say that is not working, but these are duly elected people by their communities and by their clan groups. It seems that there was going to be that animosity when the shires were set up against the land council, because of the power struggles. I hear from the people on the ground is that eventually they want to take over the role of the land councils, because your land acquisition, as it expires, with the sunset clause, and it is all just about land management and it should be handed back over to people on the ground and to the shires now.

I am hearing from people that all we have the land mass for now is to die on, and people want to take control at this level. If you have a look at and compare the budget that the NLC and the CLC have, would you not think that there is an Indigenous person that that money, which is about \$16m, if I am wrong correct me, \$16m to run the land council or building that office, would be better off being given to the shires to make sure that the people on the ground, your constituents, my constituents, are benefiting from better health and quality of life.

Mr ROSS: That is a view some people might be giving to you, in your capacity as their representative, but, there are many people, throughout the whole of the Central Land Council region, who have made it clear to us that they are not happy with the shire system. We take in a number of different seats, including yours, and there are many people from your region who have made it clear to us that they are not happy with the set up of the shires, the decision making process of the shires, even the people who are elected members on the shire have been very vocal about these issues. There are more than a handful of disgruntled people; there are a hell of a lot of people who are very concerned about where things are at and how it is affecting them on the ground.

As the land councils, and their acquisition processes cease, I believe that is incorrect. There is another piece of legislation called the *Native Title Act* which enables the land councils, should I say, native title holders, traditional owners to acquire land and titles of land through that process. The land council is a native title representative body under that legislation. There are many other things that take place on Aboriginal land which require a hell of a lot of detailed work and decision making, and in terms of the shires being set up, and power struggles with the land councils, I think you are a million miles from that. We have been having discussions with the shires about other matters, including MOUs, in terms of them and their decision making, the way to operate within communities, to do certain things, to set up the deals within the community, outside the community, they have no powers and functions.

They find they get themselves into a lot of trouble because some shire managers are actually issuing instructions to workers to do other things on Aboriginal land and traditional owners have been very worked

up and quite vocal about letting us know that they are not happy, and want things done about how these people are undertaking their roles and going outside of their functions. There are a lot of other things that we do not make public and have not made public because we are trying to work through these issues and sort them out, because we do not think they are issues that should be out there. It is just going to create more headaches for people. We work through with Indigenous people on a daily basis and we do not think those problems are there.

Mr CHAIRMAN: Just take two more questions, one from the member for Fannie Bay.

Mr GUNNER: I believe this builds on your last answer. In your opening comments you mentioned you felt there had been a lack of recognition as all Aboriginal governance models? I was just wondering how you feel those models would be better adopted into local government forms?

Mr ROSS: I do not think I have the detailed answers to that now. But there are things that people have worked on in the Centre over many, many years in terms of self-governance. This is really the desire of Aboriginal people; to have their own governance. They are things that are certainly discussed with the previous Chief Minister and her representative, who was previously the member for Stuart. They had very involved, detailed discussions with members of the Central Land Council and what was then known CACA about how to go about doing that. That is also another issue of concern for people in the Centre because, all of a sudden, we have gone from having discussions about people having self-governance to having no involvement whatsoever with the shire system. People would like to get back to the table to find a better system of having Aboriginal people involved in decision-making within their communities.

Mr WESTRA van HOLTHE: The member for Fannie Bay actually put that question, I was going to ask – exactly the same question.

Mr ROSS: I just answered your question.

Mr WESTRA van HOLTHE: I do have another one which I can throw into the mix, and it just moves away from shires a bit. You talked a little before, Mr Ross, about economic development on Aboriginal land. What do you see as the greatest impediments, within your area that you look after, to economic development?

Mr ROSS: Do not take this the wrong way, members. One of the things that is very annoying in my job is that a lot of people come along and want to take advantage of Aboriginal people; the opportunities for Aboriginal people to get a better return from their land. All we ask is for people who want to do business with Aboriginal people on Aboriginal land, be serious about what they are doing; bring their money to the table. Right? Aboriginal people are providing the land and water. Yet, we get this attitude that 'You have to have as many dollars as we have'. We have opened the door and say to your agriculturalist or horticulturalist, pastoralists - whatever you want: 'What are you putting on the table?' So, we need an even playing field. In too many cases, people want Aboriginal people not just to only provide the land, the water and, possibly, the labour, they want them to provide the money as well.

If people are serious, bring the expertise and bring your money and we are all happy to try to get people involved in getting some good outcomes. We are interested in doing that, as much as anyone else. But people should be serious about it, and be able to make it happen on the ground, rather than come with this attitude: 'Oh, it is Aboriginal people, we will have a lend of them'. We have too much of that over too long a period. We need people with a better attitude.

Mr WESTRA van HOLTHE: So, you are saying that private enterprises are approaching the Central Land Council and asking you to put up money for them to assist with the development of their business on your land or Aboriginal land?

Mr ROSS: Well, in a lot of cases, people do not come to us direct, they will go to Aboriginal people and say: 'Oh, have we got a deal for you!' There is never any follow through. If you ask them to start putting things in writing so that we can deal with the proposal properly, there is never to be seen. We tend to find people do not have the ability to actually make it happen, so we want people who are serious and who have got money and who show an ability to produce.

Come and talk to us, and we will do everything we can to make a better outcome that is in everyone's interest. At the moment, the only real people who are willing to do that are the mining companies. The rest of them, you know, there are plenty of other bidders, but nothing real.

Ms SCRYMGOUR: One quick one following up from SIHIP. With local government, David, are you able to tell me how many, with the both shires, I think there is the Central Desert Shire and there is, how many shires are there?

Mr ROSS: Four.

Ms SCRYMGOUR: Four. Out of all the shires that are in the Central Australian region and that operate within the land trust area, how many leases have been entered into, leases and licences, by the shires with the land council for activities on Aboriginal Land?

Mr ROSS: No requests.

Ms SCRYMGOUR: No requests for any activities.

Mr ROSS: There has been some discussion, but nothing on the table.

Mr CHAIRMAN: Thank you very much. As we say to everyone, we are coming back. This is an ongoing process and, unfortunately, we are trying to bring a couple of the world's problems into a fairly short time, and obviously we will not. I should make a point that I am interested in other forms of, perhaps ownership of houses, and I mentioned an area that I have been looking at in relation to community land trusts. If the community owns the land, and the person can still build a private house upon that land, the pay a rent to the people that own the land. That is a model that is in America, it is another model that we could use as well. I would be very interested in listening to other options, because I do not believe public housing is going to solve the problem of overcrowding because it does not happen anywhere else, so I am sure we will be back after many more questions. I have a lot more people coming today to talk about the issues.

I would like to thank you very much for giving up your time. We will be back, even those in the north actually do love the Centre.

I forgot to make a statement before. In relation to the meeting we had at Tennant Creek last Thursday, there was a report in the paper in regard to the member for Macdonnell. It is saying that the member for Macdonnell was only at the meeting for two-and-a-half hours; that was incorrect. The member for Macdonnell attended a tour. We started at 8.30 am, and she finished her tour, or she finished at just after 2 pm. I would like to put on the record that the member for Macdonnell did attend and had to leave approximately half an hour earlier, not as quoted in the paper.

TERRITORY ALLIANCE GROUP
Allan McGill – Manager
Rob Marchant, Package Manager, Package 12
Andrew Kirkman, Executive Director for SIHIP, NT

Mr CHAIRMAN: We would like our next group of people to come up, which is Territory Alliance Group.

Before I commence, I would like to read the official bit. This hearing is open to the public and is being recorded. A transcript will be produced and will be available for the public. In certain circumstances, the committee may decide that evidence or part thereof be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, but I remind you that this is at the discretion of the committee. You are reminded that evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record, I ask that you state your full name and the capacity in which you are appearing today. I also ask that you state your name each time you speak. So whoever is the boss, we would like you to give your name and the capacity in which you are here.

Mr McGILL: Allan McGill and I am the manager of Territory Alliance.

Mr MARCHANT: Rob Marchant, the package manager, package 12, for Territory Alliance in Alice Springs.

Mr KIRKMAN: Andrew Kirkman, Executive Director for SIHIP in the Northern Territory.

Mr CHAIRMAN: Allan, what is your role as an alliance in Central Australia, and where else are you part of the SIHIP program?

Mr McGILL: First, I we are a company owned by Sitzler Pty Ltd, Laing O'Rourke Construction Pty Ltd and MacMahon Services Pty Ltd, Territory companies. We were selected to deliver work under the SIHIP program. Our first package was package 1, which was the Tiwi Islands. We were allocated work in package 5, which is Maningrida, Minjilang and Waruwu, and package 8 which is Galiwinku. In early July we were awarded the works for package 12 which is the Alice Springs Town Camps.

Mr CHAIRMAN: Could I ask, at what stage is the development around the town camps at?

Mr McGILL: When we were awarded the package of work in early July, we commenced the process of engaging with the various stakeholders, including the town camp communities themselves. We were ready to start work on 2 August with some early works, but everything was put on hold because of the injunctions being dealt with at the moment.

Our work, at the moment, is focused on completing all the design work and cost estimates for civil works, roads, drains, and so on, which was partly prepared through the connecting neighbours program. That is where we have been going until now; to get the design completed and approved through Power and Water, and other agencies, so that can be done. Once the injunction is dealt with, we will be engaging with the community about work which will take place in the town camps.

Mr CHAIRMAN: Have you any idea how long it will take, if a decision went in favour of the leases? How long would it take you to get going?

Mr McGILL: There is different information available. Assuming some the decision was made on day one, it might be a few days where some formalities would have to take place about the leases. The day we get word to proceed, we will need sometime to gear up. It has been a challenge knowing we would have all this work ahead of us, but not really being able to gear up, not knowing exactly when we would have people starting to do the work on site. We have said within seven days we would be on site, and in 14 days we would be there in greater force, and we would have commitments to commence what is called fix and make safe work. This is going to every house and fixing things which are broken, or make safe, and follow up with scoping of those houses for refurbishment work, and at the same time, in that first two or three weeks, commence work on a number of new houses.

Mr CHAIRMAN: You have 85 houses on the list here. How many refurbishments or rebuilds would you expect?

Mr McGILL: No, at the moment we do not have a number as we have not been able to go in and assess the housing stock. What we know is there are roughly 200 houses, plus the 85 new ones to be built. Of those existing 200, a certain number are being refurbished at the moment through Tangentyere. I believe the number we may need to do work on is more like 134. Until we get in there we cannot scope up what work needs to be done.

Mr CHAIRMAN: The cost of a three bedroom house in Alice Springs, do you have any idea what that would be?

Mr McGILL: We do not have an estimate at the moment. We know what the average cost is going to be (inaudible) average cost on all houses across the Territory. On Friday, last week, a number of house designs were put through a third party review process for a number of packages we would be working on. Now we have had the third party review process give us approval, we will start working in the regions about modifications to those designs. Once we have the final design, we can then do a detailed estimate. What we have done is commission Tangentyere design to help us document and modify the designs so they are appropriate for consultation in Alice Springs.

Mr ELFERINK: So, 450 is the Territory wide number, is that the number you expect or would you expect about that being the number, that is why I am thinking thousands per house for buildings in the camps here?

Mr McGILL: I think everyone is hoping that it will be cheaper than that. It could be less than that because, as we know, the average of price for building in community and, I think everyone would appreciate that building a house at Galiwinku is going to be more expensive than Alice Springs.

Mr ELFERINK: Do you have an estimation at this stage or you are just not prepared to venture that far?

Mr McGill: I do not have an estimation. I have had estimates from builders on a house we are not building, so we need to get a detail of what we are actually building and then get proper estimates.

Mr ELFERINK: My next question is probably to Mr Kirkman. Eighty five houses, by the way, that is for the Alice Springs Town Camps?

Mr KIRKMAN: Yes.

Mr ELFERINK: The body which ultimately manages these houses, when you have built them and handed them the keys, is it Territory Housing or is it going to be some other organisation which is going to have management roles?

Mr KIRKMAN: Territory Housing will have the management role. It is quite likely that Tangentyere will be the service provider, to the housing management of those houses.

Mr ELFERINK: I need to get this clear. Tangentyere is the service provider, but it is not the landlord per se, that will stay with Territory Housing?

Mr KIRKMAN: Yes.

Mr ELFERINK: Alright. The normal approach to the maintenance, care, and expectations will be applied, as you would for any other Territory Housing property, I take it?

Mr KIRKMAN: Yes.

Mr ELFERINK: Has the Northern Territory government done any costings, or spoken to the alliance, in relation to how much the construction of the new houses might cost?

Mr KIRKMAN: No, not at this stage, other than to say, obviously, under our sort of fairly simple parameters now, it will not exceed \$450 000 and, as Mr McGill just mentioned, we hope it is less than that.

Mr ELFERINK: It will not exceed \$450 000, but it is up to the alliance to put a value on what it is going to cost them to construct the house and they know the threshold is \$450 000.

Mr KIRKMAN: Yes.

Mr ELFERINK: It would not be that surprising if was just shy of \$450 000. The reason I asked the question is, has any homework been done or work been done in terms of purchasing houses outside of the town camps for the aim of Aboriginal people into houses?

Mr KIRKMAN: Can you clarify?

Mr ELFERINK: If I go through the Centralian Advocate, there are any number of three bedroom houses for sale on a weekly basis. Has any homework been done in purchasing those at less than the construction cost of \$450 000 per house?

Mr KIRKMAN: Just to clarify and relocate those houses for sale?

Mr ELFERINK: No, I am saying buying them in streets. I went through Tennant Creek the other day. There are no shortage of Aboriginal people living in homes in Tennant Creek which are well looked after, well maintained homes. You can buy a house in Tennant Creek for about \$250 000, yet they are building two in Tennant Creek at \$450 000 a piece. I am just wondering if any homework has been done looking at the market place in general in Alice Springs and see if you can get more houses for the same amount of money?

Mr KIRKMAN: Our commitment to the Alice Springs Town Camps and the camps around Alice Springs is the program of \$100m to those camps, which excludes urban areas. I guess questioning, in terms of urban public housing, would be a further concern for someone ...inaudible...14:04:10

Mr ELFERINK: This is the point. The idea that this is a housing program to give Aboriginal people housing, I am wondering if any homework or research has been done in that area at all? Yes, there has been or is it just a matter of, no, we have not looked at that, we have gone to the town camps option?

Mr KIRKMAN: (inaudible) miss out communities around bringing up the 10% of the town camps?

Mr ELFERINK: I will ask the question again. Has any consideration been given to any other models, other than the one you are committed to?

Mr KIRKMAN: I believe you are talking about two different models.

Mr ELFERINK: I do not think so at all. What I am asking – I am asking a simple question, which is: has anyone in the government turned their mind to a model, other than building houses in town camps, that you are aware of?

Mr KIRKMAN: In respect of the actual quotes on town camps, no. However, there is a transformation been concentrated, I guess, on the whole of Alice Springs, which would be under the (inaudible) SIHIP has undertaken on the town camps. That committee is looking at some of the other options in town because, obviously, they are still having this huge ...

Mr ELFERINK: Yes, but that is another bucket of funding we are talking about in some point in the future, yes.

Mr KIRKMAN: More for (inaudible).

Mr ELFERINK: Yes, okay, thank you.

Mr WESTRA van HOLTHE: I have a question for Mr McGill. You mentioned the number of house designs have gone through the third party review process. Who is or are the third party?

Mr McGill: The panel of three which were appointed through SIHIP. There is Paul Pholorus – I met him, he is Sydney based. He runs (inaudible) in health, the Aboriginal housing program; Professor Paul Menett who is architecture lecturer at Queensland University and somebody who works extensively in Aboriginal housing across Australia; and the third one is Olga Havnen. Those three people all have quite a different task in their field: one is in the structural things, others are looking at appropriateness of the housing design, cultural type matters, and the third is more like social issues.

Mr CHAIRMAN: Could I just ask about that? I imagine these people do not come cheap, yet, your alliance has Sitzler Bros, included ...

Mr McGill: That is right.

Mr CHAIRMAN: ... and Sitzlers have been working in the Northern Territory for a long time. So, why do we need three people? I am not knocking these three people at all, but I imagine they are consultants and they are getting consultant-type fees. Why are we not using people like Sitzlers or local people who have worked in construction of Aboriginal houses in the Territory, to do that kind of work instead of having this extra layer put there?

Mr McGill: I am handing over to Andrew Kirkman.

Mr KIRKMAN: Certainly, we looked at the likes of Sitzlers and (inaudible) would come to (inaudible) for their valued input, and it is there based on SIHIP being reviewed. But what this is, I guess, is expert – yes, it is external expertise, but expertise around the best of housing designs and what we can afford under the program. It is value (inaudible) exercise to undertake. (inaudible) today.

Mr CHAIRMAN: How long has this group been employed for? How long will they be employed for? Do we have any idea or can we have a rough breakdown of how much it has cost to employ these people as part of SIHIP?

Mr KIRKMAN: Certainly, obviously, I do not have a breakdown here, but I can provide a breakdown of costs of that group. It (inaudible) substantial where, basically, on contract for the time they are consulting, I think the last figure was (inaudible) alliance exercise ...

Ms SCRYMGOUR: So, they are engaged as consultants to SIHIP by whom? By Territory Alliance, or the Northern Territory government, or the Commonwealth? Who ...

Mr KIRKMAN: By the Northern Territory government through the program (inaudible) costs. That is where the (inaudible) overall program management costs. So it is cost.

Mr WESTRA van HOLTHE: Is there a preferred ...

Mr CHAIRMAN: Can I just put that question on notice?

Mr WESTRA van HOLTHE: Yes, sure.

Mr CHAIRMAN: Just a question for Mr Kirkman. Could we have a breakdown of when - what do you call this group?

Mr KIRKMAN: The Third Party Design Review.

Mr CHAIRMAN: When the Third Party Design Review contract was first established, and what was the amount of money associated with that contract?

Ms SCRYMGOUR: Can I just draw to your attention ...

Mr CHAIRMAN: Hang on. Is that okay?

Mr KIRMAN: Yes.

Mr CHAIRMAN: Is it possible to get that information within a week? We have had a problem, as you might know, with getting answers back.

Mr KIRKMAN: Yes, certainly, within a week. I guess we can collate all of the (inaudible) before getting back to you. The material as in (inaudible) ...

Ms SCRYMGOUR: Mr Chairman, can I please draw to your attention that, at the last meeting we had in Darwin, this same question was asked of David Ritchie, CEO of the department. We were suppose to get the information. We asked who were the other 20 consultants and what were their roles. Now, we have gone down to 10 consultants and where and what were those costs? The same consultants you are talking about now would be part of the same costs that we were trying to seek in the first meeting. Mr Chairman, if I could get your indulgence please? This information, which is important to the committee, and we are going to need it before we go to Katherine, whether the information from Mr Kirkman, from the Northern Territory government, is put on the same time frame of the other information we were seeking this morning?

Mr GUNNER: I think Mr Kirkman mentioned that you were collating it all, giving it all as one. Maybe as you get the answer, provide it, rather than doing it as a lump.

Mr KIRKMAN: Yes, as the information is available, I understand, it is your committee.

Ms SCRYMGOUR: That is the information that we were seeking from the first meeting in Darwin.

Mr CHAIRMAN: Basically, what we are saying is, we asked for information two weeks down the track and we have got very little information back at all. So we want information back quicker than we are getting it now, if that is okay?

Mr WESTRA van HOLTHE: Through the Chair, the third party review team, are they a third party review team for all the house designs across the Northern Territory?

Mr KIRKMAN: Yes, that is correct.

Mr WESTRA van HOLTHE: So they will be reviewing the building of houses in Alice Springs Town Camps as well as on Bathurst Island?

Mr KIRKMAN: Yes.

Ms SCRYMGOUR: Following from that, Mr Chairman, if I can ask Mr Kirkman again. If this is the consultant team that is looking at the design of the houses, how much consultation has been undertaken to date by Pholeros, Memott and (inaudible) that team with Central Australian communities as well as Top End communities in terms of design specification, not on refurbishments, but on the new houses?

Mr KIRKMAN: Each of those is designed (inaudible) ...

Ms SCRYMGOUR: Yes, I know the three individuals, I just want to know how much consultation has been ...

Mr KIRKMAN: They have not actually been undertaking the consultations. To be honest, consultation has not been undertaken with communities and the SIHIP negotiation teams, just the input from design about the appropriateness of and around sort of even the smaller aspects of the housing fittings and (inaudible).

Mr GUNNER: But the government is now taking a much stronger role in consultation, post review, is that right?

Mr KIRKMAN: Yes, absolutely. Since prior the review there was, I think the Alliance were undertaking talks about consultation, whereas the government is taking a much stronger view of consultation.

Mr CHAIRMAN: Can I ask a question about getting back to housing costs. The average is \$450 000, this is to the Alliance and so on, but you think you possibly, knowing that we are not in a cyclone area, obviously, could build houses cheaper than that. Does your budget work on 85 houses at \$450 000 each, or will you be, I suppose, looking at maximising the number of houses, more than 85 if possible, within that budget item. Do you have a budget item that says \$450 000 times 85, and we know we can build them for, say \$350 000. Are you going to be able to say to the government, well, we have actually got enough money here to build 110 houses, is that a goal that you have been asked to look at or not?

Mr McGILL: No, we have not been asked to look at that, but that could be the outcome. The average mix of housing is another factor in this. They are not all three-bedrooms, half of them are going to be, but there is a mixture of single person's accommodation, which is what people are asking for, so the number of dwellings overall might well exceed 85, but we would keep in the budget of what houses will cost, whatever the figure is, and some will be a lot less because they are smaller. I can only use other places as an example, because we are only on the consultation phase in Alice Springs. If you take Maningrida, there are 109 new houses, there is going to be more than 109 dwellings because there will be duplexes. A four bedroom mix will probably be more than \$450 000, but a single person's house will be much less so, on average, prices will be less than the \$450 000.

Mr CHAIRMAN: You had a smile when we said you might aim at \$450 000. Who keeps an eye on the alliance to ensure you do not build an extravagant house to fit within the \$450 000?

Mr McGILL: There are several steps in that. First, the designs themselves get scrutinised, as we said, by the third party review panel. There is an independent estimator process, where people outside our alliance review our cost estimates. In the process of getting agreement to proceed with the work, there is a process which is called top alignment that is the total out-turn cost of doing the work we have identified in our report. All costs are looked at in detail by independent estimators before any agreement is reached about the cost.

Mr WESTRA van HOLTHE: Of the 85 houses you are building in Alice Springs Town Camps, how many of them are one bedroom, how many of them are two bedrooms, etcetera?

Mr McGILL: We do not know yet. We have not had the opportunity of consulting with the community about the makeovers. We are not to go on site until the current court matter is dealt with. Once that is finished, we will start the consultation process with each of the town camps and others, about the make up of houses and the locations of them.

Ms SCRYMGOUR: I do not know whether it is Allan or Andrew; this might be one question premised on a number of small questions. I am going back to the consultants and, Andrew, within the 8% you have consultants. If the Northern Territory government is taking a greater role in housing across Central Australia whether it is town camps or remote Aboriginal communities where this housing is being rolled out, and you have a number of designs which are going to be rolled out into these communities, why is the consultancy continuing. This program must have gone beyond design and specification now, to the point

where you are going to start work. Do you need to continue with consultants, or could not the savings be put back into the SIHIP program?

Mr KIRKMAN: The designs which have been coming out of (inaudible) certified by the third party review team are those which were done post review. They are the parameters we are looking at, \$450 000. They were different designs than were initially looked at. The idea is once we finalise the range of designs for the Territory, we are not going to keep going back to the last package.

