

## ESTIMATES COMMITTEE PROCEEDINGS – 16 JUNE 2010

ESTIMATES COMMITTEE - Wednesday 16 June 2010

The Estimates Committee convened at 8.30 am.

**Mr CHAIRMAN:** Good morning. I welcome Dr Burns, and invite you to introduce the officers accompanying him, and if you wish to make an opening statement on behalf of the Department of Education and Training.

### **MINISTER BURNS' PORTFOLIOS DEPARTMENT OF EDUCATION AND TRAINING**

**Dr BURNS:** Mr Chairman, Education and Training is at the heart of the Territory 2030 strategy. Our Smart Territory Strategic Plan is the cornerstone of our vision to provide well educated Territorians. This government will invest a record of \$886m into education this year, including \$35m of new and additional Northern Territory government funding. It is important to note that Budget Paper No 3 indicates, within this record overall spend, that some major Australian government infrastructure programs have been completed, and this has resulted in negative variations in some areas totalling \$37m.

These variations are offset by record funding in literacy and numeracy programs for students from our most disadvantaged areas. In 2010-11, \$12m is being spent on 105 additional teachers and 42 more support staff. Since 2001, Labor governments have provided an additional 320 teachers across the Territory.

In terms of infrastructure, this year we will deliver \$213m to build better government schools, and \$15m for non-government schools. This includes \$6.8m to upgrade the Henbury, Namarluk and Acacia schools as part of our \$30m special schools infrastructure program; \$6.4m for the Centralian Middle School and youth hub at ANZAC Hill; \$5m for Casuarina Senior College. Rosebery Primary and Middle Schools are set to open in 2011, with \$14.1m this year for 80 additional staff and establishment costs. All this is on top our \$300 000 upgrades of every government primary school and group school over four years.

Indigenous education remains a priority of this government, and we will continue our efforts to get outcomes. Remote infrastructure investment this year includes \$2m to upgrade Yirrkala school; \$1.25m for Maningrida; \$1.25m for Ntaria; \$500 000 for Elliott; and, \$2m for upgrades to six learning centres.

Targeted Indigenous education programs are extensive. An additional \$5.3m for education and training programs in Territory growth towns; \$3.5m to establish comprehensive youth pathways service; \$3.6m for 20 early childhood service hubs, including families as first teachers; \$2.5m for mobile preschool; and, an additional \$1.2m for eight teachers in remote communities; \$1.1m for child protection in schools for an additional 10 counsellor positions; \$2.3m for student engagement programs, such as Clontarf Football Academy; \$3.1m for Indigenous language and culture programs; \$1.1m for 16 full-time equivalent assistant teacher programs; \$600 000 for IT expansion in remote communities; \$120 000 for two Indigenous teacher scholarships.

I acknowledge there is a long way to go, there is no quick fix, but we are a government committed to making a change, and the signs are encouraging. Participation rates were the highest on record yet for 2009 NAPLAN results, and that includes those excellent highlights in Year 3 and Year 5 Reading, and Year 5 and Year 9 Numeracy.

Boosting school attendances is a critical factor in improving results and a new attendance plan will be released soon.

Government investment in education generally is carefully planned, and aligns with our Smart Territory strategic plan. The government will spend \$2.8m to establish an institute for school

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leadership, learning and development; \$2.4m will be provided over four years to establish five centres of excellence in Territory senior schools. Territory education is benefiting significantly from a cooperative approach with the Australian government, leveraging \$12.4m in 2010-11 under the Smarter Schools Education National Partnership; \$700 000 to establish a literacy, numeracy taskforce; \$1.5m for ESL training and support for teachers; \$1.5m to expand the out school pilot of virtual schooling; \$400 000 to establish the Quality Remote Teaching Service Unit; \$1.9m for training and development pathways for Indigenous teachers; \$250 000 for VET and work experience programs for middle years students, especially Indigenous young men. The Australian and Territory governments provide \$4.7m and \$1.3m respectively to upgrade the skills of existing workers and provide access to qualifications for job seekers; for example, \$2.6m to implement training programs in communities that can connect Indigenous Territorians to jobs; continuation of \$1m a year for 10 000 apprentice and trainee commencements between 2009-12; work ready funding of \$900 000 to better prepare young Territorians for apprenticeships and traineeships.

In conclusion, with a record investment in education and training, a comprehensive strategic plan, an unprecedented investment by the Australian government, the Territory is very well placed to deliver excellent education and training outcomes for all Territorians.

**Mr CHAIRMAN:** Are there any questions to the opening statement?

**Mr MILLS:** Yes, there are. I thank you for the statement. You mentioned a new attendance plan. Can you give any more detail on what you just described there?

**Dr BURNS:** As you would be aware, Leader of the Opposition, the act was amended last year to give statutory powers for school attendance officers; already police do have those statutory powers. Money has been allocated, will be allocated for the 2010-11 budget to actually employ extra attendance officers, to train them and, I understand, that training is already under way with a number of school attendance officers. I might ask the CEO to elaborate further on the attendance program.

**Mr BARNES:** Thank you, minister, and thank you for the question. Gary Barnes, Chief Executive, Department of Education and Training.

We are pulling together a comprehensive strategy for attendance. Attendance, as we all know, is a multifaceted issue and one that needs addressing on a number of levels. One of the important parts of the attendance package will be to ensure we have engaging programs for students in our very remote areas where attendance is our biggest issue; we have already commenced and will continue, and you will see it within the budget papers. I think it will be a highly successful VET in the middle program, already there are 168 students undertaking VET in the middle years. This will give a reason for some of our young Indigenous men who have been through ceremony to continue to attend schools. The minister mentioned in his introductory remarks, an expansion of the Clontarf program, and a program that is the equivalent for girls to attract people along to school.