Ms ANDERSON: You stated you have not estimated whether the houses are one-bedroom, two or three. I am really curious. This data is already held by Tangentyere, so it leads me to think you have not spoken to Tangentyere to see how many one-bedroom, two-bedroom or three-bedroom houses are needed on the town camps, and how many people live inside the houses. It is of huge concern you are still determining whether you need 20 one-bedroom houses and 13 three-bedroom houses. It tells me you have not spoken to Tangentyere to find out currently how many people per house there is. This should be indicated to you whether 85 new houses be split up into 10 by ones and 20 x twos and five three bedroom houses. So that is a really, really huge concern. Following your answer I would like to question Mr Chair.

Mr McGILL: We did have a lot of that information and we have been talking to Tangentyere in fact what we said earlier we commissioned Tangentyere Design to actually do documentation of the houses that will be done in building in Alice Springs. We have not had the opportunity of doing is, I do not think validation the right word, but to actually go and talk to the communities and come up with a plan for where houses are to go. Territory Housing will also be the landlord so they will need to have a say in what the mix of the housing will be to meet their tenancy requirements and we have not had the opportunity yet to actually have that proper formal discussion but we do have lots of information (inaudible).

Ms ANDERSON: You just said previously that you have already consulted with the people on the ground so some of the answers you give are very contradictive of who is asking the questions and I would just like to lead on to say if you go to Hockey's Camp currently now and go to House 13, 14 and 15, you would have 67 people per house currently in those few houses.

Mr McGILL: I would like to respond to that first (inaudible). I do not think I was contradictory about the consulting, what I said was in August, beginning late July, early August we had started the consultation process with two town camps and then we got stopped because of the injunction (inaudible). We continued that consultation once we get the green light to go ahead. We cannot do much about it until we are allowed to go in to the town camps and have proper consultation.

You comment about the observation about the numbers of people in houses. We understand that. Hopefully we can come up with some sort of solution that will help reduce that over crowding.

Mr GUNNER: I was just wondering what work you might have done to date on the training aspect of SIHIP and the Aboriginal employment aspect of SIHIP. Because of the delays you have had, whether you have had any progress yet or where you might be at that on that?

Mr McGILL: Okay I need to give you a couple of answers here. The Tiwi Islands package one where we have been working since about July. There is 85 people working on the Tiwi Islands at the moment and 60% of the labour are Tiwi people. The performance is really good. They work. They all had some sort of training provided as well. Some of them have now got fully (inaudible) licence and other things. There are a number of apprentices, people who actually started an apprenticeship and are now back in our system so they can complete it. Three of them belong to the shire, they will never their complete their apprenticeship because they could only do maintenance so they are coming across to us so they can build new houses and get their apprenticeship.

In Alice Springs it is a little more difficult because you cannot really take people on and get them pre employment trained and whatever we have to do and then sit around for a few months or whatever it might be. We are waiting on (inaudible) engage the people, go through any pre employment training or whatever we need to do and then the day after that should start the work.

We also want to go through local organisations like (inaudible) and others who they employ lots of people to train as well. But they are in the same boat, they cannot gear themselves up and take on lots of people so they know they have got a commencement date.

Mr CHAIR: We have just about run out of time. I am amazed that we got back on time. I am sure we will see the Territory Alliance again because you have 85 houses to build at least and we would like to

make sure that they are built and that there are a lot of refurbishments to do as well. So we will certainly coming around from time to time to make sure that that is happening on the ground. So thank you very much for coming and we appreciate all the answers to our questions. Thank you.

I would like to say thank you to Territory Lions for the invitation because this is their headquarters on 7 December where we are going to get a full briefing about the role of the Lions play in they Northern Territory.

LHERE ARTEPE ABORIGINAL CORPORATION
Darryl Pearce

Mr CHAIRMAN: This hearing is open to the public and is being recorded. A transcript will be produced and will be available to the public. In certain circumstances, the committee may decide evidence, or part thereof, can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, but I remind you this is at the discretion of the committee. You are reminded evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record, I ask you state your full names and the capacity in which you are appearing today. I also ask you state your name each time you speak.

Welcome Darryl.

Mr PEARCE: Darryl Pearce, Lhere Artepe.

Mr CHAIRMAN: I was wondering if you could give us an overview of Lhere Artepe Aboriginal Corporation, what it does, and how it fits into the issues we are dealing with today.

Mr PEARCE: Lhere Artepe is now called the RNTBC, Registered Native Title Body Corporate. It holds the native title rights and interests of the Central Arrernte people for the native title claim, which was run in the latter part of the 1990s and confirmed in around 2000, where within the municipal bounds, we hold the native title rights and interests. Those are nonexclusive rights, so basically we share them with the Territory government if you like. We have notional and equal interest in country.

We represent three estate groups, the Mparntwe, Irlpme and Antulye estate groups and have between 1500 and 2000 members spread across country, but mainly Alice Springs and Santa Teresa Mission.

As for what we do, we do a number of things, we engage with government when they are making decisions in relation to country, specifically if there is a land interest involved where we have that interest. An example of that is the development at Mt John where they are building a new subdivision.

Mr CHAIRMAN: How do you work with the Central Land Council?

Mr PEARCE: They are a native title rep body, but there is no direct connection. If we do a native title agreement, we can send it to them. If it is an area agreement, we can send it to them and they can certify the processes, as such, have been done appropriately. It is basically to give the native title tribunal comfort the processes have been carried out appropriately.

Mr ELFERINK: I am curious about your membership of 1500 to 2000. I would have expected people with a property interest, albeit hardly a comprehensive one, would be listed more fulsomely than a rough figure of 1500 to 2000. Is there a list of people with native title interest?

Mr PEARCE: The three estates have members; however people can have native title interests and not necessarily sign up, if you want. The decision of Judge Olney is native title holders are those who are descendant from the original Arrernte inhabitants, who are recognised by the respective (inaudible) custodians and landowners for the three estate groups.

Mr ELFERINK: It is up to any person who wants to assert a native title right to have it vetted by one of those three estate groups.

Mr PEARCE: Correct.

Ms ANDERSON: Just a clarification Darryl, on Mt John, was that the first home buyers land release?

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Mr PEARCE: No, Mt John is a development for anybody. It was not primarily set aside for first home owners. It is prime real estate in Alice and is available for anybody. We have looked at, in terms of development, building approximately 68 apartments in a 50 000 m² lot. We are looking to have a percentage set aside as affordable housing, under the scheme the Territory government has in place.

Mr ELFERINK: Was that part of the arrangement struck with the Territory government, for them to push their approvals through, or is that a choice Lhere Artepe?

Mr PEARCE: It was our choice. But we had a look at what was happening in the town and the requirements in the town, then we had a talk to the minister and she was accepting of moving down that path and we were pretty happy with the idea of going down the path of setting aside a number of units. We first heard of the call back when we did the planning forum in Alice about 18 months ago now, where people were talking about young people trying to get into their first home and trying to get moving on it. It provided an opportunity for some people who wanted apartments, versus the idea of a full house.

Mr ELFERINK: As part of the land release process, and the government's go ahead, if you like, for you becoming a developer, was there a requirement by government for them to take a slice of each block sold from the gross amount and if so what was that amount?

Mr PEARCE: No, basically the situation was, the government's view is very similar to what they have done on Stratton Heights, which they argue that it is a 50/50 native title, so that native title compensation is worth 50% of market value freehold, so in ...

Mr ELFERINK: No, I am talking about an extra component of each block sold. Is there part of that block – any of that amount remitted to the government directly?

Mr PEARCE: No, but if you can let me finish. Basically, what happened is we got the first lot as compensation for extinguishment to native title over the whole lot and the second lot was the government's to sell. If you wanted to you could argue it was 50/50 down the line.

Mr ELFERINK: Yes, but that is very similar to the Larapinta Stage 4 arrangement?

Mr PEARCE: Correct.

Mr ELFERINK: Yes, that is right. That was two years ago, so it became a benchmark.

Mr PEARCE: Yes.

Mr ELFERINK: Essentially the value of native title is then 50% of freehold.

Mr PEARCE: The government continues to argue that they are not setting precedents and we will continue to argue that the precedent we want is Crescent Head, in New South Wales, which is 150% of market value, but I suspect we will all let the courts decide.

Mr ELFERINK: Yes, good luck with that.

Mr CHAIRMAN: We might get back to the core areas we are looking at. You have an involvement with local government, because you are obviously a part of the Macdonnell Shire?

Mr PEARCE: Alice Springs.

Mr CHAIRMAN: No, but when you say you are going out to Santa Theresa?

Mr PEARCE: No, no. Some of our people live out there.

Mr CHAIRMAN: All right. You are not saying your influence goes that far?

Mr PEARCE: No.

Mr CHAIRMAN: It stays within the Alice Springs municipal boundary?

Mr PEARCE: Yes, we do not have any influence. No one ever listens to us.

Mr CHAIRMAN: What about in relation to – you are talking about building some units and that – do you have any relationship with the SIHIP program at all?

Mr PEARCE: Not a great deal. Our view about how the town needs to develop and where we need to go. With local government, there is an acknowledgement, we would argue, that the relationship between Aboriginal and non-Aboriginal people in Alice Springs is couched in this antisocial behaviour model. We believe it is wrong. We believe that the behaviour of Aboriginal people as visitors to Alice Springs is anti-cultural behaviour; they are acting in a manner which is inconsistent with being Aboriginal, when you believe you can fornicate and carry on anywhere you like in town, do the same things you would not do on your own communities. That is completely unacceptable behaviour.

When I see a drunk who says to me, 'I can do this, that and the other', then I see the same person on a community saying, 'I am an important person, I am a community councillor, I am a lawman', it is unacceptable. You cannot have that sort of behaviour. We argue that there needs to be a rethink about the way that, notionally, Alice is governed, because we see that Aboriginal people believe coming to Alice Springs is like a permanent 'schoolies', it never stops, and that has to stop. The way that you stop is by recognising the responsibility you have being on other Aboriginal people's country. The discussions – as an example – we acknowledge that everyone has thrown themselves into a great tizz about the issue of begging, as such, and town council kaffuffle and the rest of it.

It is correct that we had proposed that and we continue to propose it. It is appropriate for people to go and see their family and ask for benefits, absolutely, but to walk around the town and continue to put your hand out going, 'Give me, give me, give me' is demeaning to Aboriginal people. We have made a video about it and we have distributed it. It is demeaning to Aboriginal people and it is demeaning for people to continue to provide resources for people to do self-harm, by continued abuse of alcohol.

We would prefer people to go and buy some food. If they wanted to help an Aboriginal person out who was looking for sustenance, absolutely, go and buy them a feed. We do not believe it is appropriate to give people money to go and continue to do self-harm, because a drunk that people laugh at on Tuesday, happens to be the murderer on Friday, and we do not find that acceptable.

Mr ELFERINK: This development at Mt John Valley – you are the developer, yes?

Mr PEARCE: Correct.

Mr ELFERINK: Are you actually project managing, or have you guys got your hands on the tools?

Mr PEARCE: Basically, we are the overall developer. We have contracted an engineering firm to provide design documentation and project management. We will be doing a tendering process, hopefully, towards the end of this year or early next year, where we will be putting employment and training opportunities forward, as well, for our mob.

We do, however, recognise we are talking of a project of around nine to 10 months, so our thinking now is not necessarily by project-by-project, but to actually use some of the resources and benefits we get out of Mt John to invest in businesses, so what we could have is Aboriginal people - Central Arrernte - that is our focus; we make no bones about that – so Central Arrernte people employed in building companies and other companies which we have an interest in, if they need to go and build something off country, so be it; they will go and build it there, but they will continue their apprenticeship.

Mr ELFERINK: I suspect you have had a bit of communication with the Larrakia Development Corporation on the model.

Mr PEARCE: We have looked at the model they have. The difference between them and us, I guess, is that our mob will own it, rather than land council owning it, the way that Larrakia is owned.

Mr ELFERINK: Yes, that is the aim. How many Aboriginal people will be employed in this particular development at Mt John?

Mr PEARCE: We have no thinking on that at this stage.

Mr ELFERINK: Well, you set your training positions and those sorts of things ...

Mr PEARCE: Well, it is really going to be identifying – basically, what our view is to identify people who want to business with us. Part of the conditions we will attach to that is about the way they approach employment and training of our mob.

Mr ELFERINK: So, what stage are you at, then, in getting this project happening on West Arrernte land?

Mr PEARCE: Sorry?

Mr ELFERINK: What stage are you at? It sounds like you are in early stages.

Mr PEARCE: Design documentation. We have development permits; we have done all the bits and pieces. We are just doing the last bits and pieces to put together a tender document to put to tenderers.

Ms SCRYMGOUR: Darryl, the Lhere Artepe. How many town camps around Alice Springs does Lhere Artepe have an interest in, or is that all under Tangentyere?

Mr PEARCE: The first part about it is, when we did the claim back in the latter part of the 1990s, my understanding - because I was not here at the time, I was doing work elsewhere - was that it was a political decision made not to claim the town camps. There is some thinking about whether or not native title does or does not remain on town plans. There is no real clarification on where that could work and how that could work. It would depend on who the ultimate 'owner' of the association would be, or where Central Arrernte people have continued to maintain a connection to that country by living on it and also visiting sites.

The reality is that each of the individual housing associations who have chosen to be members of Tangentyere, basically, stand alone. There are, however, five town camps that have significant interest with Central Arrernte or Central Arrernte have an interest in. Those, basically, are Charles Creek, Kunoth Camp, Truckies, Trucking Yards, Ipiye-Ipiye and Hidden Valley, where we see a lot of our mob starring, and also have (inaudible). However, in relation to engaging with us, we are not going out there and promoting to any of them, but they come and have a conversation with us. If people choose to do something different, then we are quite happy to have a conversation, but they need to make the choice to do something different. A couple have, in terms of Ipiye-Ipiye and Trucking Yards have had a conversation with us. The balance are comfortable with the arrangements, their current situation they face. So, it is really up to them.

The misnomer and the misunderstanding is this whole idea of the status, I suspect, of Tangentyere in the whole process. At the end of the day, each of the legal entities are separate structures and must be engaged legally independently from a collective signing. In reality, Tangentyere is a service agent which is owned, controlled by each of the town camps. But, realistically, each of the associations should actually be represented individually because they are individual legal structures, with individual title to country.

Mr ELFERINK: Pretty straightforward Mr Chairman. You are a native title organisation exerting your native title interests and you are doing a bit of developing on the back of that.

Mr PEARCE: Yes, very much so. I mean, our proposal for development of town camps is quite simple. We believe that the *Unit Titles Act* Northern Territory is an appropriate vehicle to structure the camps on. Forty-year leasing type arrangements just means that you end up dragging this whole process out for a long time. We believe that you can actually cut to the chase now, both Trucking Yards and Ipeye Ipeye have written to the minister for Lands indicating a desire to change tenure, to head off into the unit titles process, but at this stage we understand the government is focussed ...

Mr ELFERINK: Also appreciate it is only two camps, and you say change tenure, are we are talking about freehold, or just a permanent lease?

Mr PEARCE: Whether it be freehold or however it works, but it will be structured so that people can go into developing as a unit title under the *Unit Titles Act*, so body corporates, strata committees, all of the normal processes, which Bayview Heights is an example of it, North Edge. We find it strange that it is not seen as an appropriate model. It has all the mechanisms we require, but for some reason it has kind of been articulated as mainstream, and we are not mainstream.

Mr ELFERINK: Well, it has been developed over 800 years of common law, this sort of land titles, so it is not new.

Ms SCRYMGOUR: Just following on from what John was saying – was this part of the model that had been put, because as I understand, Lhere Artepe was putting a model to the federal minister in terms of some of those town camps – has there been any formal response? I know that the injunctions happened and I have some questions which I will ask Tangentyere after, because they are appearing, but I know that both Lhere Artepe and Tangentyere put a series of models to the federal government to try and get this normalisation of the camps. Has there been a response back?

Mr PEARCE: The response from the minister has basically been that she would like to go through the process with the town camps that she has currently proposed, which is the 40-year lease for compulsory acquisition. What has happened is that two of the camps – Ilpeye Ilpeye and Truckers have said they would prefer the government go to compulsory acquisition, and there are a couple of strategies behind that. The simpler strategy is that it forces the Commonwealth to be ultimately responsible and ensures longer term that a change of the government will not see a change in policy, and all sorts of weird and wonderful things, because, realistically, we are all old enough and crazy enough to know that a policy lasts as long as a government lasts.

The reality out of that was to ensure that we get some security in terms of a longer term development. One of the ways – we propose the *Unit Titles Act* – so the Commonwealth is still talking to us about that. It is kind of interesting that Ilpeye Ilpeye, as I understand it, is not actually part of the court case, the injunction process ...

Ms SCRYMGOUR: Sorry, which ...

Mr PEARCE: Ilpeye Ilpeye – and, for some reason, Nywente or Trucking Yards is still part of that. Either way, what both have said is that they want a different way of doing business, and we are continuing to push that with the Commonwealth and with the Territory. We have subsequently had further conversations – we had a conversation last week with the Commonwealth about what it would look like in the future and a lot of that, again, is going to be subject to, basically, the court case.

I think the interesting part about it is that the way that it has been articulated, that this is our country, and you are taking our country off you – we have heard some people articulate who are non-traditional owners, non-native title holders, however you wish to describe it. They certainly are visitors, and welcome on country, without a doubt, but it is a disappointment to see people continue to articulate, you know, we have lived here 40 years and so therefore we are entitled to argue that we own this. The white men gave the leases and the white men want them back. What is the problem is really a question that we ask. What have the traditional owners and each of the town camps had a discussion and conversation about – nothing, except for those that are actually respectful and have approached us and had this discussion.

Mr WESTRA van HOLTHE: If I may, Ilpeye Ilpeye, you believe, is not part of the injunction?

Mr PEARCE: Yes, as we understand it, yes.

Mr WESTRA van HOLTHE: By choice?

Mr PEARCE: By choice they made a decision that they did not want to be part of the process. They are also family. They are full family for our mob. Truckies had family in there as well, plus the fact that they sit out the front of a very important area for us. It is a strange situation that, unfortunately, it is the catch all component of the federal court, and once it starts, everybody is in, whether you have dropped out, and unfortunately people got caught.

Mr WESTRA van HOLTHE: Is Ilpeye Ilpeye on the list for getting new houses or refurbishments done?

Mr PEARCE: Yes, it would have been on the list originally. I believe they have all been surveyed and all interests looked at, but as to the ultimate makeup of any sort of refurbishment or new build would be, it is unknown what that might have been.

Mr WESTRA van HOLTHE: There has been no consultation with the people at Ilpeye Ilpeye.

Mr PEARCE: There was about 18 months ago, when they started the designs and talked about the upgrades. I believe a consultant employed by the government came out and drew maps. I suspect, since then, there have been no formal discussions or engagement about what the future could possibly hold.

Mr WESTRA van HOLTHE: Are there any impediments to the alliance starting work in Ilpeye Ilpeye?

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Mr PEARCE: No. One of the key things with this is we continue to see people who are – I have a personal philosophy, I will not ask people to pay a physical price for my political rhetoric. We have seen too many Aboriginal people continue to play physical prices for other peoples' political rhetoric, and it has got to stop. It is as simple as. People can talk about rights and interests however, they are really arguing as Aboriginal people about non-Aboriginal systems; they are not arguing about traditional Aboriginal control and owner systems, which has been with us forever. They are talking about a white lease issued by the Northern Territory government.

Mr ELFERINK: May I finish with a comment, and you can convey this for me personally; I cannot speak for the committee. It is for Lhere Artepe; despite my original misgivings about them as an organisation and some of the hurdles they had when they were established, they have subsequently, on the basis of what I have heard here today, understood the environment they exist in. I congratulate them personally on their foresight, and the consideration they have put into what they are doing. You have just impressed me enormously, and the organisation which you represent. I just pass on my congratulations for the way they have advanced themselves as part of the whole community of the Northern Territory.

Mr WESTRA van HOLTHE: I would second that.

Mr PEARCE: Thank you, very much.

Mr WOOD: You spoke about governance within the realms of the Alice Springs Town Council area, however when you spoke about behaviour of some Aboriginal people - my wife is Aboriginal and I was walking down the golf course causeway on Saturday and people were fighting, throwing rocks and belting one another. I am an outsider, however my wife always said it is a 'shame job'. She has never believed it has anything to do with culture. You said today it is a misbelief it is. It was really refreshing to hear what you had to say.

Are there enough leaders amongst Aboriginal people to drive that? I was as Topsy's recently and there were about 40 people fighting on the Stuart Highway. Is there the leadership to change it? Is there leadership in Alice Springs?

Mr PEARCE: There is leadership here. It is up to people to choose to say the world needs to be different. At the moment we survive, and our wealth as a town, generally, is based on Aboriginal poverty. We have 44% of the retail spending. If we were to stop drinking tomorrow by 'an act of God', we suspect we would lose about 5000 from town.

Let us be blunt, we keep them open. Why do we keep it open, because the bloke serving grog to our mob is the one who buys the motor bike to go riding on the weekend and yet scream about sites. There are people in town who sit around barbeques talking about Aboriginal people, and their drinking and behaviour. These same people have got kids who work at supermarkets whose income is based on the amount of alcohol coming through the place.

The reality is you cannot go to any supermarket in this town without an alcohol outlet attached to it. If you have a town where Aboriginal people cannot go, with their children, to buy food without being harassed by drunks - even the Aboriginal controlled ones – then the reality is the behaviour being exhibited in town is based on the fact people do not want the world to change because they are quite comfortable in that world.

It is an economic issue if 25% of us stopped going to the hospital, because we are healthy, we would probably see the hospital decline by about 60%. The reality is that there are many people, the comment was made about Lhere Artepe, it was middle-class Aboriginals – corrupt middle-class Aboriginals, the greedy feeding off the needy. Many people have made money off Aboriginal people for years, black and white, and continue to do so, and are not embarrassed about it in any shape or form, but continue to argue that government has not given us enough funding or most people will not shaping themselves up, and the reality is, they do not want the world to change because that is their world.

No Aboriginal male, no Aboriginal mother sees their baby for the first time and says "Gee, you are beautiful, by the time you are 16, you will possibly be raped, by the time you are 20, you are possibly going to be dead, by the time you are 30 you look like you have gone 10 rounds with Muhammad Ali and Mike Tyson".

No one looks at their child and says that is what your future is, but that is all we hear, that is all we see. We do not see anyone, like the Chairman of Lhere Artepe and myself, we walk the streets, up and down the mall, we are very public, we wait for people to come and have a go at us because of our conversations we

had publicly, but we never see anyone else, who deem themselves leaders of organisations or wider community members, who want to stand up and make the world change and be different. Until we, as a town, stand up and do that, nothing will change. In terms of policing, the police have a view that they do not turn sirens on to go a crime, because sirens alert the perpetrator that it is time to run away.

If my wife and family are being attacked, I want them to run away. I told my family that if you are in strife and someone is trying to break in or you are being attacked, call the fire brigade - sirens. We need people to hear an altercation in the street. We need all the non-Aboriginal and Aboriginal people to turn on every light in their house, come and stand out on the footpath or at their fence, at least, to become the silent policemen. I am over people in this town bitching and carrying on about Aboriginal people, yet not standing up as a town, as a collective, or as a community and saying, 'we can do something different'.