Part of the attendance strategy we will be putting forward to government also looks at – and this has been announced as a part of the enterprise bargaining agreement we are seeking to form with the AEU – a capacity to extend the school year by a number of weeks, up to 50 weeks, so we can make ensure there is a balance in those communities between the need for people to attend to significant cultural and ceremony parts of their life as well as attend school. So, with a range of things in place and, most importantly, a real focus on the quality of teachers in those communities and teachers who are prepared to stay and form relationships with the community; we think that there are very positive approaches.

The minister mentioned part of that package will be for those people who fail to react to the proactive strategies we will put in place, a capacity to ensure we use these new regional attendance officers and participation officers to ensure those that are disengaged are re-engaged, and that means working with families. The money that will come forward will give us the capacity, as a department, to work in a productive way with families within the legislation that provides for us to do so. It will be a complete and comprehensive package.

I failed to mention there will be an awareness raising campaign done in multiple languages to ensure people understand the importance of attending school. It is only in very recent times schooling in secondary years has been made available in locations outside our major population bases. We are really looking to put that package forward, and with the money made available through Budget 2010-11 to have a real momentum on top of the very good work already commenced. You would be aware of places that have turned around where we get the things right. Ntaria is a good example and Borrooloola, which had very poor attendance last year, is likewise turning around off the back of those simple things.

**Mr MILLS:** Thank you, Mr Barnes.

Minister, how much money is allocated to this new comprehensive approach?

**Dr BURNS:** I will defer to Mr Barnes.

**Mr BARNES:** There is additional money to the value of \$2.2m; however what the department has done is very much looked at redirecting some of its existing resources to ensure there is greater effect. In fact, one of the things we did was look at the regional learning agents to support distance learning and turn them into - there is, I believe, 11 positions. Those positions have been turned into participation and industry engagement officers to ensure there are people on the ground to work with young people to ensure they have a pathway either at school, a pathway into training, or a pathway into employment so we can absolutely nail this.

A big part of the \$64m additional money which will flow to the government through the national partnership agreement for literacy and numeracy and low socio-economic, will also be directed to ensuring the proactive parts of our attendance strategy are in place. As the package becomes public there will be a breakdown of the effort we are putting in.

**Mr MILLS:** So you have the dollars. When will this be announced, minister?

**Dr BURNS:** I would say in the next month or so. We are already working on the strategies we have; we want to get the personnel trained. There are quite a number of aspects to this. My brief says in 2010-11 the regional attendance officers will expand with the provision of an additional \$1.1m for the trial of case management approaches and family responsibility agreements in identified remote communities. There is a fair bit of training to go on there, and funding will flow in the financial year, so we are getting geared up. The training is already under way and ...

**Mr MILLS:** Minister, the question was when? Can we have an idea of when this announcement will be made?

**Dr BURNS:** I would say some time in July, as part of the new of the financial year.

**Mr MILLS:** Okay, that is fine. Okay, thank you.

**Dr BURNS:** It will be part of the overall strategy Mr Barnes mentioned ...

**Mr MILLS:** I understand that.

**Dr BURNS:** ... of informing people and educating people.

**Mr MILLS:** I understand that, thank you. I found it very interesting your contribution to my question on this new comprehensive approach described the stick, and Mr Barnes' description of this new comprehensive approach was a massive carrot regarding all the things that will be done to get someone to go to school.

**Ms Scrymgour:** Carrot and stick; that is how ...

**Mr MILLS:** Correct. Minister, how many families have been prosecuted for failing to attend their school under the existing system, which is your primary concern having increased statutory powers for those to ensure someone who does not avail themselves of the opportunity is met with a consequence? How many, under the current system, have been penalised for not sending their kids to school?

**Dr BURNS:** If you look historically, even through the 27 years of the CLP government, I do not think there were any prosecutions either. Really, there have been no prosecutions. Preceding that for 27 years, there were no prosecutions. I am following - I am aware in Western Australia and Queensland they have a system of prosecutions, and that is something government will look at. I understand in Western Australia there has been one prosecution in Perth. This was a non-Indigenous person whose ...

**Mr MILLS:** Yes.

**Dr BURNS:** Well, I am answering the question, are you going to let me finish?

**Ms SCRYMGOUR:** They do not want to listen either.

**Mr MILLS:** I have not stopped you.

**Dr BURNS:** You just seem a bit restless there.

**Mr MILLS:** No, really, I thought I would ask the question and you would say no. I understand and accept all the 27 years palaver ...

**Dr BURNS:** No, it is an interesting concept. I know where you are going and I am just trying to ...

**Mr MILLS:** Where am I going? I am just asking about the new improved statutory powers. Explain those to me.

**Ms SCRYMGOUR:** Let him answer.

**Dr BURNS:** Well, we are going into prosecutions for non-attendance at school. I have already outlined, historically, there have not been any prosecutions ...