I am tired of Aboriginal people criticising non-Aboriginal people as being corrupt and standing over the top of us and all the rest of it, while at the same time collecting a very wealthy pay cheque, going home to their house and pool and telling their kids it is a great world, especially when you go to St Phillips or I will send you away somewhere else, because you cannot get an education in this town. The reality is both Aboriginal and non-Aboriginal who need to stand up and say, 'we choose not to live like this any more'.

Mr CHAIRMAN: Thank you Darryl. Hopefully, where this council leads us is a little – some people might argue the future of this council could be short or long, but I think if one thing comes out, if we can promote people like yourself and people who are trying to do good things for their community, then I think that will be one good thing that can come out of this council. We were in Tennant Creek the other day and there are some terrific people in that community, working really hard. They never get the headlines, you never hear about them, until we had that meeting the other day. One of the roles we should play, trying to promote people like yourself and other leaders, because if we do not, nothing will change.

Thank you very much for coming.

Mr PEARCE: Can I say, it is not about me. I am not a leader in Aboriginal ...

Mr CHAIRMAN: No, but you are one of them.

Mr PEARCE: ... but I am just a mouth piece. The one skill I have is a big mouth. The simple thing is that I have a community behind me who are quite comfortable with me saying it, so as long as my mob are happy with me saying it, then I will continue to say it. I will continue to take the brick bats and bouquets that come with it, but the reality is it is my mob that are saying it. They are the leaders; I am just a mouth piece.

Mr CHAIRMAN: Thank you very much for coming. We will have a short break, until the next group comes.

TANGENTYERE COUNCIL
William Tilmouth, Managing Director
David Donald, Manager, Environmental Health and Essential Services

Mr CHAIRMAN: This hearing is open to the public and is being recorded. A transcript will be produced and will be available to the public. In certain circumstances, the committee may decide that evidence or part thereof can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, but I remind you that this is at the discretion of the committee. You are reminded that evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record, I ask that you state your full name and the capacity in which you are appearing to day. I also ask that you state your name each time you speak.

Mr TILMOUTH: William Tilmouth, Managing Director of Tangentyere Council.

Mr DONALD: David Donald, Manager, Environmental Health and Essential Services, Tangentyere.

Mr CHAIRMAN: William, I know you have given us some documents, but would you like to give us a bit of a general overview of your group, please?

Mr TILMOUTH: Tangentyere Council is the council that is responsible for the service delivery for 18 town camps. As I stated in my paper, Tangentyere fully supports the aims of the Strategic Indigenous

Housing Infrastructure Program. It is the injection of funds that Tangentyere has been calling for over a great many years, but not at the expense of the leases. That is an individual decision made by the housing association.

Tangentyere Council is the representative body of permanent residents of the Alice Springs Town Camp communities, and is empowered, through its constitution, to advocate on behalf of some 3500 residents, or those in transit from remote communities. It is the largest employer of local Indigenous people in Central Australia, who make up 80% of Tangentyere's overall staff. Tangentyere delivers a range of social services and social enterprises to improve the wellbeing of its constituent members.

Tangentyere Design has worked, since incorporation, for town camp residents on housing and community facilities design. Over this time it has established a comprehensive library of housing types and specifications which have set a benchmark in culturally appropriate design and environmental health. In the last 10 years, it has been complemented by the practical addition of Indigenous workers and trainees through the involvement of Tangentyere Constructions. This has recently been extended through the partnership of Tangentyere Employment Services; AJSA, a community development employment program, who currently manage a case load of some 500 unemployed town camp residents.

In this way, Tangentyere has successfully integrated its range of services offering significant design construction training and employment benefits to local unemployed Aboriginal people living in the town camp communities. Of course, what Tangentyere does, is in addition to work in partnership with other organisations and governments with responsibility for town camp residents. As the Executive Director of Tangentyere Council, I would like to make a few comments about SIHIP.

The close working relationship between Tangentyere Social Enterprises and its housing division offers an exemplary model of cost effective and efficient delivery of substantial capital works. It is a model we hope to replicate in the SIHIP program in Alice Springs, and one we strongly believe will offer the most value to town camp residents through tenancy management and the funding bodies alike. Most recently, Tangentyere Design Housing and Constructions have been working closely on major housing upgrades of 46 town camp dwellings. These upgrades have provided desperately needed improvements to a stressed and aging housing stock, and offered important gains to the living conditions of town camp residents.

We have attempted to integrate the link between employment and construction at Tangentyere. The Tangentyere Employment Services builder training program has enabled 12 unemployed town camp CDEP participants to work in teams of three on the job towards the Certificate II in Construction. A second group of 12 builder trainees are being prepared, and 30 CDEP participants are undertaking specialist cleaning training ahead of the proposed town camp cleanup, and other SIHIP construction activities. This job readiness activity is cyclical and ongoing, and is establishing an Aboriginal construction ready workforce, work pool in the region.

Our town camp community consultative forum, as recently established by my executive, comprises representatives of the people affected by the SIHIP. This group is finalising statements of principle regarding research and development, construction design, employment, and cultural protocols relevant to the role in relation to SIHIP and the town camp development more broadly into the future. SIHIP's alliance contractors in Alice Springs, Territory Alliance, has done substantial ground work, under difficult circumstances, to assess the expertise and capacity of Tangentyere and its enterprises and how we may best contribute to SIHIP. I applaud this initiative.

Tangentyere Design was approached by Territory Alliance to set in the scoping the design and documentation of housing upgrades and new construction work. We have been asked to assist in the initial (inaudible) survey and scoping work. As well as the documentation of eight houses to be constructed as part of the early works roll out. Our assistance may also extend to new houses and works as the SIHIP program unfolds.

Tangentyere Employment Services have provided assistance to develop an effective SIHIP employment and workforce development plan, for the recruitment, training and career development of town camp residents to work in the construction industry. This involvement has greatly influenced the concept work under being the preferred SIHIP employment model.

Tangentyere Construction has also been asked to assist Territory Alliance in providing preliminary cost, estimates for a range of housing types, as well as its expertise and knowledge of the local construction industry and its capacity to manage, what will be a substantial influx of capital works and (inaudible).

Tangentyere Housing Office has been compiling information for the needs assessment and has been facilitating introductions to town camp communities and the alliance partners. This significant informal involvement which Tangentyere has welcomed, because we see ourselves as having the right expertise to assist and we want to see this program roll out for the greatest benefits to our constituents.

SIHIP offers a unique opportunity to make positive changes in the lives of Aboriginal people. It is essential that we work together in a careful, considerate, cooperative and professional way to ensure the best results for town camp residents, not just now but for future generations.

I cannot stress how vital it is for SIHIP to achieve all of its objectives in engagement, construction and employment. I bring a few broad issues to your attention.

SIHIP management; funding into actual town camps must be \$100m, as per the lease agreement; what breakdown of funding is going into administration, upgrades of new houses and infrastructure? Is this breakdown set in concrete so that a cost run over in infrastructure or new houses will not be at the expense of housing upgrades.

Preliminary SIHIP planning consultation. When the Northern Territory government presented the alliance model to Tangentyere last year, the community were to be the key part of the alliance, along with the government and contractors. This key component, which was so heavily sold to communities during the lease negotiation, appears to have changed with the recent changes to the program and the axing of the community consultation process from the brief. While some people may see consulting with communities as slowing down the project, we believe that it will have the opposite effect.

The Alice Springs Town Camp/SIHIP project will be very complicated, with up to 3500 people relying on the service connecting their homes that are some how to be replaced with minimal disruption. If this project is to be completed without major time and cost over runs, we must develop a sophisticated communication and consultation strategy with the community.

In the urgency to roll out the program, it is imperative that smart decisions to walk through the improvements, are not sacrificed due to pressures on your whimsical and short-sighted time lines.

Baseline data is just as important in this lead phase, an effort to be put on ensuring appropriate baseline data is collected around function rates of existing housing, in relation to toilets, showers and laundry facilities, food preparation, pest control and heating and cooling, this will ensure the most effective allocation of resources to deliver a standard of housing and infrastructure more likely to close the gap. It will also set a benchmark against which the program can be evaluated in the future.

Practicalities and gaining support from the people affected: as the roll-out looms there seems to be a concerted effort to involve the people whose lives are affected. This is vital to ensure what is built is right for the people and they are ready to be able to work through the practical disruptions the construction will cause to their lives. To that end, meaningful consultation must occur through the appropriate representative structures and linkages. This is critical to ensure the housing recipients are well informed throughout the process. I cannot stress enough how disruptive this will be on people's lives, or the logistical considerations that will needed to be taken to ensure a smooth, timely, and successful process which avoids unnecessary hazards and disruptions.

Meeting its objectives: the construction phase must fully integrate regional expertise in design construction and maximise employment for local unemployed Aboriginal people living in the town camp communities during this project and into the future. It is not only about houses.

In summary, I must put forward the following key recommendations.

1. ultimate transparent funding information needs to be provided that shows the detail of the \$100m going into town camp development;
2. the consultative forum should be formally included in the alliance leadership team, and the package alliance management team now, as well as the consultative forums to the executive director of township leasing; and
3. there must be a rock-solid guarantee that SIHIP roll-out will give equal opportunity in engagement, construction in the form of local unemployed Aboriginal people, and to be accountable to all these three areas.

I would like to mention the following broader points, relevant to the deliberations of the committee. Of course, SIHIP is only the beginning of the broader reform process, and I put forward the following areas of concern to town camp residents. They relate to how core services will be provided in the future, and guarantee that these essential services will be adequate for the extreme poverty and social dislocation experienced by town camp residents:

1. What bus services will be provided into town camps, how much will they cost residents, and how often will they run? In other words, public available and affordable transport must be provided and must be sufficient to enable people to access health, education, and other mainstream social and public services.
2. What programs will be provided to educate and support residents to meet their reciprocal responsibilities in tenancy arrangements, and will people be evicted because they do not know how to manage their tenancy? In other words, tenancy must include education and support so people do not find themselves evicted or lost in the public housing system.
3. What transport services will be provided to take people home? In other words, regional transport services must be guaranteed to take people back to country.
4. What health and social services will be provided? Health and social services to be delivered through a multifunctional community facility as recommended in the *Little Children are Sacred* report to meet the needs, and to be fully accessible to residents?
5. Synergies between SIHIP and other housing funding programs. The Northern Territory government should be taking a lead over New South Wales and South Australia, and examining ways to deliver all social housing capital it receives from Canberra, including SIHIP, in order to attract additional capital funding from the National Rental Affordability Scheme.

To date, there has been no successful National Rental Affordability Scheme submissions in the Northern Territory. In New South Wales and South Australia, governments have granted affordable housing development social housing capital, which has then been successfully used to secure a loan from the bank for additional money - a loan which is paid off over 10 years by money received from the NRAS subsidy. The key difference here is the willingness of the non-profit community housing sector to develop partnerships with both government and private sectors, and borrow from banks to increase the quality and quantity of construction.

If the SIHIP project on Alice Springs Town Camp communities were developed through a community housing developer, it would be able to increase the number of new houses constructed from 85 to 148 through a combination of savings from low administration costs and additional money received from the National Rental Affordability Scheme and the private sector. It is time for the Northern Territory government to open its mind to alternative delivery models to that of a SIHIP model, models that do not compromise on the high design standards set by SIHIP, yet examine ways to involve the private sector in stretching the dollars.

The recommendations I vigorously recommend are that future development targeting town camp communities are evidence-based, determined by independent contemporary needs analysis in relation to housing needs, education needs and health assessment, municipal services and mobility. The most appropriate SIHIP implementation partnership should be selected with a mind to opportunities to link into private/public partnership models that attract other capital funding such as the National Rental Affordability Scheme and, as you will see, Mr Chairman, you will find further information attached.

Mr CHAIRMAN: Can I just say to members that I have got the forward copy of this, Pat, and we can get that published.

Mr TILMOUTH: I would like to thank you for your time. If you have any questions?

Mr ELFERINK: I am actually very much encouraged by the latter part of this submission, particularly in relation to the NRAS stuff and the way that you perceive that model advancing. My world view eventually, of course, is that Aboriginal people, like every other person, live in communities like any other person, there is not this segregation which occurs, either by choice or by infliction, and that everybody owns their own home which they are paying for. Clearly, that is now within the contemplation of Tangentyere that such a model, albeit a variant of the model, occur. Could you expand on this model for me and put it into simple

finger paintings, so I understand exactly what you would like to see operating in this area, because I am quite attracted to what you are suggesting?

Mr TILMOUTH: The reality is that, currently, the federal government has two streams of housing. Aboriginal housing is going from community-based to state-based, and mainstream housing is going from state based to community based. They are outsourcing the mainstream one to affordable housing companies like the Brisbane Housing Company, the Community Housing Ltd in Victoria, which is the biggest one in Australia, and it is visualised that in the next ten years there is probably not going to be a public housing system as such, whereas in the Northern Territory, we are being forced to go very much towards the state based.

There are a lot of opportunities in that, and we want to be part of mainstream, we want to embrace mainstream, but we also want the advantages that comes with it.

Mr ELFERINK: So, basically, the model is based on, or depends on an income stream, which is the NRAS. How does that exactly work? I confess to not knowing a great deal about NRAS.

Mr TILMOUTH: I have given a copy, mainly to the Chairman, about the affordable housing company – the Central Australian Affordable Housing Company, and I will get David to literally talk about it.

Mr ELFERINK: Yes, thank you.

Mr DONALD: The NRAS subsidy is essentially there to provide support for developers, and not for the community housing industry to provide housing at an affordable rental rate for a period of 10 years. There is a certain amount of subsidy; it is indexed to the CPI, provided by the Commonwealth, topped up by the Northern Territory government. It is currently running at about \$8500 per year for 10 years. Very soon that will be up to about \$10 000, so over a 10 year period, that will be \$100 000 which can be accessed now to help pay for the cost of development such as these in town camps or in Alice Springs.

Mr ELFERINK: It is a cooperative, for lack of a better word. A corporation, if you like, which governs a physical area I presume? It is essentially a corporate model which governs a physical ...

Mr DONALD: It is. There are certain rules, and most states and territories have a regulatory system which governs how affordable housing is managed. The Northern Territory, to date, does not have such a system. They cannot be managed by anyone; they cannot be managed by real estate agents, there are certain strict rules about how they are managed. They must be managed by the community housing sector, and rented out at up to at least 80% of market value. It is a way to promote private sector involvement to help fund the costs of affordable housing.

Mr ELFERINK: A tax break, in a fashion.

Mr DONALD: Yes. How it would work in this case, for example, whether it is SIHIP money or whether it is a separate allocation of a Northern Territory social housing capital grant they have received, it would have an allocation from the Northern Territory government, then if that goes to one of these housing organisations, it could then take it to the bank and borrow against it for a 10 years period. Effectively, this is a win-win for the company, and the government, because they could use the NRAS subsidy to effectively pay off the bank loan over the 10 year period.

Mr ELFERINK: A portion of it, not the whole of it.

Mr DONALD: The portion that is not covered by the capital grant from government. Effectively the government could put in 70% or 80%, and the rest could be covered by the private sector.

Mr ELFERINK: There would have to be a ceiling on the value of the property purchased?

Mr DONALD: It has to be a new property, it cannot be purchased.

Mr ELFERINK: There has to be a ceiling on the value of the property. You are not going to be building \$1m houses.

Mr DONALD: There is no ceiling on the value of the property; it is how much you rent it out for.

Mr GUNNER: There is a ceiling on the income through the ATO guidelines, and a ceiling on the market rate you rent at, you get the GST exemption, and the Commonwealth rent assistance, which gets more money into the system.

Mr DONALD: There are significant benefits which go to the not-for-profit sector ...

Mr ELFERINK: The ceiling is implied by the 80% threshold. The marketplace can only demand a certain amount before you get over the threshold.

Mr DONALD: South Australia and New South Wales, as we have mentioned, recognise the scheme does not quite stack up in costs of the development in those states, particularly in Sydney. Those governments have opted to put in additional allocation, namely their social housing (inaudible) they received from COAG. This is what we would highlight here, that could be SIHIP money; that precedent has been set. If that could be developed through this model, that money could be used to leverage the NRAS scheme. It does not have to be SIHIP; it could be run side by side SIHIP with any ...

Mr ELFERINK: SIHIP is a finite amount. There will be further housing money available through other arrangements in the future, and you would be targeting that too, I presume.

Mr DONALD: Yes.

Ms SCRYMGOUR: With both New South Wales and South Australia you talked about the regulatory framework which was put in place. What is the regulatory framework? Is that included in your ...

Mr DONALD: No, it is not. Those states have a system based on the national community housing scheme. They have been endorsed, I understand, as the national standards, by all states and territories, through COAG. Not all states and Territories have a regulatory system; however my understanding is discussions at COAG are to bring in a national regulatory system for the community housing sector. Certainly, our organisation is a supporter of strong regulation to help, in our mind, differentiate what we are doing from others who are doing a lesser job. Obviously, that has been the criticism of the Indigenous housing sector in the past, that there has not been a very tight regulatory system, perhaps, in a way that it should be.

Mr ELFERINK: We just heard from the Central Land Council that we do not even know who owns some houses; it is that loose.

Ms SCRYMGOUR: If I could ask William, in your submission – can I say, your opening address is really good and all the work for the submissions, thank you. One of the recommendations you have put in your document, if you could just elaborate or are you able to provide further information? You are saying the NT government needs to open its mind to alternative delivery models, does that fit in the NRAS and what you were talking about, public, private models which is part of your housing affordability, or is it ...

Mr TILMOUTH: It is looking outside the square, as opposed to being forever and a day maintaining the status quo. As I said earlier, it is a mainstream model that is very effective, and it is a model that we would like to embrace. We are not shying away from mainstream, but this is one way that disadvantaged people can end up owning their own houses, shared equity and all those sort of things are in there also. It is a whole composite of issues that people could find in affordable housing.

Mr GUNNER: I was wondering what sort of conversations you might have already had with the Northern Territory government about affordable housing, their company model. I know that we are starting up an affordable housing company model. As you said, they start with a new building and there is going to be one in my electorate in Wirrina, where we are going to be doing an affordable housing company model. I know the Housing Minister is very interested in talking to people about starting up other affordable housing company models in the Territory, I was wondering what sort of conversation you might have had with Northern Territory government to date.

Mr TILMOUTH: We are seeking to have a meeting with the minister. We have contacted his office and a date is yet to be finalised.

Mr GUNNER: Excellent, I think you will find a very welcome ear.

Ms ANDERSON: William, on page 5, I read in one of the points on practicalities is: 'I cannot stress how disruptive this will be on people lives and all the logistical considerations that will need to be taken to ensure a smooth, timely and successful process that avoids unnecessary hazards and disruptions'.

I am wondering if you are still finding hindering factors in all this, I thought the transformation committee, which has already been put in place with the Northern Territory government agencies, yourselves and Commonwealth agencies would smooth out these little problems, so that when things start happening, after the court decision, that the things you have highlighted are no longer there.

Mr TILMOUTH: In regards to that dot point, I was talking about there are going to be massive holes, there is going to be many children around playing, there needs to be protection of those children. When you are digging infrastructure, sewerage pipes, water pipes and the electrical, there is all that sort of stuff that needs on the top consultation with communities and education of those communities, otherwise you might find that the program becomes liable, in the sense that an accident may happen, there may be some sort of incident where a kid falls down a very large hole. I believe some of those gaps are small, some of them desperately need that service, but some of them, most of them are totally overcrowded and to ensure people's safety. That is what I was referring to about the hazards and disruptions to people lives. There are going to be roads dug up, tunnels, and a whole heap of work done, and people have no where else to go; that is their home. It is a big concern of ours. It is a hazard that is something in the forefront of our minds.

Mr WESTRA van HOLTHE: Well, just a couple of quick questions. How many town camps do you, as Tangentyere, administer?

Mr TILMOUTH: We currently administer – when you talk about town camps, I always say 18. There are two town camps that do not have security of tenure; they being Whitegate and Namitjira Camps. But, at the same time, they are still part of our membership, so the total is 16 at this point in time, that have tenure.

Mr WESTRA van HOLTHE: Just in overcrowding and solving some of those issues within the town camps, today, how many additional houses would you need built in the town camps to accommodate the overcrowding issue?

Mr TILMOUTH: We are working very closely with Territory Housing in relation to an assessment of housing need, bedroom need, looking also that a lot of those houses have generational need - need where big families have grown up inside of families, parents have vacated the house to live in the shed at the back because there are too many grannies and too many kids running around. That social need in regard to family grouping, avoidance groups, certainly are the sort of things which are contributing factors to a lot of the antisocial disputes you might see. We are working very closely with Territory Housing. We want to assess the need. It is a proposal we will be putting to the Transformation Committee to look at, in terms of bedroom need but, also, in health assessment needs analysis, and also education needs analysis.

You have to be very comprehensive in what sort of database you are dealing with. From there, you can glean direction.

Mr WESTRA van HOLTHE: So, you cannot put a rough figure on how many houses or bedrooms you would need for ...

Mr TILMOUTH: Well, as I said, we are dealing with a population of 3500. That is because of the mobility study we did. ABS always had us around 1600. We did a mobility study on the town camps that estimated our population to be 2500. But, with the remote visitors travelling to and from communities and other towns, the population can swell very quickly up to 3500. So, it fluctuates, depending on what is on in town, it fluctuates depending on what is out bush - the whole thing – so, it is a moving population.

Ms SCRYMGOUR: Willie, with that fluctuation, for an organisation like Tangentyere, with the mobility of people coming from communities into town, how high would that be? What sort of percentage did you say in terms of that mobility?

Mr TILMOUTH: 3500 is the figure we put here. But, our permanent residential population is around the 2500. Historically, we have been put down as 1600, but that was done by ABS and, ABS historically have an undercount anyway, because of mobility.

Ms SCRYMGOUR: Has transitional housing ever been raised with Tangentyere, or looked at in terms of that mobility?

Mr TILMOUTH: There is a desperate need for short-term accommodation. There is a desperate need to sustain tenancies in public housing, and to deal with the issues in regard to public housing. Not only does the population flow from remote communities, but from failed public housing tenants. They fall back on the goodwill of families, and a lot of them are renal dialysis patients. They fall back on the goodwill of town camp families, and that just exacerbates the overcrowding within that house.

Ms SCRYMGOUR: Just the last one, sorry, Mr Chairman. In your submission, you say - if SIHIP's projects on the town camp communities were developed through this community housing developer - if you used that model, you would have the ability to then increase the number of houses from 85 – on page 7 ...

Mr TILMOUTH: Yes, 85 to 148.

Ms SCRYMGOUR: From 85 to 148. Is that looking at different design, or has it altered the design from what Territory Alliance is doing, or would Tangentyere, through a different construction, come up with a ...

Mr TILMOUTH: I believe that would be accessing the NRAS and other funding sources in order to reach that number. We deal with about four or five different designs, and those designs are, people do like them but, at the end of the day, this why we repeat the acts of wear and tear on those houses and, yes ...

Mr CHAIRMAN: A final question, this is from the bloke from the north. What is the issue in relation to the hold up of houses being established on the town camps, is it related to the leases? Can you give us a run down of what the problem is and where it is at the present time?

Mr TILMOUTH: The problem is with the High Court in relation to its deliberation on the case that was put to them. As far as I know, we are all in limbo. I cannot comment on what the decision is, I mean, as far as I know from the housing associations, once that decision is made, those leases will be executed.

Mr CHAIRMAN: Who is in court, is it the housing association?