**Mr MILLS:** And I have had this every year, I know that.

**Dr BURNS:** ... and I am also foreshadowing that I am interested ...

**Mr Conlan:** It was only 26 years that CLP ruled last year, Terry.

**Dr BURNS:** We have seven hours, I can pause.

**Mr MILLS:** I know. I have had you before at estimates; that is why I am a bit restless.

**Dr BURNS:** I see.

**Mr MILLS:** Because of the amount of time that has been taken to answer straightforward questions.

**Mr CHAIRMAN:** I remind members of Standing Order 51, No Interruption:

*No Member may converse aloud or make any noise or disturbance, which in the opinion of the ...*

Chairman:

*... is designed to interrupt or has the effect of interrupting a Member speaking.*

Estimates is often conversational in nature and we do show leniency here in questions and answers.

**Dr BURNS:** I will truncate my answer to help the Leader of the Opposition. Obviously, other jurisdictions do have prosecutions, and I am actually following that. I have asked the department to monitor that. Certainly, that is something that could be considered. However, we need to see what is happening elsewhere in Australia. My initial advice from Western Australia is it has not been successful; that this particular parent is prepared to go to gaol rather than pay the fine, in other words.

**Mr MILLS:** Yes. Minister, please, if we can both calm down about this. I just want to go to that next stage when your description of this new comprehensive approach was an initial – and, in fact, the only contribution was increased statutory powers around those officers who will be deployed remote. You also mentioned the police already had those powers, and that was really your only description of this new comprehensive approach.

**Dr BURNS:** Well, there is a SEAM trial. I suppose I could talk to you about that, but ...

**Mr MILLS:** You possibly could, but could you just hold on. Where I am coming from is I am actually concerned the presentation of this new comprehensive approach will have two presentations – one to the northern suburbs saying we are going to be really tough and we are going to talk about new powers that are going to penalise people; when the true story is one that is far different and is about the different approach and the re-engagement. So, which story is going to be told to the northern suburbs, minister?

**Dr BURNS:** You did not listen to my answer, or the CEO's answer ...

**Mr MILLS:** I listened to both of them.

**Dr BURNS:** They are complementary.

**Mr MILLS:** Yes.

**Dr BURNS:** So that is the whole story.

**Mr MILLS:** So, there will be two messages: one to the northern suburbs and one to the remote communities?

**Dr BURNS:** I am saying the strategy will be released and all elements will be incorporated into the release of that strategy, Leader of the Opposition.

**Mr MILLS:** Yes, all right. How is it, then, that in 2001 – and by the way I have read the estimates before when the opposition, then the Labor Party, were very concerned about truancy and they came into 2001 describing: 'We are going to take this very seriously, unlike the Country Liberals, and we are going to have truancy officers'.

**Dr BURNS:** Yes, there are truancy officers.

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**Mr MILLS:** Yes, so you ramp it up but, still, there were no further consequences. Now, you are ramping it up again. Are you telling me that, as a result of this, there will now be prosecutions? You are going to crack down on parents?

**Dr BURNS:** Well, there is always that capacity within the act, Leader of the Opposition. In my book, that would be the last - the very last – resort. We have to try every strategy, and the attendance officers having the statutory capacity to actually determine the child's name and address and which school they attend is a pretty good start. In some ways, you would be denigrating the efforts of our school attendance officers, who have been in place for some years now. They have probably made a pretty good contribution, I have seen them working on a number of communities, in encouraging children and parents to go to school, but obviously, the attendance figures indicate that we need to be doing a hell of a lot more. That is why we are taking the next step in terms of a comprehensive strategy, which we will be releasing in the next month or so.

**Mr MILLS:** I welcome that. The issue I have is, will there be a genuine balance? There will be a genuine consequence as well as the genuine approaches to make sure that there are the linkages made from both of them.

One presentation I made in the northern suburbs, that is not followed through in the communities. In fact, there has to be a consequence in my view. But you will say something here and do something very different remote. That is my real concern.

**Dr BURNS:** So what are the consequences you have in mind, Leader of the Opposition?

**Mr MILLS:** When you come to being in opposition, ask me. When I am the minister, I will answer that question, because this is estimates.

**Dr BURNS:** You are commentating, but you have nothing to put forward.

**Mr MILLS:** Who is the commentator? Let us go to task force. In your opening statement, you mentioned the task force.

**Dr BURNS:** The Literacy and Numeracy Task Force.

**Mr MILLS:** Correct. You announced that last year, and by what I heard then, it is still not confirmed. Is that the case?

**Dr BURNS:** Oh, no, the task force is up and running, and I have attended meetings with Professor Thelma Perso, who heads up this particular task force, and we will be reporting. We have Commonwealth funding for this. Overall, the Commonwealth has funded us \$120m for 130 schools in the Northern Territory to attend to literacy and numeracy issues. This is the biggest challenge for us. Certainly, this task force has already started, and it will work strategically, namely, by supporting teachers and teaching staff, particularly on remote communities, to work with students and families to raise levels of literacy and numeracy.

**Mr MILLS:** Thank you. Who is on the task force?

**Dr BURNS:** Well, I will defer to Mr Barnes for the complete task force, but it is under the very able leadership of Professor Thelma Perso.

**Mr BARNES:** Thank you. I am happy you with the complete list of members of the task force. The task force has expertise from the university sector; expertise from the community sector, and because literacy and numeracy is such a broad ranging area of interest, and so integral to the wellbeing and future prospects of, not just young people, but the Territory and its economy, we have made sure that

we have had people, for example, from the Chamber of Commerce, that are interested in the end product of the Department of Education and Training system in this regard. So, it is a broad and well balanced task force. I attended their most recent meeting just two weeks ago. They have made significant progress. They are determined to form a reference committee as well. I believe that this task force will be in a position to provide some very clear advice to both the department and government around how best to approach literacy and numeracy, and the extensive funding we have available to us.

**Mr MILLS:** Thank you, Mr Barnes. Will you be providing the list, as you indicated?

**Dr BARNES:** Yes, I will provide it today.

**Mr MILLS:** Thank you. Will you also be able to describe the administrative structure of the task force?

**Dr BARNES:** Yes. The task force is chaired by Dr Thelma Perso. I have, because of the importance of this area within the agency, asked that Thelma report directly to me. The governance arrangement is that outcomes of that task force will be put through my executive team as they move forward through the minister.

**Mr MILLS:** Thank you Mr Barnes. How many times has this task force met?

**Dr BARNES:** I would have to confirm that for you, but again, I am happy to do so. I believe that they may have met on three of four occasions

**Mr CHAIRMAN:** Do you want to confirm it later and put the question on notice?

**Mr BARNES:** Yes.

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**Question on Notice No 5.1**

**Mr CHAIRMAN:** Please repeat your question for the purposes of Hansard.

**Mr MILLS:** How many times has the taskforce met, Mr Barnes?

**Mr BARNES:** I am happy to take that on notice.

**Mr CHAIRMAN:** That is question No 5.1.

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**Mr CHAIRMAN:** This is a matter of housekeeping, when officials are taking notice of the question on notice could you please take note the question number, and if the minister has an opportunity later in the Estimates Committee to answer that question if you could quote that number so Hansard can easily find it.

**Mr MILLS:** I think related to that would be the date of the first meeting and, through you, minister, what recommendations have been made by that taskforce since its formation?

**Mr CHAIRMAN:** Does that need to be taken on notice too?

**Mr BARNES:** Yes.

**Mr MILLS:** I mean, they report to you so you would be aware of recommendations that have been made to you.

**Mr BARNES:** Yes.

**Mr MILLS:** So, are you are able to describe any recommendations that are being made?

**Mr BARNES:** Some of those recommendations will require me to take forward those things through to Cabinet, through my minister, but there are a number of recommendations, and there is intense interest in the initial set of recommendations from the non-government sector who are very interested in working with the government sector on picking up recommendations, if endorsed, and I believe that suite of what will be fairly far-reaching reforms will also enjoy interest from interstate, and they will see the Territory has leading in this area.

**Mr MILLS:** Okay. We might be moving ahead of ourselves, I just like to see the recommendations. Will there be recommendations made available that could result in those wonderful things? I hope it does.

**Mr BARNES:** There will be recommendations that will go through the process of through the minister to Cabinet.

**Mr MILLS:** Does that mean I will not get to see them until they have sat on the minister's desk until he is really happy, that he is satisfied or whatever?

**Dr BURNS:** I will take that as a gratuitous comment, Leader of the Opposition.

**Mr MILLS:** Will I get to see any of these recommendations, minister, after they have been washed?

**Dr BURNS:** The CEO has given you an undertaking that he will communicate with you about the recommendations. Just to set the Cabinet process in perspective: things come to Cabinet when they require either (a) additional funding, or (b) changes in policies.

Our policy is all about supporting literacy and numeracy, so there is funding there and if there is requirement for a change in policy those will come to Cabinet, but I do not see any problem in the CEO furnishing you with the recommendations of the taskforce.

**Mr CHAIRMAN:** So we will get that on notice if you would repeat the original question.

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**Question on Notice No 5.2**

**Mr MILLS:** What recommendations have been made by the literacy taskforce; the date of the first meeting, and what recommendations have been made?

**Mr CHAIRMAN:** We will give that as question No 5.2.

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**Mr MILLS:** Thank you. It was just that you made comment of these in the opening statement, minister, that is why I was a little restless because it took more time than I thought it would take. I have a lot of stuff to do here, and that would be my response to your opening statement: good opening statement, thank you, minister - lots of money spent, how about results?

**Mr CHAIRMAN:** Member for Nelson, do you have questions to the opening statement?

**Mr WOOD:** In relation to attendance, you also have got the other end of the spectrum, I think Gary spoke about, it that is the attendance of senior students who do not attend because they just do not want to go to school anymore, or they have been expelled from school, and I specifically mention Taminmin College. I have been asked a number of times what is going to happen to these kids, sometimes about 20 of them, what is going to happen to those young people? I know, in theory, you



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are looking at some methods or some pathways to deal with those young people, but if these kids do not want to go to school are there any other alternatives we have for them?

**Dr BURNS:** I think that is a good question; behaviour can be problematic with some students and some students have an attitude problem and this leads to them being expelled from school and disrupting other students and their study and the life of the school. As I understand it, member for Nelson, there is an obligation on the part of the education department to provide a framework for learning for these students. I will let Mr Barnes elaborate on that. Moreover, the department has been doing much work, particularly in those final years of schooling, to provide pathways for those who might be better suited to vocational education and training. I believe they have been doing some good work, particularly in some of the more remote areas. I might defer to Mr Barnes to answer that question.

**Mr CHAIRMAN:** While this seems to be following on from the Leader of the Opposition's question, this was not in the opening statement. I am allowing the question, however ...

**Mr MILLS:** Well, for clarification, there were two specific references. One to the task force, and the other one to this new comprehensive approach I heard in the opening statement for the ...

**Mr CHAIRMAN:** I am allowing the question. No, that is all right. Further questions along this line we might do as an output rather than the opening statement.