Mr TILMOUTH: No, it is not. It is from individual members of the housing association in relation to the failure to be consulted in the manner that they understood. It is not necessarily the housing association, it is from individuals who believe that natural justice should have taken place, and in some cases, rightfully so. This is the argument that they have put up to provide their lawyers, but it is not only the Tangentyere Housing Association issue, it has come from the individual people. We are just waiting on the High Court to deliberate on the case, which ever way it goes.

Mr CHAIRMAN: We were talking about consultant costs before, I suppose there will be lawyer costs as well, and you wonder how many houses could be built, but that is another issue.

Mr TILMOUTH: No, we do not. The lawyers are not our concern in regard to that, these are lawyers that are acting for the individuals who can afford one.

Ms SCRYMGOUR: But that seems to be the problem, though, through the Chair, that there is a whole lot of confusion with people, and I suppose people think it is Tangentyere, the injunction and stuff is Tangentyere's fault, and that is why housing is not happening or these programs are not happening in communities, and that could not be further from the truth. This submission certainly highlights that Tangentyere does want to move towards embracing of a mainstream model, or trying to get affordable housing happening in the town camps for its residents.

Mr TILMOUTH: I have recent information coming from people who know are ill-informed, who do not understand, or media who take on the mantle that they assume, so I think there is a lot of stuff going on and we just have to wear it.

Mr CHAIRMAN: Thank you for that. That is the reason I asked the question, because my information comes out of the media and I needed to clarify that, so thank you very much.

Mr TILMOUTH: Do not believe everything you read.

Mr CHAIRMAN: I don't.

Mr ELFERINK: I just want to say, wow, good luck with that, that is actually one of the best pieces of original thinking I have seen in a long time come out of any Aboriginal organisation in Central Australia. This is exceptional, and if you can make it work. Your challenge will be protecting the assets, theoretically

protecting the assets, but if you can make this work, you will probably get floods of enquiries for putting more Aboriginal people in housing than the Territory government managed in the last 30 years.

Mr TILMOUTH: Thank you.

Mr CHAIRMAN: I am glad you said 30 years.

Mr ELFERINK: I chose that figure very carefully.

Ms SCRYMGOUR: And you are right John, I think it is a great solution.

Mr CHAIRMAN: David, we thank you very much for coming today, we appreciate it. We will be trying to come back to see how things are going.

CENTRAL DESERT SHIRE COUNCIL
Roydon Robertson, Acting Chief Executive Officer

Mr CHAIRMAN: This hearing is open to the public and is being recorded. A transcript will be produced and will be available to the public. In certain circumstances the committee may decide that evidence or part thereof can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, but I remind you that this is at the discretion of the committee. You are reminded that evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record, I ask you to state your full names and the capacity in which you are appearing today. I also ask that you state your name each time you speak.

I would like to welcome our representative from the Central Desert Shire Council, Mr Roydon Robertson. Roydon if you would like to state your full name and the capacity in which you are here today. Hopefully that is on, but you will find out in a minute.

Mr ROBERTSON: Roydon Robertson, I am the Acting Chief Executive Officer of the Central Desert Shire Council.

Mr CHAIRMAN: Good afternoon, Roy. For those who do not know, Roydon used to be the Town Clerk and then City Clerk of Palmerston.

Mr ROBERTSON: No, I was the CEO of Palmerston City Council.

Mr CHAIRMAN: Thanks Roy. Would you be able to give us an overview of the Central Desert Shire, the size, population, roads and all that sort of thing?

Mr ROBERTSON: The Central Desert Shire Council is 282 000 km²-odd. It has a population of about 4600, covering nine shire service delivery centres. It is a council that, like all the other new shires, is covering a huge number of services. It is probably more of a regional government than a local government, and some of interstate councils would know. We cover things we would normally cover, things like Night Patrol, domestic violence programs, childcare, aged care, Australia Post, and Centrelink. We have housing infrastructure maintenance, art culture, aged and disabled, and all the normal local government functions as well.

Mr CHAIRMAN: In relation to those agencies and commercial areas you take up, where do you get your housing repairs and maintenance money from? How many houses do you actually repair? Who are you agent for?

Mr ROBERTSON: I am not sure who we get our money from, to tell you the truth. We have two areas: the housing tenancy management and the repairs and maintenance side. We have grants for both. I assume they are from – one of the grants is not in my department. Well, it was not in my department before I was acting CEO. I am not sure who we get it from, to tell you the truth.

Mr CHAIRMAN: How many outstations would you provide a service for, and what sort of services would you provide?

Mr ROBERTSON: We have probably about 50 or 60, and probably 30 of those we do provide some services to - mainly maintenance kind of work.

Mr CHAIRMAN: Where does that money come from?

Mr ROBERTSON: That comes from a special grant that is given to outstations.

Mr CHAIRMAN: How many childcare facilities do you have?

Mr ROBERTSON: About six childcare.

Mr CHAIRMAN: And how are they funded?

Mr ROBERTSON: They are funded by a government grant – the whole lot.

Mr CHAIRMAN: Aged care?

Mr ROBERTSON: The same.

Mr CHAIRMAN: How many do you have?

Mr ROBERTSON: About the same.

Mr CHAIRMAN: How many people would be in aged care?

Mr ROBERTSON: They all vary. Some of the customers are only small numbers, some are larger - but a big variation.

Ms SCRYMGOUR: With your aged care, is that your CACPs – community aged care packages, or is it aged care facilities?

Mr ROBERTSON: We have CACP, yes, we have a mixture.

Ms SCRYMGOUR: A mixture of ...

Mr ROBERTSON: Different grants.

Ms SCRYMGOUR: So both CACPs and also PAC?

Mr ROBERTSON: Yes.

Mr CHAIRMAN: Night Patrol – how many of those would you have?

Mr ROBERTSON: We have 13 Night Patrols.

Ms SCRYMGOUR: How many?

Mr ROBERTSON: Thirteen.

Mr CHAIRMAN: Funded by?

Mr ROBERTSON: Attorney-General's Department.

Mr CHAIRMAN: That is NT?

Mr ROBERTSON: No.

Ms SCRYMGOUR: Federals.

Mr ROBERTSON: Australian government.

Mr CHAIRMAN: Postal services – how many post offices would you look after?

Mr ROBERTSON: We only have the one licensed post office, but we supply agency kind of work for all the shire service centres. But, Yuendumu has its own actual licensed post office which we run.

Ms ANDERSON: Can I just ask whether these grants you have are external agencies that you have to deliver a service for as a shire, or is it part of the shire?

Mr ROBERTSON: No, we have over 100 grants and they are all provided to us to run the service.

Ms ANDERSON: So, no external agencies that you deliver the service on behalf of?

Mr ROBERTSON: I am not sure I understand the question.

Ms ANDERSON: Well, childcare would sometimes be in a region done by either Waltja or someone else. So, are you the primary service provider?

Mr ROBERTSON: No, we are actually supplying the regions providing the service.

Mr CHAIRMAN: By the way, which is the postal service you are actually – the main post office is that at Ti Tree or is that ...

Mr ROBERTSON: No, the only licence run we have is at Yuendumu.

Mr CHAIRMAN: CDEP, are you the only person that facilitates CDEP?

Mr ROBERTSON: Yes, we were successful in the tender in Central Desert.

Mr CHAIRMAN: Centrelink?

Mr ROBERTSON: Yes we provide Centrelink, all except one. Centrelink provides one and we do the other agencies.

Mr CHAIRMAN: Where is the one they provide?

Mr ROBERTSON: Good question.

Mr CHAIRMAN: Is there any reason why they should have one and you should have eight?

Mr ROBERTSON: No, I was a bit surprised we did not have the whole lot, but yes, there is one that they did establish some years ago apparently.

Mr CHAIRMAN: It is interesting to see that they run it, is that right?

Mr ROBERTSON: Well, yes they have their own building, they have their own employee.

Mr CHAIRMAN: It would be interesting to see why they do not run it in the other eight places.

Mr ROBERTSON: I do not know the reason for that, no.

Ms SCRYMGOUR: Where is your office?

Mr ROBERTSON: It is in Bagot Street, Alice Springs.

Ms SCRYMGOUR: So it is based in Alice Springs, and you cover an area of 280 000 km²?

Ms ANDERSON: 282 000 km².

Ms SCRYMGOUR: Yes, 282 000 km². You are based in Alice Springs, and you go up to Lajamanu?

Mr ROBERTSON: Yes, Lajamanu is just inside our boundary.

Mr CHAIRMAN: 1000 km from Lajamanu to Tobermorey Station?

Mr ROBERTSON: Yes.

Mr CHAIRMAN: Sport and recreation - what facilities do you maintain and how many sport and recreation people do you have?

Mr ROBERTSON: We have quite a few, because with sport and recreation, we have about six different grants covering sport and recreation. We have a sport and recreation coordinator, and out in the communities we have sport and recreation officers. It is one of the areas in which we are very successful at.

Mr CHAIRMAN: Sport and recreation officers out in the communities, are they funded well or do they have to be topped up?

Mr ROBERTSON: They are funded, but we do have a bit of a battle as far as a couple of areas go. We cannot have, say, three full-time, some of them are 19 hours or whatever is there. We usually find we cannot have one of these officers in every community, but we try and make the money stretch so we can provide as much service as we can, but we do have a bit of a battle fitting everything in.

Mr CHAIRMAN: Essential services, power, water and sewerage. Do you employ an ESO?

Mr ROBERTSON: Yes, we have ESOs in all the communities.

Mr CHAIRMAN: Is that funded by Power and Water?

Mr ROBERTSON: Yes.

Mr CHAIRMAN: Learning centres, do you have any?

Mr ROBERTSON: Actually, I think there was one announced only yesterday or thereabouts. I think we are getting a \$2.6m learning centre at Willowra, I received an e-mail about it this morning. We have also some work going on at Lajamanu, a learning centre, which is tied up with WEC funding.

Mr CHAIRMAN: What will be a learning centre as distinct from a school?

Mr ROBERTSON: Well, I think it probably has a lot more adult kind of facilities as well.

Mr CHAIRMAN: Family mediation?

Mr ROBERTSON: We have one at Yuendumu.

Mr CHAIRMAN: What actually makes up a family mediation service?

Mr ROBERTSON: We have a domestic violence educator. There is a committee of people there that deal with those matters.

Mr CHAIRMAN: Who is that funded by?

Mr ROBERTSON: I cannot recall.

Mr CHAIRMAN: Community media, what does that entail?

Mr ROBERTSON: Yes, we have only a few of those. We have a couple at Lajamanu and a couple at Yuendumu, from memory.

Mr CHAIRMAN: What do you mean by some?

Mr ROBERTSON: Staff who are employed in the same ...

Mr CHAIRMAN: What is their role?

Mr ROBERTSON: At Yuendumu, I believe they work with the people at Mt Theo. They get training and provide information to the department.

Mr CHAIRMAN: Is it like a newsletter or radio station?

Ms ANDERSON: Warlpiri Media Association. It is a huge media association through ...

Mr ROBERTSON: The one at Yuendumu is ...

Ms ANDERSON: ... to link up prisoners in gaol to talk to their families.

Mr CHAIRMAN: They are funded by whom?

Ms SCRYMGOUR: The Australian government.

Mr CHAIRMAN: How much money do you raise from rates?

Mr ROBERTSON: 1.6% of our total income, \$466 000.

Mr CHAIRMAN: What is your total budget?

Mr ROBERTSON: Around \$30m.

Ms SCRYMGOUR: Does that include, CDEP.

Mr ROBERTSON: Yes.

Ms SCRYMGOUR: \$30m of your total revenue with the shire, including CDEP - with all the agencies we have gone through, and shire services, what is the overall percentage of Aboriginal employment through the shire?

Mr ROBERTSON: The last figure I saw was 71%, so say 70%.

Ms SCRYMGOUR: From 100%, 71% is Aboriginal staff?

Mr ROBERTSON: Sorry, that is from our courses and our agencies. That is not including CDEP.

Ms SCRYMGOUR: What is the biggest CDEP program? How big is each program?

Mr ROBERTSON: It is one of our largest ...

Ms SCRYMGOUR: I am trying to ascertain what your revenue stream is for core local government services. Separate that from funding from the Australian Government; what is the CDEP component? I want to ascertain out of the \$30m, what is the CDP component?

Mr ROBERTSON: We do not have a break-up of Australian Government, and Territory Government ...

Ms SCRYMGOUR: All the services you talked about, acquittals would be done on each one of those. Is it all put in one bucket?

Mr ROBERTSON: No, I have the figures; CDEP for 2009-2010 is \$5.7m.

Ms SCRYMGOUR: Those rates which average 1.6% of your total revenue, are based on how much per person? How do you charge rates?

Mr ROBERTSON: Most of that is Territory housing. We have very little rating as such.

Mr CHAIRMAN: If you put your FAGS money and your rates money together, what is the percentage? Can you tell us what the FAGS money would have been for the last financial year?

Mr ROBERTSON: For the current year FAGS is \$934 704.

Ms SCRYMGOUR: That is \$900 000, nearly \$1m.

Mr CHAIRMAN: That is general purpose, plus the roads.

Mr ROBERTSON: That would not include the roads.

Ms SCRYMGOUR: Does that include airports? That does not include air strips or airports?

Mr ROBERTSON: No. This is the general purpose.

Mr CHAIRMAN: What is your road funding? Is this the new IT system?

Mr ROBERTSON: These are not figures I am used to. The figure for road funding (inaudible) is \$747 860.

Mr CHAIRMAN: How many kilometres of road are you required to maintain for that amount of money?

Mr ROBERTSON: I do not know off the top of my head.

Ms SCRYMGOUR: Are we able to get the information on what road networks your shire will have to cover?

Mr ROBERTSON: Yes. Much of it still up in the air with what roads we are going to have and which ones we are not. We are still not really aware of what we are going to inherit.

Mr ELFERINK: By what means do you put a roads budget together, if you do not know what roads you have?

Mr ROBERTSON: No, the roads have not been handed over to us at this stage.

Mr ELFERINK: That is what I mean. I presume part of your budget process is that you create a line item for road repair and maintenance and you do not know the distance, let alone which roads.

Mr ROBERTSON: No, we know which roads we have currently.

Mr ELFERINK: When are these other roads going to be handed back?

Mr ROBERTSON: It is all going to spread over the next five years.

Mr CHAIRMAN: We do not have much time, but the question that has been around a fair amount is the IT. Do you have a figure of what it is costing you for IT and administration, so IT and communications is one lot of money and if you have an administration figure? One of the other councils, the Barkly Shire, had a figure for admin and a figure for IT.

Mr ROBERTSON: We do not have a figure called admin, as such. We have it split into finance, HR, etcetera. But the figure for the IT, the business systems, for this year is \$1.1m.

Mr CHAIRMAN: That is a little over two and a half times, or twice the amount of money you get from rates?

Mr ROBERTSON: Yes, it is a massive problem, of course.

Mr CHAIRMAN: Are you struggling like the other councils with this ShireBiz/CouncilBiz system?

Mr ROBERTSON: Certainly, yes.

Mr ELFERINK: Have you abandoned it yet?

Mr ROBERTSON: No, we have not. We are sticking with the ShireBiz remediation project. It is coming along quite nicely, and council has passed a motion where we can look at alternate systems. If we are not happy with the remediation, which is occurring with the Technology One System, we can look at other systems. We have looked at a couple of others, including the one Barkly went to. Barkly is the only council that has pulled out and gone its own way, which has cost them more. No doubt they will tell you, or have told you, it is costing them much more, in this first year anyway.

We have stuck with the remediation. The Technology One System has worked everywhere else. It was configured wrongly for the Northern Territory and the remediation team is now fixing that. In fact, they were only at our council last week. We are reasonably pleased with the way it is going. They have people who

are organising that now, who have enormous experience in IT, and we are quite upbeat about having our problems solved. We have a very positive outlook towards it.

Ms ANDERSON: So, what is the cost of IT on your shire?

Mr ROBERTSON: Well, it is \$1.1m just for the ...

Ms ANDERSON: So, is the government going to alleviate the problem for the shires and pay off that debt, or do you have to carry that debt as a shire?

Mr ROBERTSON: Well, it is not actually a debt. It is how much we are up for at the moment to supply all your systems. The actual shire's nett part of it - that is another one, which is actually the IT as distinct from the business systems - it was an NT government contract that we were locked into. So, we are all locked into that. That contract expires 30 June next year. Obviously, the shires are very keen to get out of what they are locked into.

I will just give you an example. For instance, we had to pay a lease fee for every laptop we have. It is between \$4000 and \$5000 a year, when you can buy them for hardly anything and throw them away if they break down. So, we have been lock into that contract which, of course, the government is as well. However, it is very expensive and I know the shires will be definitely looking at getting a far better deal as from 1 July 2010.

Mr CHAIRMAN: Can I just clarify that? The government is in a contract with Fujitsu to look after IT ...

Mr ROBERTSON: Yes.

Mr CHAIRMAN: ... and it made a decision that local government would be in that as well. Is that correct?

Mr ROBERTSON: We have been, yes, sure, but that does not mean we will be after 1 July 2010.

Ms ANDERSON: But you have been for the last two years?

Mr ROBERTSON: We have been, yes. We were locked in, and this is the problem that Barkly has because they are locked into those contracts whether they go with another group or not.

Mr CHAIRMAN: I know we are running out of time, but just into rates. This is a fairly important issue because, if a council cannot raise enough rates, it is going to be struggling all the time. It is going to depend on outside money. Pastoral properties are capped, mining leases are capped, you can only rate housing commission houses and freehold blocks? Are Aboriginal houses in outstations or on Aboriginal land rated at all - that are not part of the NT Housing program?

Mr ROBERTSON: No, we only rate the NT houses – for a charge.

Mr CHAIRMAN: Is that because you cannot rate houses on an Aboriginal land trust land?

Mr ROBERTSON: I would imagine so, yes.

Mr CHAIRMAN: Have you any idea how much, in a dollar figure, rates you cannot actually raise simply because you cannot rate people in those houses?

Mr ROBERTSON: We have had enough trouble coming up with what we can rate, to tell you the truth. That has been a massive job, just coming up with that in the first place, and it is still not finished.

Ms SCRYMGOUR: So the \$466 000 – and I can tell you, Mr Chairman, the reason. That is why I asked the Central Land Council this morning how many leases and licences have been signed with the shires so that rates can be applied. It is quite a simple concept if people can get their heads around it but, because the shires and the land councils have not signed these agreements, that is why rates cannot be leveraged on Aboriginal land, and it needs to happen. It is an issue people could avoid.

Your \$466 000, you were saying before, that you have raised as revenue through rates, that is through Territory Housing? You are saying Territory Housing – is that government employee housing? How are the rates? As I understand it, when the local government reforms went through, they removed service fees or

the ability to charge service fees out of the *Local Government Act* and replaced it with rates. So, what rates are the shires charging and who are you charging to get the \$466 000?

Mr ROBERTSON: We raise somewhere around \$12 000 to \$15 000 from pastoral leases in commercial agricultural properties; we raise around \$20 000 from mining extractive petroleum leases; we raise somewhere around \$40 000 on commercial properties; and the rest is public housing in remote communities.

Mr ELFERINK: I am concerned also that it is something that has appeared from other shires, so clearly, from the \$30m budget, you have a small amount of discretionary funding available to you, namely, what you call FAGS, from rates, so what, \$1.5m max or \$1m.

A Witness: \$1.1m.

Mr ELFERINK: \$1.1m, thank you. This is your discretionary funding and the rest is basically what you are doing as an agency on behalf of the public committee of federal and territory government bodies. Are you making any money operating, or on behalf of other Territory or federal government bodies, or is it costing you?

Mr ROBERTSON: There is probably a variation there. One of the big problems we do have is, as I said, we have over 100 grants, that is why I am having trouble answering some of these questions of who is who, you know, because they all have various conditions. The big problem there is what on cost we can charge on salaries, what administration charges they will accept. They are all different and, obviously, if we do not get on cost salaries plus - the work we are working on, we need 20% administration charges and some of them do not want to give any, some give 10%, so there is a constant argument there. We are very concerned on a couple of them, but we are keeping a close eye on them, child care, for instance, is one that we are very concerned that we are going to be running at a loss, which means that we would not be able to afford to do it, so there is a constant dialogue with all these departments over how are we going to fund this, because it is quite obvious that the council is not financially viable, in my opinion, without getting these administrative charges from the agencies, because there is nowhere near sufficient money for us to run our core services.

Mr ELFERINK: Even at a Territory or federal level, you would estimate your administration expenses at 20%. Is any government agency, Territory or federal, providing you with that 20%?

Mr ROBERTSON: Not at the moment. A lot of the shires are telling them that is what we require, some of the shires have dropped it to 15%. There will be, obviously, an ongoing dialogue around that.

Mr ELFERINK: Rolling out for the next year budgets, you are going to get to a point where you simply cannot afford to run the program.

Mr ROBERTSON: Well, that is a concern for sure.

Mr ELFERINK: How long do you give it before you start saying to these departments that you are not going to do it?

Mr ROBERTSON: Well, we have a greater problem than that, in that it has only been in the last couple of weeks that the audits were actually done at two of the major councils that became the Central Desert Shire, so we have operated 16 months without knowing what our commencing position was.

Ms SCRYMGOUR: Is that because of council fees?

Mr ROBERTSON: No, it is because the board for those councils took that long to do it and, quite frankly, there is massive concern. We have inherited debts, we have inherited very poor financial positions, most of the books have qualified reports, with hundreds of thousands of dollars that cannot be accounted for, they cannot vouch for, so we are only just now putting together where our opening balance is, so apart from any problem we have got with these agencies, we have very little to start with.

Mr ELFERINK: At the risk of being blunt, do you know what your administration balance is?

Mr ROBERSTON: No, we do not.

Mr ELFERINK: You do not?

Mr ROBERTSON: No.

Mr ELFERINK: How long have you existed for?

Mr ROBERTSON: Sixteen months. We have only just got the final two audits in the last couple of weeks, and they were two of the biggest councils that we had, one council ...

Mr ELFERINK: So you still do not know how much debt that you have got?

Mr ROBERTSON: We have only just started putting it all together. What happened was, from the day that we became a council, 1 July, we were inundated with accounts going back five years - inundated, and we have paid something like \$1.7m in those accounts. We were also inundated with agency breach notices going back to 2002-03. We have had to pay money back on grants we cannot acquit previous to 1 July 2008. We do not know what our financial position is.

Mr ELFERINK: The word schmozzle springs to mind.

Mr ROBERTSON: Well, that is one word, yes.

Ms SCRYMGOUR: Roydon, you have been with the Central Desert Shire from the start?

Mr ROBERTSON: Yes, I was the first senior staff.

Ms SCRYMGOUR: Are you saying, from 1 July when the shires happened, nobody had any indication of the debt, or a picture of all these councils? Is that what you are saying?

Mr ROBERTSON: We certainly did not, no. The books from the previous six councils were not done at that stage. They had some idea of what was in their bank, however one of the councils spent \$1.3m in the last six weeks.

Ms SCRYMGOUR: This sends shivers down your spine. Are you saying the formation of the Central Desert Shire, knowing how gloomy that picture was - as I understand it during the transition period in the first six months, the CEO was the shire, there were no elected members. During that six month period did not alarm bells go off saying there is a real concern here, there is going to be a real problem; we have debts from other councils, we have had no audits to tell us what the real picture is? Are you saying nobody had those concerns? You, who were the shire for six months.