**Mr WOOD:** Which output?

**Mr CHAIRMAN:** The opening statement is also an opportunity for the member of the committee to ask which output certain questions may be asked at.

**Mr WOOD:** Sounds very technical.

**Mr BARNES:** I am fortunate to have the principal of Taminmin with us today, who confirms no student has been expelled. There have been a number of students suspended. Expulsion means the student cannot return to that school, and suspension means they can be reintegrated. You will see in the budget highlights the department will be the recipient to an additional amount of money - I think it is \$0.8m in the coming financial year to begin a positive learning centre to assist with the reintegration of students that have been suspended or expelled. Fortunately in our provincial areas, our attendance and our participation rates are very high. However, there are always a number of students whom we have to ensure have a pathway that is going to be meaningful for them. This goes to what I mentioned previously, and that is the creation of these participation and industry officers, because with the introduction of the new legislation that came into effect from the 1 January this year, we absolutely need to ensure we have viable pathways to have these students engaged up to the age of 17, or until they are in full time training or full time work.

It is something we are working actively on, and is certainly something we, within our new participation unit that sits within our VET in schools area, have moved forward on.

**Mr WOOD:** I know Taminmin probably has the best VET training centre in the Territory, and many of those kids who were disengaged have gone back into VET courses. I have seen the mechanics there. There are some who do not want to be at school and are a pest to the other kids. In relation to this new facility, where is it going to be based?

**Mr BARNES:** I might call on Kevin Gillan, head of school operations to answer that question.

**Mr WOOD:** While he is coming, do you see this only about education? I try to look at a whole-of-government approach. Do you see it as early intervention to stop – many of these kids are heading to gaol. Do you see yourself participating, not just in an educational role, but in the future outcome for these kids who are at risk?

**Mr BARNES:** That is exactly how we see things, because it cannot only be about trying to fit the child into a program. It is looking at each individual student, and trying to find a pathway that will, in a proactive sense, set them on a course for a life outcome, and one which is going to lead them to being a productive member of the community. To that end, particularly in our very remote communities, things like offering a job guarantee for people in those 20 growth towns is fundamentally important. You have to provide something for these young people to aim for that is different from the current reality.

So, it is a highly complex issue and one that will end up with different solutions for different context. I might ask Dr Kevin Gillan to answer, specifically, the question in relation to the location of the positive learning centre at Palmerston.

**Mr GILLAN:** Member for Nelson, the department has a priority in place to put a centre out in the Palmerston region, but we are still developing the details around that. We are providing placement for 43 students at present, or students who should be attending school but, for many reasons, may not. For instance, there are long-term suspendees, or they do not wish to go to school because they are post-compulsory age. That is throughout Palmerston alternative education program which has a facility at Yarrowonga, and works with the families and the case managers of these students. Previously, in 2009, they were catering for 76 young people.

We are also setting up a positive learning centre at Palmerston High School which has been operating very successfully for the six months of this year. We have also set up a positive learning centre at Gray Primary School, which currently has five students.

For the provision for those students who are, at the moment, post-compulsory age, who, as you say, are causing trouble for the schools, we are currently under way in setting up a facility in Palmerston. We still have not determined where that is likely to be, but it will probably be at Palmerston High School. As that transitions into a senior college in 2011, that will provide space to set up such a facility, but we are still determining how we are going to do that at present.

**Mr WOOD:** I will just ask one more question on that. In relation to Taminmin, which is the biggest high school in the Territory now, many of those kids live rural. How would they be expected to get to Palmerston?

**Mr GILLAN:** That is a good question. Obviously, we would determine how many of those students there are. We currently have a mapping process that is across agencies to determine who these young people are. We believe we will have sufficient resources to provide appropriate transport; for instance, Palmerston High School currently has a number of buses that we will be able to access, but there will be provision for another bus if necessary. Also, the alternative education program has vehicles which will be accessible as well.

**Mr WOOD:** Thanks, Mr Chairman.

**Ms ANDERSON:** Mr Chairman, just very quick. It is not a question but just some guidance as to where I fit in to ask questions on professional development and schools being closed while staff are going to professional development. A few weeks ago in Tanami three schools, the whole Western Desert in my electorate of Macdonnell had professional development in Alice Springs at the Crowne Plaza. This is black and white - the whole lot - and the schools were closed. There is deep concern in the community that, while there is professional development happening with the staff, which is necessary, children are missing out on three or four days of school.

**Dr BURNS:** So, it was three or four days, member for Macdonnell?

**Ms ANDERSON:** Could be three or four days; that is what I am advised.

**Dr BURNS:** I am very concerned to hear this. Could you respond, please, CEO?

**Mr BARNES:** I will call on Eva Lawler, who is the Executive Director, Central Australia.

**Ms LAWLER:** As part of the teacher EBA, there are professional development days allocated to teachers and to schools, so those schools are within their rights to take those professional development days. In the Tanami group schools, they did have two days of oral language professional development and, so, to necessitate that travel, those schools had to be closed for those two days for that professional development. We would ...

**Dr BURNS:** So, it was two days?

**Ms LAWLER:** It was two days, which is part of the EBA agreement per semester, they are allowed those, so that is part of any - if you are in an urban school, or if you are in a remote school, that is part of your EBA agreement to have days for professional development.

**Dr BURNS:** So can we inquire whether it was, indeed, four days, which would be unacceptable?

**Ms LAWLER:** The two days were for the two days professional development. I do not know if some schools travelled. It might have necessitated them leaving late in the afternoon. That would also be an OH&S issue though, we do not want staff travelling on dirt roads overnight, so it might have been on the Wednesday afternoon that they may have had to leave, but I would presume that most of those people would have travelled after school.