Mr ROBERTSON: We had concerns, however those figures were not available; those councils were still operating. All we had were figures from 1 July 2007.

Ms SCRYMGOUR: What was the view of the department? What was the role of the department, with CEO's, to work through these issues so members could be elected and the shires become a legal body with their own business plans? What work was undertaken within the six months to address some of those issues?

Mr ROBERTSON: The department was still dealing with that. We were dealing with the business plan we were given, and also planning for and recruiting staff, because remember we had no staff. From 1 July we needed staff. The budget we were looking at, of course, was the budget from our commencement. What was happening with the other councils we had no control over.

Ms SCRYMGOUR: As I understand it, when the legislation went through the councils were dissolved and no longer legal entities. Everything passed to the CEO, who was then the legal entity; you were the shire. I am trying to gauge here ...

Mr ROBERTSON: On 1 July, any money they had was paid over to us; cash wise we were okay, we inherited cash. It was not until their books were completed we found much of the cash was unexpended grants and unpaid of bills.

Ms SCRYMGOUR: So you said \$1.3m ...

Mr ROBERTSON: \$1.6m.

Ms SCRYMGOUR: ... or \$1.6m.

Mr ROBERTSON: That was one council.

Ms SCRYMGOUR: One council was in debt by \$1.6m ...

Mr ROBERTSON: No, no. They spent ...

Ms SCRYMGOUR: Or had just spent – what, prior to 1 July?

Mr ROBERTSON: Yes, the six weeks leading up to 1 July, \$1.3m was spent.

Mr WESTRA van HOLTHE: Can I ask which council that was?

Mr ROBERTSON: It was Yuendumu/Willowra.

Mr ELFERINK: And what did they spend that on?

Mr ROBERTSON: Good question. It was spent on a variety of things, which the auditors obviously were unable to verify.

Mr ELFERINK: For example? I am talking about fact finding (inaudible).

Mr ROBERTSON: (Inaudible) and tools and plant tools.

Mr ELFERINK: That leads me to my next question, and I am glad you mentioned plant. You are now a council, you have absorbed the assets of other councils, including their plant and equipment. Could you do me a breakdown of how many backhoes you have, how many graders you have and what is their current serviceability.

Mr ROBERTSON: What we have? We have hundreds of pieces of plant and vehicles we inherited, many of which are in very poor condition. We are going through now, because it has been a huge job, we are trying to get a handle on exactly what we do have so we can get down our insurance costs for starters. We discovered that many of the vehicles, when we took over, were not registered, so we had to spend time registering vehicles and repairing them and trying to find where they were. Today we had a look at some of the assets for the two councils, which we have only just received the audits for, and we found a hell of a lot of the assets in those books were recorded with no value.

Mr ELFERINK: All right. If I understand you correctly - this is a summation of the evidence I have heard today - you do not know how much debt you have because the audits have just come through ...

Mr ROBERTSON: We know now, but we did not know for a long time.

Mr ELFERINK: But you are still trying to figure out those final figures?

Mr ROBERTSON: Yes.

Mr ELFERINK: Yes. Agencies are expecting you to cover their administration costs for grants that you get, in spite of the fact that you have a small amount of discretionary funding to make that determination. You have no capacity to know what roads you have to fix in the next five years because it has not yet been determined which roads you are getting back and much of the equipment you have to fix those roads is completely bugged. Is that a fair summation of what of I have heard today, not to put too fine a point on it?

Mr ROBERTSON: Yes. It is pretty close. Yes.

Ms SCRYMGOUR: I think going back, Mr Chairman, and I realise – but for six months – surely someone must have set the alarm bells off, or someone must have been alarmed and said to the department or said to the minister or – I mean surely ...

Mr ROBERTSON: Well, there was plenty talked about.

Ms SCRYMGOUR: If it was so disastrous as this, the six months during that transition period, if the picture was not clear, why did someone not say, 'This is a mess. We still do not have the financial audits from these communities. We have had one community spend \$1.6m on, we do not know what', but ...

Mr CHAIRMAN: Plant.

Ms SCRYMGOUR: I mean, it is not really ascertained.

Mr ROBERTSON: No, but we did not know that. We did not know that until now. The books were not done, so the year was not finished, and they were not our responsibility at that stage.

Ms SCRYMGOUR: It was just on good faith, so let us just do it in six months.

Mr ROBERTSON: There was much good faith, yes. In all the planning leading up, all the meetings with the department, and all the way through, there was a hell of a lot of good faith by the new councils, because there were some things I knew from day one.

I did not agree with the organisation structure of the councils, the shared finance centres, or the concept of CouncilBiz and all these things were going to happen around us.

Ms SCRYMGOUR: So what funding and support is now going to the Central Desert Shire, to those elected members, to develop their capacity to be able to understand the situation that they are in, or is that something that the shire has just got to find ...

Mr ROBERTSON: We have done much governance training with the elected members and it is continuing; they have had a huge amount of training and it is an ongoing thing.

Mr CHAIRMAN: We have to finish up. There is one thing that worries me. There were two things that happened at the beginning of the councils starting up. One, there were business plans developed for every shire, which were developed by a company run by, or one of the partners in that company worked for Macdonnell Shire and has now left. Did that company do an in-depth analysis of every existing council before it came up with a shire plan?

Ms ANDERSON: Nothing, nothing.

Mr ROBERTSON: No, I do not know about that, because when we started – and I started in January 2008 – that plan was presented to us ...

Mr CHAIRMAN: That is right.

Mr ROBERTSON: It is a very good working document. It turned out a lot of things probably did not work out that way. But, as a document at that point in time, it really was very helpful.

Mr CHAIRMAN: But it was not based on – was there an option ...

Ms SCRYMGOUR: Well, it obviously not based on fact.

Mr CHAIRMAN: Yes, that is right. Did he go out to those councils and check their books before he did the business plan for the new shire?

Mr ROBERTSON: No, I imagine all that must have been done in 2007. It was certainly done before I started.

Mr CHAIRMAN: The other thing, the transition committees, which I personally had a lot of trouble with in Litchfield. Their job was to dig in - and I would have hoped - look at what the existing councils had, because they came from existing areas. Then, their job was to move on to your new amalgamated shire. Did those transition committees raise the issue of what plant, equipment, debt, etcetera, had for the councils that existed at that time?

Mr ROBERTSON: No, I do not recall too much debate about that. There was another committee which, was a lot of - like all the CEOs, and they started ...

Mr CHAIRMAN: That was the bigger picture.

Mr ROBERTSON: The bigger one, yes.

Mr CHAIRMAN: That was the one run by Pat Dodson?

Mr ROBERTSON: Yes. No, there were other committees which met, which the Department of Local Government ran ...

Mr CHAIRMAN: They are transition committees. They were smaller but ...

Mr ROBERTSON: Yes, they dealt with all of those type of issues. I suppose, like everyone else, they did not have good books to the end of June 2008 at that stage either.

Mr CHAIRMAN: We could probably go on for a long time.

Mr ELFERINK: Mr Chairman, there is one thing I am compelled to ask at this point and it would be remiss of me if I did not.. With these audits, particularly the one at Yuendumu, the expenditure in the last few weeks - is there any suggestion in the audit process of any criminality or misappropriation of funds?

Mr ROBERTSON: Not in the books. However, the shire has taken the matter further.

Mr ELFERINK: Does that include reporting it to the appropriate authorities?

Mr ROBERTSON: Yes, it does.

Mr ELFERINK: Thank you, sir.

Mr CHAIRMAN: Thank you, Roydon, we have to finish; we have gone over time.

Mr WESTRA van HOLTHE: I probably have a hundred questions, I did not even get to ...

Mr CHAIRMAN: Sorry, Willem.

Mr WESTRA van HOLTHE: Perhaps another time.

Mr CHAIRMAN: We could probably ask. We have another council coming up which, I have a feeling, might have some similar issues. So, Willem, you will get a few there - I guarantee

We have Damien waiting there in the wings. I know he is going to give us a different perspective from a different type of council. So, thank you, Roydon, very much for coming. We will be back. because there are lots of questions. In the end, even though we are asking hard questions, I do not think anyone here wants local government to fail; they want it to succeed. If we can, by bringing these things out in the open, show what the difficulties are, and we can achieve some changes that make it work, in the end it is the people on the ground who suffer. We have to ensure they get good service.

Mr ROBERTSON: I am sorry I could not - I was not expecting to get into such number statistic you were wanting.

Mr CHAIRMAN: That is alright.

Mr ROBERTSON: I can provide them.

Ms SCRYMGOUR: We will be talking again.

Mr ROBERTSON: If you want anything we can easily develop it.

Mr ELFERINK: Thank you very much for your honesty.

Mr CHAIRMAN: Okay. We will have a one-minute break then I ask Damien if he would like to come up and tell us about Alice Springs.

MAYOR OF ALICE SPRINGS
Damien Ryan

Mr CHAIRMAN: I will keep it moving because we are a little bit behind.

This hearing is open to the public and is being recorded. A transcript will be produced and will be available to the public. In certain circumstances, the committee may decide that evidence or part thereof can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, but I remind you that this is at the discretion of the committee. You are reminded that evidence given to the committee is protected by parliamentary privilege.

For purposes of the *Hansard* record, I ask that you state your full name and the capacity in which you are appearing today. I also ask that you state your name each time you speak and, as the member for Fannie Bay said, I also ask if you could use the microphone.

Mr Mayor, would you be able to give us your full name please and the capacity in which you are speaking here today?

Mr RYAN: Thank you Mr Chairman. Damien Ryan, I sit here before you today as Mayor of Alice Springs.

Mr CHAIRMAN: Thank you Damien, and I understand you have a range of issues that you would like to put before the council, so we are all ears.

Mr RYAN: Thank you. I have eight points I would like to bring up today, and I will present you with a paper in the end, because I look forward to some written responses towards to these questions.

The first issue I would like to bring up is Aboriginal Areas Protection Authority and, to make it clear, we as a council recognise the fact that there are a huge amount of significant sites in Alice Springs. We are not trying to destroy that, we are looking for help to work with them. Council has forwarded written communication to numerous politicians in the Territory government in recent times concerning the financial costs associated with the protection of sacred sites in Alice Springs. Bringing this matter before the Northern Territory Legislative Assembly, council affirms its full support for the process and the protection of sacred sites, and it recognises the value of these sites to the Central Arrernte people and the value of protecting these sites to the township of Alice Springs.

At its ordinary meeting held on 26 October 2009, council resolved the following:

- (a) *confirms its full support to the legislative protection of sacred sites;*
- (b) *recognise the value of these sites to the Central Arrernte people, and the value and protection of these sites to the township of Alice Springs;*
- (c) *we acknowledge the hurt caused by previous activities undertaken prior to sacred sites legislation, and without consulting Central Arrernte people;*
- (d) *we note that Alice Springs has some of the most stringent conditions in the world relating to sacred sites, and some of the highest concentrations of protected sacred sites in the Territory;*
- (e) *we request the Northern Territory government absorb all administrative costs and contribute to the management costs pertaining to sacred sites within our municipality, given the inequitable and unfair nature of facing a cost burden on locations with a strong concentration of sites;*
- (f) *to write to the leaders of both political parties in the Territory and Independent members,*

This has been done.

The council's concern relates purely to the costs associated with the protection and maintenance of sacred sites, and a report I will give at the end of this, dated 16 November, highlights the most recent application fees determined by APPA, and I will use that abbreviation if I may. Council refers specifically to the estimated application fee relating to the preparation of the Todd and Charles River Fire Management Plan. This is quoted to us at \$37 710. Given the fact the fire protection and management of the previously mentioned areas is undertaken in the best interests of all Alice Springs residents and visitors, with an obvious focus on public safety and the protection of the natural environment, which include those sacred sites, it appears rather costly that council has levelled a significant charge to assist in this community service.

This cost does not include the cost of the actual works. As a matter of interest, the Todd and Charles River corridor is vacant crown land under reserve to the Alice Springs Town Council, being the trustee of that reserve. We understand APPA needs to be financed, but we feel this is the responsibility of Treasury, not of the ratepayers of Alice Springs.

Another example of incurring costs is in relation to the two poisoned trees situated near the Traeger Park grandstand. Although the application fee was only \$50, the cost of the works to council is estimated to exceed \$30 000, excluding ongoing maintenance of this site. As a matter of interest, an independent report commissioned by council, recommended the removal of the two trees. APPA determined the two trees should remain with the resultant affect council ratepayers will incur the cost as previously mentioned; \$30 000, plus our ongoing maintenance costs.

It is the opinion of council the responsibility for the protection and maintenance of Aboriginal sacred sites should be viewed not purely from a local perspective, but also from a Northern Territory and national perspective.

I have a list of costs which I will hand up which, at this stage, is what has been spent in the last year, September to October, \$10 480 for permits for looking after trees in the town, emergency clean up and removal of dangerous limbs in July of \$1000, silt removal in the Todd River \$7300, and recent received quotes, which we have not acted on at this stage, removal of buffel grass and fence at Little Sisters Hill, Frank McAllister Park; this is a cost of \$9200, and the fire management plan as mentioned before of \$37 710.

On receiving that quotation we did approach what we believed were two other interested parties in town, the fire brigade and DPI and asked for their assistance, which was declined. This is an ongoing cost which is very hard to bear on a rates basis. I understand the significance of the sites, and I am asking for the government to seriously look at funding this process.

I would like to move on to the second point, the cash for containers program we are running. In October 2007, council received a grant for \$10 000 via the Northern Territory government environment grant program to undertake a can recycling program, which was very successful and was used in a very short time. At that time, council continued another allocation of \$10 000 which enabled it to operate into November.

The success of that trial in 2007, encouraged the new council, when elected in April 2008, to work towards creating a Cash for Containers program for a few different reasons, but one of the main ones was that at some time in the future, our town was going to have to purchase or prepare another land fill. We need to take out what is in our land fill today to try and extend its life. We took \$400 000 out of our budget, from the land fill account, to run the Cash for Containers project for a 12 month period. The Cash for Containers incentive is only available to residents of the municipal of Alice Springs, and allows for them to collect the 5¢ payment for each glass or aluminium drink container taken to our commercial recycling station, which is operated by Territory Metals.

There is a limit of 500 containers per person, per day, and we only operate on two days of the week, on Saturdays and Mondays. We are trying to support the fact that there is a great deal of litter from this sort of product in our town. To give you an indication, as at Saturday, a total of 2 446 844m containers have been taken to Territory Metals and this is only over a working period of about 40 days, since we have started.

We have paid out \$122 342 at this stage under this plan, and those numbers are in the sheets I will give you afterwards. But the purpose of raising the profile of this project to you today, is the fact that the council cannot financially sustain the Cash for Containers program beyond the 2009-10 financial year. We are asking, or we are commending, this program to the Northern Territory government for adoption.

Our Council would be very surprised if all Territorians did not embrace such a program in a positive manner. The scheme offers an income to certain organisations, clubs and schools across our town, as well as to the society in general, with a particular emphasis on low-income individuals and families. The obvious benefit is to our environment, by a reduction in littering and land fill waste replaced by recycling.

We recognise the government gave us a grant this year to buy a glass crusher, which will be in operation by February next year. We can crush a lot of glass, 5800 containers, of the old measurement of a stubbie, equates to one tonne of sand when crushed. It also removes much cubic waste out of our land fill.

We look forward to, we see this as a very successful program and we are asking you to, or asking the Northern Territory government to fund to continue this program in 2010-11, on a pilot basis, with a view to the introduction of container deposit legislation by the Northern Territory government in 2011.

Mr ELFERINK: Does the local council raise any deposit on drink containers sold, or is it purely a grant process.

Mr RYAN: No, it does not. This money is taken from a land fill account, which has come from ratepayers and put into the land fill account for the future of the land fill, we took that out to run this program.

Mr ELFERINK: There is no CDL involved here, it is purely ...

Mr RYAN: This is a refund, sorry, this is reward to anyone who picks up a can or a drink bottle and brings it to the operator.

Mr CHAIRMAN: What sort of value have you received in return from the sale of the metal?

Mr RYAN: The sale of the metal. At this stage, under \$15 000.

Mr WOOD: How much have to spent to get that \$15 000 in ...

Mr RYAN: We have paid out \$122 342, at this stage, in this program.

Mr ELFERINK: To make it stack up, there would have to be some form of container deposit ...

Mr RYAN: If you look at the experiment in South Australia, since the mid 1970s, most definitely. Also, when you look at the *Financial Review* of recent times, where the (?drink...17:04:55) are talking about the \$500m cost to their business, and this argument comes up every time there is a discussion on container deposit legislation.

Mr ELFERINK: The argument is well worn.

Mr RYAN: Yes, but our program is for this community, and there are certain products we get more of than other products ...

Mr ELFERINK: VB cans particularly.

Mr RYAN: That is very high on the hit list, yes.

Mr ELFERINK: Item 3. Received and understood, item 3.

Mr RYAN: Structural reform of local government: over the period of the restructure of local government within the Territory, the Alice Springs Town Council was assured by government representatives that restructuring would not disadvantage Alice Springs Town Council in its receipt of funding. This assurance is not reflected in our recent funding changes which continue to happen. Furthermore, a query over the amount received in the 2008-09 financial year, whilst there was a response suggesting council was on notice for the reduction, there was no indication given that a further reduction would be imposed again this year as it was.

Between 2006-07 and 2009-10, despite a 2.6% increase in population in our community, council has experienced a 23.86% decrease in financial assistance FAGS funding ...

Mr ELFERINK: Sorry, which – talking about FAGS, is it ...

Ms SCRYMGOUR: FAGS.

Mr ELFERINK: Was it Territory grants or FAGS?

Mr RYAN: FAGS. I want to go through all of these grants altogether. Despite a total increase of 16.32% in the amount of funding received by the Northern Territory government for the general financial assistance.

Looking at road funding, we experienced a reduction in effective entitlements received. The Northern Territory government has received an increase over the 2006-07 through 2009-10 period of funding of 14.04%, yet, Alice Springs Town Council has only received an increase of 9.65%. We have also had a reduction of 8% in library operational funding of an amount of \$45 448 for the 2009-10 year. This is a real concern to council, as we cannot continue to offer the services we do under these reductions. So, the total funding reduction related over that period is \$169 926. This really reduces our ability to maintain levels of services we currently provide.

I am also very concerned with the mention in recent days of the projection of Northern Territory government regarding library funding levels for local government in the near future. The current option paper on future library funding, I am not sure - has it been overturned or not? In the discussion in recent times, if it has been reduced 10% a year for the next five years, we will, effectively, have to close our library.

My other question is to the government on how it is intending to continue to fund local roads. In listening to the people before me, roads are a huge issue right across the Territory, not just Central Australia.

Mr CHAIRMAN: Have you finished that?

Mr RYAN: Yes.

Mr CHAIRMAN: Just on your FAGS money, have you been able to work out whether that 26% drop can be matched with an increase in the new amalgamated shires' FAGS money? Has the shift been in that direction?

Mr RYAN: Yes, it has. It is an issue the Territory government needs to go into bat with us with the federal government. As a Territory, we receive the same funding as the greater city of Geelong, but nobody ever seems to take into account our delivery points over the whole area and ...

Mr CHAIRMAN: As you know, local government has been arguing that for – and if you can beat New South Wales and Victoria ...

Mr RYAN: We need to continue putting it on the table, Mr Chairman.

Mr CHAIRMAN: Could I just ask a question, and it will probably be the same for MacDonnell. In relation to roads and to local government amalgamations, is it your belief one of the reasons the NT government promoted local government amalgamation is they had an agreement with the federal government there would be an increase in road funding. The area they kept highlighting was the case of the Pitjantjatjara lands where a certain amount of money has been now allocated to roads in that area to the South Australia government via the federal government, and that is a continual amount of money? In our case we do not have not that money? Is that correct?

Mr RYAN: That is correct. Anecdotally, that was one of the big discussion points on the forming of new shires; that this extra roads money would appear.

Mr CHAIRMAN: And it has not?

Mr RYAN: No. I think we are probably under-catered in the Territory by some 8000 km in recognised roads from our previous recognitions of distances to what is actually out there. So this funding is going to get even tougher for everybody.

Mr CHAIRMAN: Try number four now.

Mr RYAN: This is in relation to the parking requirements for Alice Springs. Our council is very concerned that the parking provisions of the Northern Territory Planning Scheme do not appear to have been applied to a number of developments in Alice Springs over the years. Council has had a parking contribution plan which makes provision for a contribution in lieu of parking required for the development, but not provided by the development's works.

Whilst there have been significant developments in change in land use in recent years, in the policy area of the parking contribution plan, there have been few developers who have been required to make a contribution. I refer to some correspondence I sent to the Honourable Delia Lawrie, Minister for Planning and Lands, which I have attached, back in October, the contents of which are pretty self-explanatory, but there are three examples given in the letter of matters of concern relating to developments in Alice Springs.

There is what is known as the Melanka site at 94 Todd Street, Town and Country at 75 Todd Street, and the medical centre at 73 Harvey Street.

Our concern is that, whilst there is a clear need for parking in the CBD and many areas of Alice Springs, new developments for use with a significant parking requirement are being approved, however these developments are not being required to contribute to parking by either the provisions of private or public parking spaces, or the cash contribution so that council can establish those missing parks. It appears that development applications are being considered and parking waivers given without substantial written documentation or justification provided by the applicants. Many planning authorities require parking surveys or comparisons for similar businesses in other areas to justify any changes to the parking provisions in the planning scheme. This is not the current practice of the Development Consent Authority.

The framework of the Development Consent Authority requires adequate parking provisions being made for new developments has resulted in an erosion of the public parking spot to the point where it is difficult to find parking spaces in close proximity in the CBD. Council understands that the private sector will always want to negotiate the provision of on-site parking relating to a new or redevelopment proposal, however, in the interests of good planning, both from a community perspective and a business perspective, the provision of off-site parking or a cash contribution towards the establishment of centrally located car parking infrastructure is very, very (inaudible). We need to continue or we need to re-establish that situation that has not happened.

Council now finds itself in a situation because of this that we have \$52 192 in a car parking reserve fund, yet we require in excess of \$1m to provide much needed public parking in our town. We have requested minister Lawrie review the policies and procedures of DCA to ensure that each new development provides adequate parking for the needs generated, either by the public or private sector, or maybe cash contribution to provide the same. So we seek the support of all parliamentarians in remedying the current situation.

Mr ELFERINK: If I just close my eyes, I could think I was listening to Graeme Sawyer.

Mr RYAN: Thanks John, I am glad to be held in his high regard.

Mr ELFERINK: No, I have heard exactly the same complaint from him.

Mr CHAIRMAN: Have you taken this up also with the DCA and said, right, you have not provided any money in lieu, you have given them an exemption, what are your reasons?

Mr RYAN: We do not get to block that development under that situation. We rely on the DCA following what is in the planning scheme, that is what we rely on.

Mr CHAIRMAN: The DCA, at the end of a meeting, will give reasons and give requirements for the developer, and if they do not write in that requirement to the developer there must be money paid to the council. Have you taken it up?

Mr RYAN: Usually, what happens is, the threat of not doing the development here and going elsewhere because they cannot afford this exorbitant rate. It usually seems to override the need to provide that funding for those parking spaces.

Mr ELFERINK: Has it ever been tested, to your awareness?

Mr RYAN: Not that I know of.

Mr CHAIRMAN: It is not the DCA saying the law does not exist to provide money to a Council in lieu car parking; your feeling is the DCA is concerned a development will not go ahead because it will put onerous requirements on that development.

Mr RYAN: Yes.

Mr ELFERINK: That is why I asked my previous question, and on the strength of that, the DCA roll over every time, they have never tested the threat.

Ms SCRYMGOUR: Is there a representative of Alice Springs Town Council on the DCA? I have asked this same question of all the members of the town councils.

Mr RYAN: There are two elected members from the Alice Springs Town Council on DCA, however they are there in their own right, not as members of the Alice Springs Town Council.

Mr CHAIRMAN: They only make two out of five. Local government used to have three out of five.

Mr RYAN: Affordable housing. Our biggest problem right now is the lack of housing stock coming onto the market. Listings are at an all time low, with properties selling almost as soon as they hit the market. The demand for all types of housing is far in excess of the supply, which means the prices will continue to rise and some buyers will not be able to afford to buy.

Alice Springs has always relied upon the transient nature of its residents therefore always providing a regular supply of houses and units available for purchase. In recent times, and with less employment opportunities in southern states, local residents are tending to stay put.

We have got huge plans and work opportunities in Central Australia but we have no housing, we cannot attract people. There is nowhere for people to live, especially if they are looking to rent in the short-to-medium term, and residential vacancy rate is at .01%. It cannot be read.

We regularly hear announcements of release of new land in the Top End, but we need the government to have the same political will here in Central Australia to bring land on. It is a strong issue.

In recent times a three-bedroom, one-bathroom dwelling picked up \$620 a week rent. The numbers are staggering. It is great if you have the property to rent. There is a local real estate firm which manages 460 rental properties with a 0% vacancy rate. The numbers are staggering. We are at a critical stage now; we are not heading towards a critical stage, we are at a critical stage.

Housing sales; demand out strips supply, and we now have a situation where, when properties go on the market, it is an estimated price but then we will negotiate, very rarely downwards.

Ms SCRYMGOUR: What is the vacancy rate?

Mr RYAN: Vacancy rate is quoted at the moment 0.1%. Nothing!

Mr ELFERINK: One third of houses.

Mr RYAN: The other interesting point is - and I have the newspaper clipping here for you - a story on the front page of the *Centralian Advocate* on 10 November stated: 'Going, going, gone. Mt John sold, no, there is no land'. 28 blocks were sold over a weekend, and the report in the paper was: 'the blocks of land in the Mt Johns Valley release were understood to have sold for more than \$300 000 each, with only a few slightly below that mark'.

We were once a town of opportunity where we encouraged first home buyers. That is not happening any more.

Mr CHAIRMAN: Ron Starry has been around a long time. I looked at his subdivision on Sunday morning, and there is some land available there. He is run into some problems, finance and some development requirements. Does the Council have any concerns about that subdivision? They are large size suburban blocks, would the council be encouraging that kind of development on that side of town?

Mr RYAN: Council encourages development anywhere, but it would like to encourage the government to, is we have to ensure the headworks are upgraded to ensure that the developer can go ahead. Headworks are an issue, over the last number of years, of great concern, and this is where developers get to a point and then we have to find a better way through it.

Mr CHAIRMAN: I know he is struggling with having to put a pump station in and some vents and it is making it very difficult for him to finance that. The other question I ask is about the airport land and the AZRI Land. Do you see those, if they can come on quickly, giving some relief to what is happening in Alice or do you think that is the wrong side of town to be developed?

Mr RYAN: Just talking development wise, I mean we have issues both sides of the range, but the first step is that we need somewhere for people to build. I support the AZRI concept because I am a little concerned with the infrastructure through the Gap from this side, I would like to know the exact capacity that was running at. We had discussions with the proposed Melanka site, in the middle of town, with some 118

units on it, which is terrific, we need to get that going, but we also need to know the exact capabilities of our infrastructure through the Gap and take that on. We have 85 new homes promised on town camps, by federal Minister Macklin, which is another series of systems that the infrastructure has to carry. We have the properties we have just mentioned in Mt John Valley. There is much development on this side. It seems that the AZRI is a preferred option also to go forward, but we need to have an option. We need desperately to get something turned off.

Mr ELFERINK: While we are mentioning it, whilst you see many press releases about land release in Darwin, I do not believe it is happening in any great quantities in Darwin and you have to get in to a lottery, so you can go and contend the privilege of buying a block for \$300 000.

Mr RYAN: I believe there are some people in Alice Springs who would like to be able to go in to a lottery.

Mr CHAIRMAN: Let us move on.

Mr RYAN: This is matter of concern to council and that is the maintenance and upgrade of Crown land open drains around the town. An inventory of Crown land open drains which are maintained by council is attached for you to see. This identifies an annual maintenance cost of \$376 000 with capital upgrade costs estimated at over one thousand million dollars. An e-mail forwarded by Works Manager, Craig Pankhurst, to the Director of Technical Services, Greg Buxton, dated 22 October, gives further credence to council's concern and that document is attached. For the first quarter, ended 30 September 2008, the cost of maintaining Crown land open drains was \$151 000, and this did not include the depreciation charges associated with the machinery used.

The Sadadeen drain mentioned in the e-mail obviously requires capital upgrade works that will run in to the hundreds of thousands of dollars. Therefore, council seeks financial support from the Northern Territory government to assist in maintaining or upgrading Crown land open drains and we have listed three options: but I suggest option one, make a yearly contribution towards the maintenance costs of the said drains; option two, is pay for the cost of capital upgrades of Crown land open drains, at a negotiated sum, on an annual basis; or option 3, is make a yearly contribution towards the maintenance costs of these Crown land open drains and pay for the cost of capital upgrades of such drains at a negotiated sum on an annual basis.

The council does not have the financial capacity to maintain and upgrade the Crown land open drains and the conditions of these drains will therefore progressively deteriorate, given the current funding scenario.

Mr ELFERINK: How did you end up with the drains?

Mr RYAN: As a gift. I believe it is called in some circles cost shifting, but ...

Ms SCRYMGOUR: Well, if they are on Crown land they should be ...

Mr ELFERINK: No, I get it. Is there some official document that says 'We build you a drain, as long as you look after it'.

Mr RYAN: I have to get back to you on that one.

Ms SCRYMGOUR: But if the drain is on Crown land, it should be ...

Mr ELFERINK: I know, but this is the point.

Mr CHAIRMAN: There could have been an agreement made that they would maintain that.

Mr ELFERINK: I was just wondering how they ended up with this situation. Clearly, the Mayor can get back to me.

Mr RYAN: The real serious matter, apart from the cost, forever hanging over our head, is our big flood. As these open drains deteriorate, it is going to make these areas flood even more. It is a very serious issue.

Mr ELFERINK: It is not like you can simply say to the government, 'Get stuffed, we are not going to look after your drains, you do it' because, ultimately, you get your one-in-100 years and, all of a sudden,

everybody is up to here in water. You are almost obliged by dint of the fact they are in your town to do this, because the government has just simply abandoned it. I am just wondering if there was some arrangement in place?

Mr RYAN: Yes, I would have to go back to the CEO on that, I am sorry.

Mr ELFERINK: Could you provide us ...

Mr RYAN: It is previous to my time, but I can get that.

Mr ELFERINK: ... with that information, please?

Mr RYAN: Certainly.

Mr ELFERINK: Thank you.

Ms SCRYMGOUR: Damien, another one, if you could. Earlier, you were talking about there was some stuff on one of the parks which one of the parks would be Crown land?

Mr RYAN: Sorry?

Ms SCRYMGOUR: You were talking earlier about one of the parks around town – a park?

Mr RYAN: No.

Ms SCRYMGOUR: I will try and find it.

Ms ANDERSON: The Todd River Reserve, I think.

Ms SCRYMGOUR: Todd River Reserve.

Mr RYAN: Yes, the reserve, sorry. That is what we look after, and that is the one we have been asked for those fees from (inaudible). Yes, again, that is Crown land, but we need to look after it for those reasons of both fire and flood.

Mr CHAIRMAN: So, the Todd River is not yours?

Mr RYAN: No.

Ms SCRYMGOUR: No, no. It is Crown land.

Mr CHAIRMAN: It is Crown land and you are being required to – that is right.

Mr ELFERINK: Yes, there is a lease arrangement in place over that.

Ms SCRYMGOUR: Yes, between the ...

Mr RYAN: Sorry?

Mr ELFERINK: There is a lease arrangement in place for that.

Mr RYAN: It was handed over to us to look after.

Mr ELFERINK: Yes.

Mr RYAN: We cannot derive an income from it.

Mr ELFERINK: No, no. When I say a lease, there is some arrangement in place. It is not like the drains where you are not quite sure how it is ...

Mr RYAN: No, but to be a responsible town, you really would not want to be saying to government 'Here is the Todd River back again'. It is an issue that – it is important it is looked after and, like the drains, we are looking for financial assistance.

Mr ELFERINK: Okay.

Mr CHAIRMAN: We better keep moving along. We are running ...

Ms ANDERSON: Can I just ask one question?

Mr CHAIRMAN: Yes.

Ms ANDERSON: Damien, regarding NAPA, have you written to the Indigenous Policy minister regarding the concerns of the Alice Springs Town Council?

Mr RYAN: Within the Territory government?

Ms ANDERSON: Yes.

Mr RYAN: Yes. That letter went to the minister as well, when we brought down our motion of going forward. I had written to the minister before that but, then, one of the aldermen brought this motion to council of how we get through this. We are concerned because we are getting into our fire season, but we do not have the approval because we have not paid the \$37 000 to get to work hand-in-hand with NAPA.

Ms ANDERSON: So have you had a response from the minister regarding your letter?

Mr RYAN: No, not at this stage.

Mr CHAIRMAN: All right, we have to keep moving along there.

Mr RYAN: I would like to move onto liquor litter charge, and just to give you a bit of background information that prompted us, as a council, to create this liquor litter charge. In the calendar year 2008, council's waste management cost was \$2.3m. A portion of this cost which related to the collection of litter around the town was \$630 000. A calculation based on the tonnage of litter collected by council in that \$630 000, showed the liquor litter which was in that litter, cost us just over \$300 000. It was an increase of nearly \$295 000 in litter charges over the last previous two years. A lot of it was to do with the people who have shifted into town through the intervention. Our litter collection is very huge.

The council officers estimated the proportion of liquor-related litter collected is conservatively 50% of the total litter collected. We resolved to levy a surcharge pursuant to section 157(1) of the Northern Territory *Local Government Act* that states as follows:

If a council carries out work, or provides services, for the benefit of land ... within its area, the council may declare a charge on that land.

The solicitors for the ratepayers affected then advised council their clients would – and, in fact, are – seeking a declaration from the Northern Territory Supreme Court that section 157 disclosed no legal basis for imposing the charge. We dispute this opinion and, in order that the wording in section 157 of the NT *Local Government Act* is not subject to differing interpretation, the Alice Springs Town Council seeks the Northern Territory government's action in this matter by the inclusion of clause 3A in section 157 that states; 'that other land or the occupier of other land may also benefit from work or services for which a charge is declared on certain land does not invalidate that declaration'.

The town council refers to its correspondence on 4 June this year to the Honourable Robert Knight, Minister for Local Government, and his response to myself, both of those copies are attached, and the content of his response, I do not really find quite – it does not – I think it should be looked at.

Council, we reaffirm our desire the NT government include a new clause in section 157 of the NT *Local Government Act* as previously stipulated in order to avoid potential litigation to local government in the Northern Territory from interested of affected parties.

Mr ELFERINK: Right, so basically the minister has written back and said we will have a look at it?

Mr CHAIRMAN: He gave a longer version of that which is contradictory within the letter, from memory.

Mr RYAN: Yes.

Mr GUNNER: That letter would be part of what you are tabling?

Mr RYAN: Yes, I have got it all here. It is all in the copy I am going to table.

Okay, the last one, just to finish on a bright note, our Get a Life employment program we are currently running. We commend this campaign to all parliamentarians of the Northern Territory. The campaign is designed to show Alice Springs as a vibrant and exciting alternative to the grind of everyday life where jobs abound and exciting experiences are on offer.

The campaign targets grey nomads and independent young people to turn up with their own home in tow, that is, a caravan, and are prepared to make a future and invest in this town. The timing of this campaign was designed to leverage on the current economic situation, being that Alice is growing while there are plenty examples of other areas of Australia where they do not have the same growth.

This campaign was designed because of the fact that, with so many job vacancies in our town, we need to attract workers to the town. We have covered all the issues. We understand that we do not have housing, we are talking about getting land released, but we are not going to just sit back on our hands, we want this program to be successful. We acknowledge that the government, through the Department of Regional Development, along with Tourism Central Australia and Chamber of Commerce, help the Alice Springs Town Council to support this program. It has been very successful. We have had a lot of amazing interest to this program in recent times. The first was just to get the idea out there. There will be a very big launch in early 2010 in anticipation. I just wanted to bring that one along and explain how we are very appreciative of what we have received in support of that.

Mr ELFERINK: Thank you very much.

Mr CHAIRMAN: In regard to caravan parks, have you enough caravan parks to take them all, because that is an issue that comes up every season up north? Is there any move not to – one of the people is me, that comes down to the Masters. Luckily, I have someone where to stay, but I know that accommodation prices go through the roof, especially caravan parks and some places in town. Does Alice feel that that is a bit of an impediment to encourage people to come, especially for those sporting events?

Mr RYAN: Yes, I am not in support of milking off the season. It is done in lots of areas around the county. It is happening a little bit in Alice Springs with the Masters Games, over the last three Masters Games, we have lost more and more properties. We have had places knocked down and so forth, and this is one of the big issues we need to get our building program back on line. We need support to be able to increase accommodation, whether it be in the housing are or not, in town.

Mr CHAIRMAN: Thank you, Mayor Damien. Thank you very much for that. You know we know we will be back soon, there are plenty of issues there.

We will have a two minute break. Our next group will be Macdonnell Shire, and I know they have been waiting patiently.

MACDONNELL SHIRE COUNCIL
Sid Anderson, President
Des Rogers, Deputy Chief Executive Officer
Graham Taylor, CEO
Mike Freeman, Director, Technical Services
Kath O'Leary, Manager, Agency Services

Mr CHAIRMAN: This hearing is open to the public and is being recorded. A transcript will be produced and will be available to the public. In certain circumstances the committee may decide that evidence or part thereof can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, but I remind you that this is at the discretion of the committee. You are reminded that evidence given to the committee is protected by parliamentary privilege. For the purposes of the *Hansard* I ask that you state your full names and the capacity in which you are appearing today, I also ask that you state your name each time you speak. I also ask that you use the microphone so that the people down the back can hear.

A big welcome, thank you to the MacDonnell Shire Council group. Sorry to hold you up, but there were some interesting issues beforehand. I ask each one of you to introduce yourself and say what your role is or what capacity you have come to this meeting.

Mr ANDERSON: Sid Anderson, President, MacDonnell Shire Council.

Mr ROGERS: Des Rogers, Deputy Chief Executive Officer, MacDonnell Shire Council.

Mr TAYLOR: Graham Taylor, CEO, MacDonnell Shire Council.

Mr FREEMAN: Mike Freeman, Director, Technical Services, MacDonnell Shire Council.

Ms O'LEARY: Kath O'Leary, Manager, Agency Services.

Mr CHAIRMAN: Thank you. Would you be able to give us an overview of where the shire is, the population, which communities you cover, please?

Mr ANDERSON: I will talk about the community council. We have started to (inaudible), and we have learnt governance training, (inaudible), it is about talking to people and showing them around the shire and the *Local Government Act* and all that, we have learnt that and shared it with community people to understand the new law. People are understanding, it is a year on now, some people who criticise the shires, but the shires are going to be here forever, for the communities, and it is new and we have to take it and learn and get more experience about local governance – orders and regulations. That is why (inaudible) to be here.

Mr ROGERS: It is probably my turn to say I will try to keep it short. I have been with the shire about 17 months. I started before 1 July 2008. One of the reasons I am with the shire is I followed the local government reform. I was cynical about it from the start. I thought this was just going to be another bureaucracy and, with respect, non-Indigenous people would run this. There would be no opportunities for Aboriginal people. But, after following that process, I actually came to the conclusion there were great opportunities for Aboriginal people under the shire structure.

I was born here and, obviously, I wore a lot of different hats during my life. I was fortunate enough to get appointed originally on a part-time basis as the (inaudible) officer. The council was elected in October 2008. We are the only council throughout all the shires that actually has 12 Aboriginal councillors, very strong on governance, as the president said.

The council approved a governance development framework in February this year. That framework has 12 modules in it. We have been through a number of modules. We have 14 Aboriginal communities throughout the shire. The shire is about 268 000 km² with 14 Aboriginal communities. We have 14 local boards established on each of those communities. The governance training that has been provided to the councillors, we apply that to local board members. One of the spin-off benefits with the governance training of our councillors is, the councillors assist (inaudible) the capacity of local board members.

For example, we have had 42 local board members at local board meetings over the last 12 months, and we say to the local boards, 'It is your opportunity to have a strong voice on the council'. So, we go along to assist, but we are not there to run the local board meetings. Our chairs and deputy chairs do that with the assistance of our councillors, if they have a councillor on the community.

I could say I could talk for ages, but I will not.

Ms SCRYMGOUR: Can I just ask a question? Des, with your local management boards, with the shires – you have the elected members who are the shire, then you have your local management boards which you say are in all your 14 communities. The decisions that are taken – when the local management boards have their meeting and they make decisions, I take it they must discuss what is happening in that community. Are the decisions of that local management board to the shire - is that seamless? Does the shire pick up and implement the recommendations?

Mr ROGERS: Yes, most certainly.

Ms SCRYMGOUR: So, you do not see any need to amend the *Local Government Act* to actually make the local management boards, giving them the power to make decisions?

Mr ROGERS: Well, the local boards make recommendations up to council and, under the *Local Government Act*, it is actually the council which endorse or make those decisions based on those recommendations. Also, when the transition committees were around, they implemented a process where we have informal meetings on the councils, on the local boards. We are encouraging that to occur on a monthly basis. Under the act, we have to have three local board meetings, per community, every year. That is quite difficult, as I said before. We run 42 local board meetings, or assist in 42 local board meetings, which is a huge strain on us.

The other thing I should point out too is all the local board members are actually volunteers. They do not get paid, and the volunteer their time.

Mr CHAIRMAN: Des, do you think those boards should be able – if they are volunteers and they are an advisory board, do you think they have to be told when they have meetings or the number they have, or just is it up to them, so there is more responsibility put back on them?

Mr ROGERS: Well, if the government, I believe, are going to do a review of the *Local Government Act*, my personal position is that I think that the local board members should adequately be compensated for the time they give up, because we all know, or we should know that Aboriginal people pass on the information. A lot of local board members go from nine up to 17, no restriction on how many you have there, but they also understand, through our council members, that you need to have 50% plus one to actually have a quorum at a meeting.

Ms SCRYMGOUR: With the local management boards, do the elected shire members sit on the local management board?

Mr ROGERS: Yes, within the board. We have four wards to become shires, each of those council members are automatically a member of the local board. So, for example, there are 14 communities, we have actually got five communities that do not have a council. That makes it a bit difficult to say to those five communities who have (inaudible). This is one of the things we are heading off to Kintore tomorrow to have a board meeting on Wednesday and another one at (inaudible) on Thursday.

Mr ELFERINK: Whoever picks up the microphone can answer this question. We have just heard a pretty grim assessment of your sister shire, just north of you, Central Shire, in terms of where their position is. I am aware that you were in the room, so you know what we were talking about but, basically, they were in a position they did not know how much debt they were carrying because there was still carryover stuff from the former councils. Agencies were expecting councils to pick up administration costs for the delivery of agency programs.

They spoke about no capacity to know what roads had been fixed, because they do not know what roads they are going to be given yet. Any equipment, or most equipment they had available to them was either bugged, unregistered or both. There were accounting systems that did not work, or the oversight or overview of the vehicle by which you had to manage the unmanageable with an accounting system. How many of those problems applied to you and how serious are they? Is it the same case with you as it was for Central Shire and Barkly Shire that it is actually unsustainable? And finally, if it is unsustainable, when do you run out of money?

Ms SCRYMGOUR: That is a long question. Can I clarify something before the CEO answers? I know that when I was questioning Mr Rogers, I want to put some clarification on the table – it is that transitional period which I am interested in, and I was saying that CEOs were in place within that six month period. CEOs were not in place, well, they were recruiting the CEOs in that time, but I think that it was local government officers that were appointed as the shire in that period.

Mr CHAIRMAN: No. I know ,,,

Ms SCRYMGOUR: There were some local government ...

Mr CHAIRMAN: There were some pretty big ads in the newspaper for ...

Ms SCRYMGOUR: Yes, but in that transition period, there were local government officers that were CEOs, and I think I am pretty right with that.

Mr ELFERINK: Can you remember the question that I just asked you?

Mr TAYLOR: I will try and answer some of it. First thing I will put in context, I have only been here about 10 weeks, the second CEO, not a very good beginning. I am happy to try and respond to some of these issues.

Firstly, in context, I am a supporter of reform, in Victoria, Tasmania, New South Wales, Queensland and southern New Zealand. I have been through the processes and I can assure you, end of June, item A and 1 July, item B does not exist. You cannot flick the council overnight. I will tell you why, it is a long term change process which is bringing over people, values, money, assets, and planning advice issues. No council I have been in through all these reforms has ever been achievable on day one, and nor is it expected and nor was it expected, from what I can see by the government, because there will be options to try and help us do this.

From my point of view I think it is quite (inaudible) to the government. They have looked at options for example, in the (inaudible) CouncilBiz, I have heard that mentioned. The principles are very sound. We have got to the point where every local government small council has been out spending millions of dollars of money it did not have at the time trying to establish this financing, accounting, IT background.

We have set up a core business to deal (inaudible) commonality. The reality is at some period of time in the future the councils will break away with their own needs and demands and establish their own IT to suit their needs. If you had done that on day one it would not have been a major cost to each individual council. The strategy and purpose was fantastic.

With reference to this Council and the problems it has, Council has clearly taken two paths. Over the last six months it has turned itself around from trying to find solutions to the problems, to looking at the opportunities. We said we will deal with the previous problems; we will deal with the accounts now we have the accounts. The very reason the change was done was the performance of the previous Council. The reality is all of those things were always going to be there. We brought on 600 staff, because we had to bring them on but we did not need them. Over time, that has gone down to about 370 staff on the ground.

It is that bringing in that has to happen, and then you start to evaluate what you need and what you do not need. Yes, we have brought along a collection of assets and different conditions, as mentioned regarding motor vehicles. We have embraced that, we have reviewed our plan, we have identified what we do not need, however we are also identifying what is capable of being serviced and maintained be retained, and what should be minimum serviced, and passed service life.

Asset manager (inaudible). We have raise our service level standards also. Yes, we have services which we were providing but do not do now. Others, where services and agreements which were carried out properly and complied with (inaudible) the liabilities of them. Nobody knew definitely what those liabilities were. There was funding there but that was tied to a previous grant or approval applications. That is an issue we are not accountable for; we were not there but we are going to try and fix it up and move forward. Credit to the Council, we will erase that as well.

We want the right governance; we want the right standard and the right decision making coming out of the (inaudible) organisations so the organisation starts to make a difference. That has been happening. We have about 7 000 km of rural road. There are some issues about handing that back (inaudible) that will have to be a negotiated arrangement with the Territory. That will come through. First we have to identify exactly how much we have, what condition they are in, what standards they are and what are the obligations for its maintenance (inaudible) Those things still have to come out' there is time.