**Ms ANDERSON:** Minister, the concern that I have, the only reason why I raised this issue is we all know how important education is, and we have often stood in parliament and spoken about how one day is very important to a child. I understand that professional development is necessary, and I believe it is an excellent way of getting interaction between the non-Indigenous and Indigenous teachers that we have in remote Aboriginal communities. But is it necessary to have it during school days, and have the school closed, whether it be for two days, three days or four days? If you take a community like Kintore, they would have had to close the school on Wednesday. Kintore is 600 km west of Alice Springs. Now, you could not have Kintore going in for professional development, travelling on Wednesday nights after school.

**Dr BURNS:** I thank you for raising this issue, member for Macdonnell, and certainly, I will work with the department to try to ensure, whilst the professional development days are held for teaching staff, that there is minimal disruption for remote schools. I thank you for bringing this matter to my attention.

**Ms ANDERSON:** Thank you, minister.

**Mr CHAIRMAN:** That concludes questions relating to the opening statement.  
**Agency Specific (Whole-of-Government Related Questions) Budget and Fiscal Strategies**

**Mr CHAIRMAN:** I now call on questions on Agency Specific (Whole-of-Government Related Questions) Budget and Fiscal Strategies.

**Mr MILLS:** Thank you, Mr Chairman, and I appreciate the time that was taken to answer questions that were already provided. One answer that came, surrounding the vacant positions across DET, indicates there are 680 vacant positions across DET. Where are these positions located and at what positions?

**Dr BURNS:** I will defer to the CEO on this question.

**Mr BARNES:** The information that we get around vacancies is provided to us by DBE, the Department of Business and Employment. DBE have a set of rules that they use in relation to

describing vacancies, and those rules are quite challenging for some agencies. For example, a huge proportion of those numbers that they have given us and described as vacant, will be assistant teachers who, on the day when they did the point in time data capture, may have been away sick. Those people, as temporary employees, are then deemed to, that position deemed to be vacant on that day, and the day that they arrive back from their sick leave, the position is deemed to be not vacant. There are a whole range of business rules that, again, I would be happy to make available.

The very clear thing, as a chief executive who is looking at vacancies as a very important area of governance, is for me to ask the question, and I do it on a weekly basis, how many vacancies do I have in terms of my teaching staff? And every week, that vacancy rate is less than 1%. It usually ranges between 15 and 25 teaching positions that we fail to fill out of in excess of 2500 teaching positions that we have.

And likewise, if you look at the response to the question which followed the question around vacancies, at any given point in time, we have a small number of positions that are in our central office, or head office corporate structure which are being advertised as well; and that is in relation to the fact that positions, for example, are held open - we have around 65 positions for scholarships, traineeships, all targeted at Indigenous folk and, as soon as those scholarships are created they are deemed to be a vacancy because they will move into it - but the vacancy is not filled until such time as the scholarship is completed and the person fulfils the requirements of that scholarship.

So, it is a very complex thing, but the Litmus test for me as a CE is: do I have a stable and comprehensive teaching workforce in place, and do I have a workforce in place to support those people who are doing frontline services? The answer to both of those questions the answer is yes, and despite the anomaly in the way DBE treats vacancies, it shows up as 680.

**Mr MILLS:** Thank you. The question was: where are they located and what positions? Is that able to be described, or would I have to go to DBE to get that?

**Mr BARNES:** We could get a breakdown from DBE of those.

**Mr MILLS:** Thank you. Can I put that question on notice?

**Mr BARNES:** Yes.

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### Question on Notice No 5.3

**Mr CHAIRMAN:** Would you please repeat the question for the purposes of Hansard?

**Mr MILLS:** Where are the 680 vacant positions located, and in what positions?

**Mr CHAIRMAN:** For the purposes of Hansard, I allocate that question No 5.3.

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**Mr MILLS:** Through you, minister, the explanation as to why there could be 680 describes a point in time and gives the case of a casual position on sick leave on that particular day. If that is the explanation as to why we have 680, it logically follows that it could be far greater than that, because it is just a point in time. Now, the reason for this question is twofold, one issue is: if it is 680, does the department receive funding for those 680?

**Dr BURNS:** All that line of questioning started by the Leader of the Opposition, so you can continue it.

**Mr BARNES:** The 680 positions will not all have funding attached to them. Again, because of the way in which DBE constructs its PIPS database, which also acts as the trigger for Payroll, it holds a

number of inactive positions for which there is no funding stream, so it is not automatic. For example, if a department chooses to keep vacancies for which it does not have a funding stream, those positions come off the system. So, again, through the information we can provide you, those will become evident.

**Mr MILLS:** What percentage would you say there is no funding stream attached to?

**Mr BARNES:** I would have to take that on notice and interrogate that data.

**Mr CHAIRMAN:** Would that be answerable under the 5.3 question when you are doing the breakdown positions.

**Mr BARNES:** We could do it as a part of that, yes.

**Mr MILLS:** Thank you. I will move on – the Commonwealth laptop scheme. Since the program commenced how many Territory students were eligible for a laptop under this program, minister?