The other one is youth and sport recreation programs; they have expanded enormously. We have taken the opportunity. We had up to 500 youth a day attending the program. That is pretty good across ...

We have nine communities with aged care facilities. It has actually expanded enormously and there are about 150 people. These things are growing.

We will be limited because we do not have a high rate base. We have got about \$480 000 as a rate base through pastoralists, mining, excavation, and quarries.

Mr ELFERINK: Generating how much revenue?

Mr TAYLOR: Generating revenue about \$480 000.

Mr ELFERINK: Other grants.

Mr TAYLOR: FAGS it is under \$2m.

Mr ELFERINK: A total budget of?

Mr TAYLOR: At the moment \$36m, it was \$24m when we started.

Mr ELFERINK: The rest of that component is tied grants to certain types of government services?

Mr TAYLOR: Generally you have very limited income from rates. You have un-timed grants (inaudible), and then you get into very small un-timed programs, the rest of ...

Mr ELFERINK: The problem two other shires have dealt with is the cost of administration is greater than the component of administration allowance for the grants. It is probably a complex way of saying your discretionary funding is being touched, because the other government agencies which are issuing these grants are expecting you to pay for some of the administration of those grants. Is that appearing in your case?

Mr TAYLOR: Very minor. We have improved what we are doing. The council has suggested to us we need to be looking at efficiency and effectiveness in our service, which is very much being embraced by the staff. We have gone back to the organisations and said, originally we made judgments, until we got some data in front of us about what the on-costs for us to run that service would be, and they were always around the 18% or 19%. We have now established that collectively across the organisation it is about 15%, but we have said to the government, as well a couple of the tendering bodies, we believe it is about 15% and they believe it should be 10% and someone has (inaudible) and they understand (inaudible) but they have taken the opportunities they have to be better and that is really what this is all about. (inaudible) fair service, the fact that we are making a difference on the ground. So we have taken the argument, right, we will come back to you at the end of the year when we have run this service and handled it through and we will itemise our actual costs to that and we will come back and give you the exact cost and then we will discuss with you of any variation to your tender document.

Mr ELFERINK: I see.

Mr TAYLOR: They have accepted that. They have said that is fine.

Mr ELFERINK: Basically, you are preparing to negotiate in the future, which is what the other councils are having to do as well.

Mr TAYLOR: I think that is our future. There is nothing wrong with being dependent on rates and funding, but the issue is that they are there to provide a service, with the best delivery methods we can provide for that community, then that is where it should be. Our role is to be the best we can to get the best outcome and that is our focus now. It is this relationship and partnership issues that have to come into it.

Mr ELFERINK: You would be hoping for a certain amount of discretionary spending. I mean as a council you would want to be more than just a project manager would you not?

Mr TAYLOR: Absolutely. There are all those costs you would like to look for, but there are programs where sometimes we look at what we can do for expanding IT programs, and getting a one-off grant to do something, and then IT becomes a service activity across the rest of the service, support for everyone else. So that adds value to the other programs, because you have managed to fund it directly out of your non-program activities.

Mr ELFERINK: Out of the 600 employees that you have adopted, for lack of a better expression.

Mr TAYLOR: We are required to take on, yes.

Mr ELFERINK: Okay, required to take on. You say that you now have 370, you have leaned out the machine to accommodate the service delivery. What happened to those other 230?

Mr TAYLOR: Those people, I cannot answer, because I was not here at the time but, I understand, the feedback I have, is that many of the people, while we say they were employees, (inaudible) records, background, history, was not very substantial.

Mr ELFERINK: Does that 600 include CDEP?

Mr TAYLOR: Yes, but it does not now.

Mr WESTRA van HOLTHE: Are you in the same boat as the other shires in regards to plant and equipment grants that you perhaps took on from the subsumed councils and to what sort of quantum do you have that problem?

Mr TAYLOR: We have identified about \$650 000 worth grants still outstanding from prior years, that have come over. Now that is for us to – we have asked for extensions of time and we have been given, so we were having to show (inaudible) and that is really what it is about. It is not about complaining that we cannot do it, it is that we hope to find a solution and we are doing that. We are putting our head down while we (inaudible) our own.

Mr WESTRA van HOLTHE: Make no mistake, I am sure we all believe that the shires are working very hard to control all the problems that have been thrust upon them. That is not the point of my line of questioning.

Mr TAYLOR: Having that experience of bringing, twice before, bringing the councils together through reform, takes three to five years. You have human culture, legislative compliance, contracts from the past that need to be settled and resolved and some of those become issues before going forward, it just takes time. As long as it is understood, and you are heading down the path (inaudible).

Mr ELFERINK: Along the same lines. In terms of someone who has seen a reform process in numerous jurisdictions, based on what you said before, was this done too quickly in your opinion?

Mr TAYLOR: It depends on what you are trying to achieve. I was in Victoria where reforms, you went on Friday night you were council A, and you came to work on Monday and you were council B. Some of the councils (inaudible), same administrators that were there Wednesday.

Mr CHAIRMAN: They did that with Yulara.

Mr TAYLOR: There are reasons why those things are done and it is not being judge or jury. I think sometimes the quicker the cut with the sword is the easiest way, sometimes the multiple cuts over time builds resistance, fighting and anxiety - too much anxiety. What has happened is not too bad. I do not think this sort of federal emotion (inaudible) where people who have suddenly seen the change, of having adapted to embracing the positives of it. They would have been pretty supportive. As I said, it got us going as a council business. It started to reshape itself now down to a smaller business activity. It has been quite supportive of some of the reform agendas. It has been very supportive in partnerships with all our governance training for our boards and councils, supporting them through the governance training. Some of it has been really good. Without that, we would be, to put it bluntly, we would be battling at this stage of our growth.

Mr ELFERINK: But there are horses for courses.

Mr TAYLOR: Absolutely. The very situation where you cannot provide standard reform across all councils. It is each council – that is why we have been given the opportunity to show what you can do for us, instead of dictating. We have to actually show them what is right for us.

Mr ELFERINK: Thank you.

Ms SCRYMGOUR: Mr Chairman, If you do not have another question ...

Mr CHAIRMAN: In local government, it would not have been allowed, but here ...

Ms SCRYMGOUR: The reform is important, but do you think, in hindsight - given such a huge reform - there should have been a development phase and then a live phase? You go live, you have new local government. That more time should have been taken to develop? You have a concept of amalgamations and shires from the eastern seaboard, and you bring it up and you plonk that framework within Aboriginal communities ...

Mr TAYLOR: It is different.

Ms SCRYMGOUR: It is like a square peg in a round hole. In your experience – and there are many sitting at this table I know have many years of experience - should there have been a longer time in terms of

development to work through? Bureaucrats always run the line economies of scale. All right? We hear it all the time, and we hear it in local government; that the new local government reforms will bring the economies of scale in the shires. Is that something you see through the MacDonnell Shire?

Mr TAYLOR: Yes, that is what the drive is about. I know what you are saying. I could see it at every stage. The economies of scale, yes, I agree, that has been the push. But, that is not what I see is the real issue. The real issue is swapping from government, which is the (inaudible) process system driven and policy, to outcome driven where the whole organisations of all levels of government are driven by what is the outcome, what is the difference you are going to make, because that was whole new (inaudible).

Ms SCRYMGOUR: But did not community government – yes. We can have this debate (inaudible).

Mr TAYLOR: Yes, I agree, but that is what is going on around the world, not just Australia, it is around the world.

Ms SCRYMGOUR: Yes.

Mr TAYLOR: The issue for us is, yes, things could be different. But, let us remember that we are dealing with hindsight. We are not making a decision to predict the future and try to make a judgment for the future; it has always gone on based on prediction. After the event, you always have more data and say 'Well, we could have done it differently'. But the reality is we have gone forward ...

Ms SCRYMGOUR: Just one more and then you can have it, Mr Chairman. With the opportunities - and I heard Des talk about the opportunities; and it is great to hear that. Given your rate base – what is the rate base in the MacDonnell Shire?

Mr TAYLOR: \$480 000.

Ms SCRYMGOUR: 480 000 people.

Mr TAYLOR: Sorry, the rate base is \$480 000. The population is ...

Ms SCRYMGOUR: \$480 000 is what your existing rate base is. Your population over that ...

Mr TAYLOR: About 7000 – just under 7000.

Ms SCRYMGOUR: 7000 people. So ...

Mr ROGERS: Can I just say that Dr John Taylor, who is a demographer who has done in the MacDonnell Shire, estimates by the year 2020, the population will double in the MacDonnell Shire. That is because of the demographics . I suggest that probably 95% of our constituents are Aboriginal, and we have a growing, high birth rate, whereas non-Indigenous people, as you know is an ageing population. This is one of the things that we – and I certainly keep reminding everyone we have to reflect back over what we have achieved over the last 12 months. I did this a few weeks ago, saying what we have done is different. To be honest, we have not done anything different, we are doing a lot of stuff better. But, we want to make a difference. Our councillors are asking that question, what have we done? What has the shire done that is different to what the old council has done? Really, as we look over the past 12 months, we are delivering a lot of services and a lot get a wage, but a lot of community people do not actually see that. They do not understand that.

Ms SCRYMGOUR: John Taylor's study that he has done for the shire, is that projecting the housing need and stuff which will eventually transfer to the shire?

Mr TAYLOR: Yes, it is. It is predicting with that growth you will need not just housing, you will need education, transport, water etcetera.

Ms SCRYMGOUR: All the other services. Is that a public document?

Mr TAYLOR: Yes.

Ms SCRYMGOUR: Would we be able to get a copy of that?

Mr TAYLOR: We can provide you with a copy.

Mr WESTRA van HOLTHE: How far down the track are you with respect to assets from councils, and are you in the same boat as Central Desert in that you cannot find things and you have to refer it on to other agencies?

Mr TAYLOR: We were in that position, now the position is fairly comfortable with the assets we own. The issue now is the age of the assets and condition so that we can determine what that means for asset management. We have taken the effort quickly to be involved because they are liabilities. Assets are all liabilities, they deteriorate with age, so we need to be maintaining it in workable condition, same with housing to be maintained. So all those issues are starting to be arise quickly, the liabilities, find out what our position was and now it is working.

Mr WESTRA van HOLTHE: So you have basically found everything that you think you need to find.

Mr TAYLOR: It is a big issue. It took a lot of time, yes. I have no doubt that there will be something that will turn up in a couple of years and they put their hand up and say where is my ...

Mr WESTRA van HOLTHE: Just to move forward a little bit now. Your financial reporting to council: are you able to now produce accurate financial reports as you should through the Tech One system?

Mr TAYLOR: Our Tech One system has been put in operation test mode for us. So we are in test mode, before you switch it over and run, you want to make sure it actually works and does not malfunction. So we are on test mode for the next few weeks. So all being well, in January we will be operational.

Mr WESTRA van HOLTHE: So you are not yet at that stage where you can produce accurate financial reports for your council?

Mr TAYLOR: We are a bit of a shanty between paper records and office systems, as well as this.

Ms SCRYMGOUR: Just going back to the CDEP. Now there was a lot of reform with CDEP. How has that had an impact on the shire? What were your CDEP programs that were transferred from those councils to the shire?

Mr FREEMAN: Mike Freeman. We did not win the CDEP tender that went through the area in the 2009-10 financial year. We did have it previously and it ran quite well, but that is the way it goes. We do not know why, so now we are working with CEA who hold all places, T1 etcetera.

Ms SCRYMGOUR: Sorry, who are they?

Mr FREEMAN: CEA. Community Enterprise Australia, we believe is a Queensland company, a subsidiary of ITech. They offer us now work experience places, so we are going to be taking on upwards of – the ceiling will be 100 people who will work within our organisation for on the job training. But the rest of them will be doing work for the (inaudible).

Ms SCRYMGOUR: How many positions were there?

Mr FREEMAN: We have 300 with our ceiling. It did take six to eight months to actually reach that. It was unique in that we have all the CDEP removed into work for the dole the year before, so we actually had to fight back to bring people back on to CDEP, whereas the moratorium is, around the change of federal government, where no CDEPs were closed down, but most of it had happened already.

Mr WESTRA van HOLTHE: You have financial obligations under the act to report to the minister. I gather you will not be able to provide that requirement under the act? You have asked for an extension of time?

Mr TAYLOR: We asked for an extension of time. I received further advice recently that (inaudible) four weeks which I think it is due back. It was just a formality, but it was appropriate to ask for the extension time to help adjust to it is never going to happen, do not worry out it. (inaudible)

We are hoping to have our documents up soon after the Tech One is operational and proven, produce them back in to the council (inaudible) with the aim of (inaudible).

Mr WESTRA van HOLTHE: Were you one of the shires which had late business activity statements submitted to the ATO? If so, were you fined?

Mr TAYLOR: Not that I am aware of, no.

Ms ANDERSON: What is the percentage in the Macdonnell Shire for Indigenous employment?

Mr TAYLOR: I think it is about 83%, 85% for the employment of Indigenous people.

Ms ANDERSON: When you bought the old education building opposite Alice Springs Hospital, where did the money come from?

Mr TAYLOR: We shared the purchase and share the building. At moment the Central Desert are in the front half of the building, we are in the back half, which is on South Terrace and Bagot Street, Central Desert is on Gap Road and Bagot. It is all on one property. We each put in \$1m, and we each borrowed \$1m. We are servicing the debt from our untied grants. This turned out to be a better arrangement, because you have capital gain on the asset adding value and asset, strength. Rather than paying pure rent for the property to Central Plaza Shopping..

Ms ANDERSON: Who owns it?

Mr TAYLOR: We own it. We purchased it jointly.

Ms ANDERSON: Jointly with Central Desert. \$1m each, and \$1m borrowed each.

Mr TAYLOR: We each borrowed \$1m for the \$2m purchase.

Mr CHAIRMAN: I have been in local government for some time, and I had some major concerns about the amalgamation and the size of the shires. One thing I would like your opinion on is do you know how many people are unemployed in your shire?

Mr TAYLOR: Off the top of my head, no, I would not be able to answer that.

Mr CHAIRMAN: I am going back here, because I used to be a works supervisor for Nguui Shire Council and I always said if we employed every person who came to the council, because we had the Commonwealth funding to make sure we did it, we could split hours, four, eight, six whatever people wanted to work. Employment is a key thing which needs to happen. Bored people cause the social problems we have. If the federal government said they would give you enough capital equipment and enough money to manage, as a council, could you find enough work, whether it is planting trees, starting a nursery, etcetera? Could you find enough work in the Macdonnell Shire to employ every person who wanted to come and work?

Mr TAYLOR: I do not like answering themes, because they are not practical.

Mr CHAIRMAN: If you 30%- 40% unemployed something has to happen, whether it is practical or not.

Mr TAYLOR: It depends on what you mean by employment. Some people have skills and some have different levels of skills, and you identify jobs with skills, which is a better option; better use of their skills and a better capacity to employ them. You would also need to have a strategic plan of what it is you are going to do, so the work they do physically makes a change within their community. You are lifting the environmental, social, education ...

Mr CHAIRMAN: Its pride. When we had people working, we had pride in our community. When they are not working, you can see pride drops off. I know you come from a background in New Zealand and Victoria. I know all about Jeff Kennett and his changes.

We have seen Toowoomba and Queensland amalgamations, but I think we have a different issue here. We have major social problems, which we are looking at as part of this council – SIHIP, we are looking at the growth towns, we are looking at all the issues that go with all the problems we have in the Northern Territory. With employment in remote communities, where there are no opportunities, no mining, many of these places do not have opportunities because the roads are all dirt and they are off the beaten track.

Surely, the only places that people are going to get work, is to go back to the old fashioned way that used to happen in rural Queensland and rural Victoria; they went to the council and got a job. If you had the money, do you think that the council could employ those people who want to work and if people do not want

to work, that is too bad, they do not get picked up by social welfare. You are the catch; you are the place that people can come to get a job if they want.

Mr TAYLOR: I think the answer to this question ...

Mr ANDERSON: Can I (inaudible) my idea to employ people, because that is what I am seeing, what we are going to do next year to try to talk with the CEO, acting CEO and the four directors and myself, what things can we do next year. We have done a little bit for the shire, what can we do for the vision for the community people. Like you said (inaudible), we need some (inaudible) so people can work.

Mr CHAIRMAN: I must admit – John said work for the dole. I do not want the name ‘work for the dole’. I do not even want to see CDEP in many ways. I want people to go and get a wage.

Mr ANDERSON: Yes, that is what I mean (inaudible).

Mr CHAIRMAN: They are the same as anyone else.

Ms SCRYMGOUR: Yes.

Mr CHAIRMAN: All I was asking – I know it is a pie in the sky, in some people’s point of view, about employing everyone, but if we do not do something, we are not going to get anywhere.

Ms SCRYMGOUR: (Inaudible).

Mr ANDERSON: Yes.

Mr TAYLOR: The ultimate answer is ...

Mr ANDERSON: Yes, because I have always said every day with the GBM and the Services Manager, how can we ask or employ people and where can we find money to employ them, for these sort of works, because people show us they can be there and they deliver a service, but the vision is coming from the people. What sort of vision do they want to see for their communities. We have more than 14 communities and they say how we want to do a bit of work and show them to plant trees for wages. We do not have enough money to go around.

Mr CHAIRMAN: Thank you. John wants to put a little ...

Mr ELFERINK: No, that is fine. Everyone else has exhausted theirs. You have a shed at the showgrounds, what is in that right now?

Mr TAYLOR: Nothing. It is empty.

Mr ELFERINK: I am curious, because I find it surprising that MacDonnell Shire would expend, what, \$20 000 on a shed about that size, for the purposes of doing a show. I question the wisdom of that decision. Can someone explain to me why the decision was to spend \$20 000 on a shed which is empty 363 days of the year?

Mr ROGERS: The reason to go to a permanent site is that it is all about marketing and branding the MacDonnell Shire. Rather than go down and put up some hessian every year and stand in the cold and wind and that, one of the things we are really strong in is branding the shire, that we are a professional organisation and by having a permanent site, we will recoup that cost in paying for a semi-permanent site on a yearly basis. We believe we have negotiated a really good site for where it is.

Mr ELFERINK: Right.

Mr ROGERS: I must say that the Central Desert did the same.

Mr ELFERINK: Yes, I know. I was going to ask them the question but just ran out of time.

Mr ROGERS: Are you happy with that answer?

Mr ELFERINK: It is a decision ultimately for the shire to take, but \$20 000 is a great deal of cash to throw up for an asset that sits idle literally except for two days a year.

Mr ROGERS: I understand that, but I think also – I do not want to repeat what I said, but it is the branding of the organisation, it is a shed down there which has got the logo on it. It is a secure site for when we do have the show and there are plenty of other organisations, such as political parties, that have permanent sites down there.

Mr ELFERINK: It is all put together with volunteer money. That is your decision, but it is a question that is surprising.

Mr CHAIRMAN: We have to be careful; they are the third tier of government, they are responsible for their ratepayers who vote them in and out. So, we should always remember that.

Thank you very much. We have spoken to a couple of councils in the last few days. I must admit yours, at least, brings out some good positive vibes. There is no doubt you have some problems. I was going to go to the list of commercial operations and agencies you run, just to see how you were going. As I said to other places before - and in the end our job is also to criticise, inform ourselves but, the outcome we want is that Territorians will get a benefit out of local government. We will be back again. We want to see how you are going. We want to see some of the desires and goals you want are actually achievable, and can be achieved. Thank you very much for coming.

Mr WESTRA van HOLTHE: Mr Chairman, do you mind if I just ask one more question?

Mr CHAIRMAN: Yes, you can ask your question.

Mr WESTRA van HOLTHE: Probably for Des, because you were there. What brought about the demise of the former CEO?

Mr ROGERS: Well, it was well advertised in the paper that, for personal reasons, and because his wife was actually employed in Darwin, that he resigned and wanted to move up with her. That was his decision and what he did.

Mr CHAIRMAN: Thank you very much for that. Thank you for coming.

Mr ANDERSON: Thank you for the (inaudible) opportunity to sit up here and experience and learning and maybe next time we meet up we will close the gap.

Mr CHAIRMAN: We might try to come out to the country. Thank you very much.

We will go to a break and we have another group. Sorry, we are late. We were not too bad with the time this time.

INTERVENTION ROLLBACK ACTION GROUP

Marlene Hodder
Barbara Shaw
Lauren Mellor

Mr CHAIRMAN: This hearing is open to the public and is being recorded. A transcript will be produced and will be available to the public. In certain circumstances, the committee may decide the evidence or part thereof can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*. I remind you that this is at the discretion of the committee. You are reminded that evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record, I ask that you state your full name and the capacity in which you are appearing today. I also ask that you state your name each time you speak, and when you speak could you please use the microphone.

Welcome, and could you please give us your names and the capacity in which you come here today.

Ms HODDER: Marlene Hodder, Intervention Rollback Action Group.

Ms SHAW: Barbara Shaw, also a member of the Intervention Rollback Action Group.

Ms MELLOR: Lauren Mellor, Intervention Rollback Action Group.

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Mr CHAIRMAN: Before we start, I would like to say the member for Macdonnell has a prior commitment.

Thank you very much for coming. As you know, we are talking today about SIHIP and local government reform, and working futures including the Homelands policy. Do you have something you would like to start off with in relation to those issues?

Ms SHAW: I have some submission papers here for you mob today which I would like to table.

In the last few years we have been campaigning against the intervention because we believe it is wrong, and many Aboriginal people do not know and understand what has been going on. They are also confused about the shire council reform. Our group has been going into communities, town camps, and other towns collecting stories and putting them into a submission for the Federal government and the Northern Territory government. Aboriginal people welcome money, welcome housing, welcome new change, but they also want to have some kind of control and decision making when it comes to their live, and their day-to-day living.

Ms MELLOR: We want to talk about the SIHIP program and the way it has been rolled out and talked about, and Aboriginal communities being consulted about the SIHIP program. Also, to talk about overcrowding and housing issues in general, which have been expressed to us by town camp residents and remote communities. Finally, we want to talk about – Mr Wood, you expressed interest in leases for Aboriginal communities, and the ongoing issues. We also wanted to speak today, because we have had discussions with people in the communities and town camps, about the issue of long term leasing over communities.

One of the documents we will table later today is a submission made to Federal government initially, by a number of town camp residents. This expressly states the kind of control Aboriginal people want to maintain on their housing and tenancy arrangements in the town camps in respect to the proposed 40 year lease, or compulsory acquisition on those town camps. What we say is the desire for immediate investment to happen in those town camps, but without the strings attached such as long term leases; people feel they have very little say in the content of those leases. One of the main issues of people is not wanting to come under the tenancy arrangements of Northern Territory Housing.

That has been an ongoing issue with communities and town camps we have spoken to. People want to maintain a say in how housing is managed in communities, and coming under Territory housing, and the kind of restrictions, and the cultural inappropriateness of the tenancy agreements which currently exist with Territory housing which are not working for many Aboriginal residents. This is reflected in high tenancy failure rates with Territory housing.

We will table what people have said regarding the Central Australian Affordable Housing Company, a social housing model which was put forward by Tangentyere Council, and is supported by inner town camps as being an alternative to coming under Territory Housing lease tenancy agreements.

People want to be able to have a say in the ongoing issues surrounding housing management, so it is something people have talked about here. People have expressly stated that they do not want compulsory acquisition of the town camps, which I think this is also an issue for the NT government. We are talking about the future of those town camps and the development and this sort of investment that has been made in those camps. People also expressing that they do not want the government to take over their land in the form of a long-term lease, in order fix homes or to provide basic services and those kind of things for 0 people in the camps.