**Dr BURNS:** I will defer to the CEO.

**Mr BARNES:** The national secondary computer fund is a major component of the Digital Education Revolution National Partnership Agreement. The program provides funding to ensure that all Year 9 to 12 students will have access to a computer by December 2011. 1500 computers have been supplied to NT schools to date under rounds 1 and 2 of the program, and all schools now have a minimum of one computer for every two Year 9 to 12 students. \$3.4m in Australian government funding has also been allocated to schools to meet the oncosts associated with upgrades, being furniture and other expenses. A further 3200 computers in 2010-11 will be supplied under the program. These will be to not only replace older computers, but also increasing new stock in schools.

**Mr MILLS:** If it is one between two, there are another 3000 laptops to arrive. Do these laptops belong to students, or to the school?

**Mr BARNES:** My understanding is the laptops belong to the school and become their assets; however students are entitled to use them from home if they comply with certain undertakings around responsible use of the laptop. In fact I have seen students in home environments with their laptop provided through the BER.

**Mr MILLS:** What software is installed on the laptop, and who is responsible for upgrades and maintenance?

**Mr BARNES:** I need to take those two on notice. I will have Greg Moo, my chief information officer, to provide that information to you before the end of the estimates sittings today.

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#### Question of Notice No 5.4

**Mr CHAIRMAN:** Do you mind repeating the questions for the purpose of Hansard.

**Mr MILLS:** What software is installed on the laptops? Who is responsible for upgrades and maintenance?

**Mr CHAIRMAN:** I think it was only two questions.

**Mr MILLS:** Two questions in one.

**Mr CHAIRMAN:** For the purpose of Hansard, that is question No 5.4.

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**Mr MILLS:** And on notice, how many computers have been reported stolen or damaged?

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**Question of Notice No 5.5**

**Mr CHAIRMAN:** Could you repeat the question?

**Mr MILLS:** How many computers have been reported stolen or damaged?

**Mr CHAIRMAN:** For the purpose of Hansard that is question No 5.5.

**Dr BURNS:** Happy to take that on notice Leader of the Opposition.

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**Mr MILLS:** Thank you. In relation to the laptop question on notice ...

**Dr BURNS:** To clarify, Mr Chair, we are in the general output area of government education schools?

**Mr CHAIRMAN:** Yes, and as is happened in previous days, this is when the generic questions are asked. For the benefit of the committee who might not be aware, there were 77 questions asked through the written question process. Some of those questions have been repeated here, and on this occasion I think the Leader of the Opposition has received the answers to series of written questions, and he is asking follow-up questions.

**Dr BURNS:** Fair enough.

**Mr CHAIRMAN:** We are at the generic ...

**Mr MILLS:** I will pay the compliment that at least yours arrived.

**Dr BURNS:** The homework was done on time, Leader of the Opposition.

**Mr MILLS:** The homework may have been done on time with other agencies, however, they held submission of the homework until I was sitting here.

**Dr BURNS:** I did restrain Bruiser's so he did not eat it.

**Mr MILLS:** You did it at home, did you? You have a great big department and you are sitting at home working on the answers.

**Dr BURNS:** I was being facetious.

**Mr MILLS:** So was I, minister. NAPLAN.

**Dr BURNS:** I am glad you are going to ask about NAPLAN.

**Mr MILLS:** Bruiser did not eat that?

**Dr BURNS:** The My School website obviously ...

**Mr MILLS:** Do not get too excited, Dr Burns. Can you describe the effect of an absent student on the overall NAPLAN results? A student in grade 3, 5, 7 or 9 who is absent, what effect does that have?

**Dr BURNS:** the Commonwealth has engaged ETARA to work out the statistical wherewithal of the NAPLAN testing. All these tests are run not only with an educational focus, but also an underlying statistical rational. The results have to be accounted for, they have to be corrected in the numbers of students who take the test at the school, and if there were a significant significant numbers absent to bring the numbers who actually take the test below a threshold, those tests are then flagged as, well not invalid, but not able to be incorporated, in a statistical sense, in the overall testing. I may defer to Deb. Can you identify yourself, please?

**Ms EFTHYMIADES:** Debbie Efthymiades, Executive Director, Strategic Policy and Performance. There were record participation rates in the NAPLAN 2009, member for Blain. Can I just clarify the question you were after? Was that specific numbers of students who were absent?

**Mr MILLS:** No. What is the effect on the NAPLAN results of a student who is absent?

**Ms EFTHYMIADES:** Okay. It depends which way the data is being analysed. For all the students where the results are at or above national minimum standard, for example, the absent students are not included in those figures at all, and neither are exempt students. So, students who may have been excused, or withdrawn students – students withdrawn by their parents, or students exempt on special needs grounds, etcetera. If we have the mean scale scores, the averages, the averages do not include exempt students, absent students or withdrawn students. So, there are two different sets of treatments that are nationally agreed.

**Mr MILLS:** What is the participation for the 2010 NAPLAN test in schools across the Territory? I ask they be listed on a school-by-school basis, including the enrolment for each school and the attendance rate for the year to date.

**Dr BURNS:** Before we ask Deb about that, we have to remember that the NAPLAN testing is an enormous undertaking, and the data is currently being analysed and collated. So, I am not sure whether we would have that information at all by this stage. But, I will ask Deb to answer that question.

**Ms EFTHYMIADES:** Yes, the minister is correct; the data for participation rates will be available mid-August at the earliest. That is a nationally agreed set of cleansing process etcetera. But, certainly those participation rates will be made publicly available.

**Dr BURNS:** So, do we have any anecdotal information we can give to the member for Blain that might be helpful here?

**Mr MILLS:** Thank you very much, minister. I will wait until it is washed, cut, and polished. I will receive it then, rather commentary around what might be in it. I am actually after each school and the attendance rate at that school year-by-year, and those that were involved in NAPLAN? Thank you, that is on notice, I assume?