What people have said, in terms of how you are going to move forward. These people want the government to apparently to make repairs and build houses in the town camps to address the overcrowding issue, but they do not want enter in to a long-term leasing with government. They want to have genuine consultation between the government and town camp residents and to work in partnership with the government in any future investment in town camps.

I might stop there, so people can read that for themselves and it goes in to greater detail about what the people have expressed in regards to town camps and the alternatives.

Ms SHAW: I have been to a few consultations with NT government and the federal government and I find that people do not understand what compulsory acquisition is and they also do not support the 40 year leases. We have found that SIHIP maybe another housing model that might fail, but given that there is

employment for Aboriginal people in the SIHIP program, going out in to remote communities, we have found that there is still overcrowding, nothing has been fixed, nothing has been done, just like in the townships and there are also other issues relating to homelands.

We find that Aboriginal people go back out to their country, we find that they are living longer and better healthier lives living on their own country. With the roads, we have heard there is no money in the shire council at the moment for fixing up the roads from the major communities to their outstations and that is why you get many Aboriginal people with unroadworthy vehicles, because of the corrugated roads. Basically, there are not many employment opportunities in the remote communities, given that CDEP was the main employment and income for Aboriginal people. There is now a high level of unemployed Aboriginal people living in remote communities.

We found that there were qualified Aboriginal people, that were employed by the communities and now the qualified Aboriginal people, who are out there on country, do not have that opportunity for employment.

Mr CHAIRMAN: Can I just ask you a question. Are you saying that with the amalgamation of councils, that some of the jobs that Aboriginal people had, have now been lost or taken over by a non-Aboriginal person?

Ms SHAW: Yes, basically. We have been to a few communities where I know that Aboriginal people were employed in those areas and now there are non-Aboriginal people in those areas, employed in those jobs.

Mr CHAIRMAN: Are you able to say which communities and what those jobs were?

Ms SHAW: Because we are a small group and we lack funds of getting in to each and every one of them, one of the instances was at Aputula, that is basically where one of my relatives live, and I found talking to people who had jobs on the Aputula Council, there is no jobs there now for Aboriginal people with the shire council.

Mr CHAIRMAN: Thank you.

Ms HODDER: I guess our document, to some extent, adds to what you have already heard today from the Central Land Council and Tangentyere Council. We are presenting further evidence about why the government should revisit a possible community housing model. We have put in some details of what we found out why Territory Housing tenancy arrangements do not work for many Aboriginal people.

We have put a reference to some of that evidence, and we are making (inaudible) calls in this document. We are asking the government, considering the rapid increase in growth in the Aboriginal population in the Northern Territory, and the obvious disquiet, concern, and stress felt with the increasing social upheaval and rapid change in our Aboriginal people's lives, to take the time to reconsider the proposed SIHIP model of the Housing commission, and to further consider community or social housing models which would involve Aboriginal people themselves in planning and decision-making for their future.

We are also calling on the Northern Territory, in conjunction with the federal government, to immediately commence much-needed upgrades and refurbishments to housing on the Alice Springs town camps in order to improve the lives of the families, including woman, children and older people living there. The story in relation to two court cases should not hold up that important work.

The third thing is we have a real concern about what plans are not being made for when this major refurbishment and building starts. We are calling on the government to ensure work commences immediately, using funds of \$36m provided by the federal government to build short-term accommodation for Aboriginal people visiting Alice Springs, who currently have nowhere to stay when they come to town. There is a real concern. Where are all those people going to go - the extra 1500 to 2000 people?

Ms SHAW: We have also found, during the intervention and the shire council reform, that there is a lot of influx of Aboriginal people moving off the lands, and also creating more overcrowding and problems within our town camps - whether it is here in Alice Springs, Tennant Creek, Katherine or Darwin as well. They believe they do not have a voice out in the bush, especially when decision-making is the key issue from relating to Aboriginal people.

Mr CHAIRMAN: John, do you have a question here?

Mr ELFERINK: Yes, a couple of questions. I heard support for the Central Australian Affordable Housing Company; is that correct, Ms Mellor? This is the model that Tangentyere is operating.

Ms MELLOR: Yes.

Mr ELFERINK: I am curious because the process described by the Central Australian Affordable Housing Company, amongst other things, anticipates a 'willingness to act on the ability to borrow against rental stream and assets', which means that you have to raise capital against an asset in one of the town camps. How do you propose to resist leasing arrangements when you will have to engage in some sort of title other than the title that is currently in place, to enable this system to work?

Ms MELLOR: There are a number of proposals put forward about social housing and, obviously, (inaudible) would be a better alternative than the current arrangement of (inaudible) the town camps. So, yes, I cannot speak to the specific detail of the affordable housing company, but it seems that the current position is that it will be a lease arrangement. It is actually not going to achieve the desired outcome where people are participating in that process and that transition. That will widely raise support for a social housing model if people have a say in that. As we are the current representative structures of Tangentyere Council (inaudible).

Mr ELFERINK: I think you misunderstand my question. This is the model here; it anticipates the requirement of its former title waiting for the 40-year lease - probably longer than that. The reason it would anticipate that is if a company or organisation was going to allow money to be borrowed from them to purchase a property which can then be paid off by that person who owns the property, they need to be able to foreclose against that property to protect their investment. I am a bit surprised to hear you saying that the people are against these 40 year leases, and then support a model which will actually probably be more onerous in terms of the expectations on the Aboriginal people who occupy these houses than the current tenancy models.

Ms HODDER: It is my understanding that probably lease deals will go ahead anyway. The issue at the moment is whether the people themselves will have a say in the plan and design of this future housing and their loans.

Mr ELFERINK: Yes.

Ms SHAW: Well, that is what people always said. They have always said that they wanted to protect their investments in Aboriginal communities, town camps and outstations, I guess, and the only way that they can do that is with leases or compulsory acquisition. With compulsory acquisition, the lands will be gone forever, and here are town camps in Alice Springs that are special purpose leases in perpetuity. With compulsory acquisition, they are gone forever. At least, with the 40 year leases, hopefully, they will get them back. At this stage, the 40 year lease, it will enable Aboriginal people to live in their culturally appropriate homes, because Aboriginal people are family orientated people, they have more than one family living in one house, they have more than one generation living in one house. So you have to look at the culturally appropriate housing for Aboriginal people.

Mr ELFERINK: Surely the best outcome would be that, not only does an Aboriginal person become a tenant, as they currently are, surely the best outcome would possibly be that Aboriginal people actually buy and own their own homes?

Ms SHAW: With the Affordable Housing Company, that was one of the opportunities that Aboriginal people may have, but that is further down the line.

Mr ELFERINK: Yes, but for that process, they need leases. This will not work without them.

Ms SHAW: Until they have the lease, that is something we could discuss.

Mr ELFERINK: Well, it is a priority for me. I would like to see as many Aboriginal people as possible actually own their own homes, have jobs and contribute in society in the way the rest of society operates. I am not going to sit here and tell Aboriginal people how to live their lives, that is their business. I would not tell an Aboriginal person about how to protect their culture any more than I would tell a brain surgeon how to be a brain surgeon, but what I would hope to be the outcome is that ownership actually means that Aboriginal people own their own homes and then they can really call the shots. I am concerned that the models described that I am hearing today will render Aboriginal people tenants for longer periods and I would prefer to see a model like this one where they actually end up owning their own homes.

Ms SHAW: I have lived in my camp for 33 years. I have actually lived in a humpy, a tin shed, and now I live in my own rental place. Some day I would like to own my own home where I live right now, or somewhere on my camp, but then I will not be able to have that until I have a proper job, where I have a proper income coming through, where I can get a loan and own my home, buy my house. That is what it is like for Aboriginal people, if they have the education and the employment, and the money or the income, then that is their choice to do that. Until then, I am going to rent my home and I basically do not want compulsory acquisition like the other town camps do. I would like to move forward on 40 year leases, but I would also like to have a key decision making role or agency.

Ms SCRYMGOUR: With the 40 year leases – are you saying that you do not have a problem with the 40 year leases? I am just trying to get clarification, that is all.

Ms SHAW: We do not have a problem with the 40 year leases on town camps as such. At the end of the day, it is where our tenancy rights are, whether it is going to be culturally appropriate to have the tenancy now, what we have got with Tangentyere, or we have with Territory Housing. A lot of Aboriginal people have problems with Territory Housing. For example, my grandfather lasted three days in Territory Housing after waiting six months for a house. I have a father-in-law that went between three communities and three town camps waiting for over three years for a house and as soon as he got it he lasted three months. Then he, his family and his grandchildren, who he looks after, were homeless, so they went back on to our town camps and back out into remote communities. That is where many Aboriginal people do not have faith in the Territory government because they are not protected with their tenancy rights and with also with the complaints they get from non-Aboriginal neighbours that they are next to.

Ms SCRYMGOUR: Let us just explore this. You are supportive of the Tangentyere model, what they have put through, as I understand, so has the federal minister, I believe that is what Tangentyere was saying this morning.

Ms SHAW: I was one of the executive members that helped work on that and I support that model, and many Aboriginal people who live on town camps at the moment, support that as well because it is giving them employment and opportunities to live.

Ms SCRYMGOUR: When you are look through the document, the whole issue of the tenancy management is something that is going to be in it, so it is not going to be avoided, in terms of Aboriginal residents on town camps having a signed tenancy agreement, so that is one issue. The other issue is, at the moment, as I understand it, each of the town camps has a housing association. They all hold the SPL, those leases will need to be transferred to this association. Just for clarification, your group has no problem for people in the town camps with those leases transferring, or those SPLs transferring to this association?

Ms SHAW: Yes, they do not have a problem with it, except that they do not want their tenancy rights being changed over to Territory Housing, where they do not have involvement, especially when ...

Ms SCRYMGOUR: It is just Territory Housing that you have a problem with?

Ms SHAW: Yes, that many people have problems with. They want to be able to mix some Territory Housing rules with mostly Tangentyere rules. That is within our findings and story collecting for the minister. They support that as well, but they just do not want to have 40 year leases handed over to Territory government, they want to be able to have Tangentyere as the agency or the new housing company.

Mr WOOD: Who is supposed to be the agency to look after these new houses on the town camps?

Ms SHAW: The affordable housing company.

Mr CHAIRMAN: On behalf of the Northern Territory Housing, is that how it is supposed to work?

Ms SHAW: Yes, but what our town campers want is for our tenancy to mix with Territory Housing tenancy, because at the moment Territory Housing tenancy agreements are too, I guess what they are saying, is that they do not like it, because they get kicked out after three black strikes against their name, and then they are ending up homeless or moving into their families home, which is more creating more overcrowding.

Mr CHAIRMAN: I realise that is a problem, but, in reality, it is a public asset and there has to be some rules to run that asset, no matter where you are in Australia. I am not saying how people live within the

house is culturally appropriately, but if you are belting your wife, or you are smashing a house, that would not be regarded as culturally appropriate in the first place.

Ms SHAW: No, but then you would have culturally appropriate rules, which you have Aboriginal people making most of the rules and Territory Housing in amongst the rules, say you have got half and half of their rules and mix them together.

Mr CHAIRMAN: Fair enough. But the rules for either black people or white people surely would not say, 'I can be violent or I can damage the property'.

Ms SHAW: But we are not talking about violence at the moment, we are talking about housing.

Mr CHAIRMAN: That is why you get three black strikes ...

Ms SHAW: We are talking about housing so and decision making.

Mr CHAIRMAN: But the housing rules, which Northern Territory Housing kick you out on, surely will apply to both races. If it is violence, you will get kicked out of a housing commission house in Alice Springs, if you are causing a raucous, swearing, drunk, or do damage, you will get kicked out of that house in Alice, are you saying that rule should not apply if you have a house in, say, a town camp?

Ms SHAW: These people that are doing those ruckuses, making them, then they should be put on notice. I guess with Territory Housing people are not put on notice that way. I think there should be agencies, where when you have got someone who is causing a ruckus, there are no programs for that person that will give them life skills, or whatever. There is nothing in that area. You could kick out a husband who is bashing his wife, but then where does the wife go, if she is already in an overcrowded house?

If you had one house per person with a room – per family in a room per child or Mr and Mrs, then you cannot kick all of them out. Because what will happen is that the wife may be abused, she then moves into where the mother or grandmother lives, so then she is overcrowding that house. There are no programs for those men that will do those kind of things. There is no appropriate housing where you do have single men that have just come out of bush camp or ceremonies, they go right back into where the families are. There is no appropriate housing for those. Even if young girls who want to be able to move on with life or go into employment, maybe they want to buy their homes in the end but they are still ...

Mr CHAIRMAN: I gather there will be single – there will be a range of houses from three to one bedroom that is what the alliance has spoken about today. There will be some single men's quarters. There will be a range of housing for those sorts of options.

Ms SHAW: And then you have also got to have what you would call alukura, where you have your grandmothers and your mothers and single women staying together, even mourning families, and there is none of that yet, and that is something that Aboriginal people want.

Mr CHAIRMAN: Yes, we could probably debate this for a long time because I could say, culturally, you are not living in a house made of brick and corrugated iron with a television and hot and cold water is not cultural, but it is cultural today, if you know what I mean. It was not cultural 60 or 80 years ago but today it is cultural and culture does adapt and if you want a house to last, if you want people to have a house that does not fall down, then there has to be rules. It is not about culture, it is about the house which is – it cannot be blamed for who lives in it because the house needs to be there in 40 years time and so there has to be some rules and someone has to make sure those rules are carried out.

Ms SHAW: Yes, and that is where you are working with Aboriginal people, meeting in the middle and moving forward and that is where it should happen.

Mr CHAIRMAN: I live in the middle every day because my wife is Aboriginal and she is from the bush. I tell you what, she looks after the house, I do not tell her, she tells me off. I am the one that makes a mess of the house in my place, unfortunately.

Ms SHAW: I live in a 32 year old house, which has had people come and go through that and I maintain it as well as I can.

Mr CHAIRMAN: My house is the same age and I have all my grandkids and my daughter with me, sometimes there are more, so I know that people can still look after their house.

Ms SHAW: Yes.

Mr CHAIRMAN: They do not have excuses sometimes. Sometimes I think we make excuses. But, look, I know we are moving on a bit ...

Ms SCRYMGOUR: Can I just ask – I have been going back to that – I am sorry, Michael.

Mr GUNNER: I was wondering, you are prepared then to pay the higher rents that are associated with the affordable housing company, compared to the Territory Housing model?

Ms SHAW: At the moment we all pay 23% and that is next to market rent at the moment.

Mr GUNNER: So 23% of your income will be ...

Ms SHAW: Of the income or the household income.

Mr GUNNER: Okay. What do you think the market rent would be?

Ms SHAW: Anywhere between \$260 to \$500, depending on what your employment is at the moment and what kind of housing you live in, but at the moment we all live in overcrowded situations and we all pay 23% of our income.

Mr GUNNER: You think 80% of the market rent would be comparable to the 23% of the income?

Ms SHAW: Pardon?

Mr GUNNER: The affordable housing company works at a rent of 80% of the market rate, so you are saying that 80% of the market rate would be comparable to the 23% of income?

Ms SHAW: The thing with the affordable housing company, it may rise ...

Mr GUNNER: Yes.

Ms SHAW: ... given that things could change, but at the moment it is 23% of either my income or our income put together.

Mr GUNNER: Yes.

Ms SCRYMGOUR: Can I ...

Mr CHAIRMAN: A couple more questions, and then we are going to leave it.

Ms SCRYMGOUR: Just going back to the leases. I suppose from the NT government's perspective, the SPLs - which is Northern Territory special purposes leases – if the 40-year lease was to go through, that lease would be done with the Office of Township Leasing with the Commonwealth? Is that right? That is who ...

Ms SHAW: Yes, the ...

Ms SCRYMGOUR: The intervention legislation for town camps are required under five years, so it would be with the Office of Township Leasing. The Director of the Office of Township Leasing would then need to negotiate with the Northern Territory government in terms of the responsibility of Territory Housing assets.

One of the things we have heard - and I know from the NT government's perspective - is the responsibility. We have all been around a long time - many years. There has never been anyone who has accepted responsibility for housing in our remote communities, whether it is in our remote communities or in our town camps. From the NT government's perspective, the Territory Housing model is saying: 'Yes, we accept responsibility to this housing. We need to fix up the housing and get people into a proper situation than they have been in'.

I gather there is no way you or any of the town camp people will change your mind in terms of the leasing to the Northern Territory government?

Ms SHAW: Well, under the 40-year leases, I guess they were signed under duress, like a gun was held to their head.

Ms SCRYMGOUR: Which 40-year leases?

Ms SHAW: The 40-year lease in the handover ...

Ms SCRYMGOUR: I can tell ...

Ms SHAW: The 40-year lease, subleasing.

Ms SCRYMGOUR: I can tell you two communities in my electorate, where they have just signed a 40 by 40, there was no gun to their head. People do want the houses and the housing help, so there was no gun to those remote communities which have signed 40 by 40.

Ms SHAW: Well, at the start of the consultation, a lot of the town campers did not want 40-year leases. Basically, because there was no decision-making on where a house is going to be built, or what kind of housing is going to be built. The same with the compulsory acquisition; maybe they did not understand it. They still do not know what compulsory acquisition is because there is no Aboriginal word for compulsory acquisition. So, basically, it is all about having a say, a decision-making role and working together, I guess. That is what the affordable housing company will be able to achieve; Aboriginal people and non-Aboriginal people at grassroots level, governments, will be working together in the way to move forward.

Mr ELFERINK: You keep referring to the affordable housing company as 'this is going to work and this is going to be much better'. You realise, by raising borrowings against the asset that you move into - you buy your own house, essentially, and there are borrowings associated with that? There is a great weight which will be placed on the shoulders of whoever signs that document, in as much as it is the same weight that is on my shoulders. If I do not look after the asset for which I have borrowings on my home in Darwin, the bank foreclose and chuck me out.

Ms SHAW: Well, I think that is where a program needs to be handed in to Aboriginal people in education, especially in maintaining their homes, around health, and environmental health. It is just education and training that Aboriginal people need to look after their homes, basically.

Mr ELFERINK: I appreciate that, but I just want to ensure, with your enthusiasm for the process – it is great, but you will end up with an asset at the end of the day, or a large slice of an asset, which will be worth a lot of money. You will be helped along by a subsidy program along the way, and that is all good. However, the pressure which is on people in Territory Housing now will actually only be a fraction of what the pressure will be on Aboriginal people living in houses purchased through the system, because there is a private interest, and that private interest is going to want to protect its assets. I just want to ensure that is understood in your submission, with your enthusiasm for this particular approach.

Ms SCRYMGOUR: Just following on from what John is saying ...

Mr ELFERINK: No, I have invited comment on that because if, from what I heard before, your concern is you are basically being told what to do. This approach will have more of that, not less.

Ms SHAW: As I said, I think that is where education needs to come into it, because you cannot get somebody who lives in a humpy, built out of whatever material he has got from the weather, moves straight into a brick home where he has been asked to actually buy his home, so if he does not know how to buy his home, he does not know how to apply for a loan for a mortgage on the home, so that is where that old man, you know the people who live in those humpies or tin sheds, run down shells that we live in now, we actually need to be educated on how, especially financial management when it comes to buying or borrowing money to buy your own home.

Ms SCRYMGOUR: Following on from what John was saying, in Territory Housing, houses are funded. If you are an aged pensioner, you get, I suppose, a subsidised rental, you know, you do not pay the full market rent, so you are subsidised. Looking at the affordable housing association, I am not saying that it is not a bad thing, it has actually been a good thing to look at, but given that they have to recoup their costs against the assets, down the line, has there been discussion with people to what subsidies, just say an

aged pensioner in one of the town camps, are they going to be given the same subsidy as what they would get in a Territory Housing house, or a single mother who also gets a subsidy if she was in a Territory Housing house?

Ms SHAW: At the start of the Affordable Housing Company discussion we put together, there was discussion about that, because people were worried about how the low income earners will not be able to keep up with their rent or payments to the bank for the mortgage, that is where it may give us the opportunity for those Aboriginal people that live in our town camps who do want to buy their homes, or whatever, at this moment. Somebody might be renting and is a low income earner, I would rather rent before I decide to purchase my home, that is what a lot of Aboriginal people are saying.

Mr CHAIRMAN: Can I ask you who you rent your house from?

Ms SHAW: Tangentyere Housing Association.

Mr CHAIRMAN: And who keeps an eye on your house?

Ms SHAW: Tangentyere, and so do, I because I can maintain it, and keep it safe and ...

Mr CHAIRMAN: I just wanted to know who your boss was, that is all, of the house.

Ms SHAW: No, I pay rent to the Tangentyere Housing Association, and most of my rent goes on insurance just like every other house on town camps.

Mr CHAIRMAN: Mt Nancy on the Stuart Highway?

Ms SHAW: No off the side road, yes.

Mr CHAIRMAN: We have had a good discussion about where you are coming from. It has a very interesting discussion. There are certainly lots of ideas that have been going around today, a bit like my head, I think. I know a couple of you have been here for a long time as well. We will be coming back again.

Ms MELLOR: We would like to cover one last thing, which was about the people's experiences with the five-year leases under the intervention, which was something we wanted to raise, those people's concrete experiences of, you know, what we have under government administration or community housing. I want to raise one example which people here are not fully aware of, which is the Ampilatwatja walk off which has occurred here because of housing conditions under government administration for the last two years. People are probably not aware that the Ampilatwatja community walked out because of raw sewage flooding through their houses under Territory Housing. That is just one example of where we have spoken to people who have actually said, we have lived the experience of government administration houses and have actually seen no improvements whatsoever. In some cases, there is some deterioration of those conditions, so I just wanted to say that is something that people are being saying is adding to the mistrust of long term leases with government having set in concrete in that time.

To conclude, people's experiences of that SIHIP program, what we have seen to date, there has been little being spent with no concrete results, no housing at all and, in fact, two-thirds of refurbishments, and people's experiences with other – the Tennant Creek town camp leases has been promised that one community understood they would receive 20 new houses, and then that was downgraded following the signing of that lease. There are those ongoing issues where people have these experiences which are adding to the mistrust of signing into long-term leases. That forms part of our submission, and we have statements from communities talking about those leasing requirements from the government.

Ms SCRYMGOUR: Can I say – I think that the 40 year lease is better than 99 year leases.

Mr CHAIRMAN: We spoke to the Julalikari Council the other day about its housing. That is a decision they made. We are talking about Aboriginal people having ownership of the discussions, those 78 houses were to be refurbished, because they wanted them refurbished and that is the decision they made and we respect that decision. It may not solve the overcrowding problem, which is still out there, but that was the decision they made and they made that very clear to us when we were there.

Ms MELLOR: We are not proposing to speak against people asking for refurbished houses, obviously that forms the majority of the submission, people's desperate need for housing refurbishments, so we are not arguing against people accepting refurbishments.

Mr CHAIRMAN: They did say in the end they wanted 280 houses after that, so we said, yes, fine. There are plenty of issues. This is an ongoing problem, it will not go away for many years. We thank you for your submission today and we will read it.

Ms SHAW: I have a submission from an outstation, from Raelene Singleton that I would like to table and the attachments to the statement and also proposed compulsory acquisition of Alice Springs Town Council. On behalf of the Intervention Rollback Action Group I thank members of parliament, for taking this moment to listen, I guess.

Mr CHAIRMAN: Thank you very much. Thank you for coming in.

The Committee concluded.