**Ms EFTHYMIADES:** Yes, definitely.

**Mr MILLS:** Well, it will be public anyway.

**Dr BURNS:** It will be public, I suppose, rather than put through another ...

**Mr MILLS:** I do not need it on notice; I will be watching.

**Ms EFTHYMIADES:** It is not automatically published, I think.

**Mr MILLS:** Thank you. Minister, you would be aware that last year I had the opportunity to go and visit a number of schools. I was struck in a few schools where the structure of the classes had changed. What used to be the traditional approach – Transitions, Year 1, 2, 3, 4, 5, 6, 7. I found in a few schools that the groupings had changed, and there was no discrete Year 3. There was a grouping around that stage of learning.

So, there were emergent learners, consolidating learners, three broad groups in the primary school. Strikes me that presents an opportunity for a student who is eligible to sit the NAPLAN test who is technically Year 3, could be held within that broad grouping until they were a little stronger which, therefore, presents a better opportunity to do better.

**Dr BURNS:** Well, we are not raising greyhounds here, member for Blain; we are in education. Everything we do has an education rationale. I will defer to the CEO. I can say, at the schools I am local member for, there are groupings that are not your normal, traditional grouping. There is 2/3, 3/4. Obviously, schools in my electorate make decisions about the way they are going to group students to maximise the outcomes and the educational outcomes for those students. I do not have any problem with that, but I will defer to the CEO for a more detailed answer.

**Mr MILLS:** Before that detailed answer is provided, be clear about one thing, minister, I am aware of composite classes and that need to be organised for staffing arrangements, but when you have a fundamental shift where you have three broad clusters without the 2-3, the emerging, the consolidating and whatever, learners, it is a very different thing, and I have seen it in a couple of schools.

**Dr BURNS:** So are you asserting that some students are held back from doing the NAPLAN testing?

**Mr MILLS:** It has been asserted, but I do need to know that that approach is not being used as a means to provide the opportunity for a school to do better, let us say, in the NAPLAN, to satisfy the needs of their parents.

**Mr BARNES:** Thank you for the question. Students in all of our schools are involved in a grade level, regardless of the configuration that schools choose to do their business around and, out of necessity, people would be aware that sometimes bringing class grade levels together is a necessity, because you might have very small numbers in particular year levels. It is fundamentally important that people understand, and we are working with our principals and our teachers, to make sure that they understand where each and every one of their students is at in terms of their development in key learning areas, against where we would want them to be in the Northern Territory curriculum framework. Likewise, we are going to work very actively to make sure that each and every one of our teachers knows where students are at, year by year, in their literacy and numeracy development, because literacy and numeracy development is the key to being able to deliver and gain access to the knowledge in the key learning areas, so part of the work that the task force has been undertaking, with its reference group, is looking at ways in which all of our teachers can map where students are at, not just in Years 3, 5, 7 and 9, but from Transition all the way through, so that we, fundamentally, are in a position to be able to do the best thing by that child.

Where it is reasonable and appropriate to exempt a child, then that would occur, but that is not a characteristic of the way in which we have encouraged schools to do business. We want that baseline data. We have actually moved heaven and earth in the last two years, but particularly last year, and we now have the best baseline data across the country, baseline data which sees in excess of 92% of all of our students participating in those NAPLAN tests last year, which is a significant rise, over 14% rise in participation, so we have got very accurate data now to be able to work with our teachers and schools.

**Mr MILLS:** Can you describe the strategy to check the probity of class configurations, and to ensure that one that is deemed a Grade 3 is not shifted to Grade 2 and given another shot the following year.



Is there a probity strategy?

**Mr BARNES:** Member for Blain, I will refer to Deb Efthymiades to answer that question.

**Ms EFTHYMIADES:** Member for Blain, there is actually a unique student number for every student in the Northern Territory, and those records are maintained as a central set. The age for grade progression is monitored through that process, and all students that are in NAPLAN identified Years, 3, 5, 7 and 9 are automatically included in the anticipated participation numbers against which students actually are formally registered and then participate in the testing.

**Dr BURNS:** I think it is fair to say, with the figure that the CEO spoke about before of 93% engagement in the tests, that really, you would say the other 7% were absentees or other reasons, so I believe what we are hearing here is that the overwhelming majority of students are doing the tests.

**Mr MILLS:** That is fine, but getting down to some specifics, if you have got that level of data, are you able to provide for me those who are in Grade 2, let us say, in 2008, it was recommended by the school that they remain in Grade 2 for 2009? What about that we move forward to Grade 4; those who were in Grade 4 in 2008 and it was recommended by the school that they stay in Grade 4 for 2009?

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**Question on Notice No 5.6**

**Mr CHAIRMAN:** Is this going to be a question on notice?

**Mr MILLS:** Yes. I will go all the way through if you can see what I am saying, and then the same with Grade 6 in 2008, what recommendations are made that they stay in Grade 6 for 2009, also for Year 8?

**Dr BURNS:** So are you trying to assert, member for Blain, that children have been deliberately kept down in our government schools, or kept back, to confabulate and inflate the NAPLAN results?

**Mr MILLS:** Well the process of Estimates, as you would appreciate, is to ensure there is true accountability; it is the role I have, and I hope that is not the case, but just to allay the fears or concerns of anyone concerning the purpose of Estimates ...

**Dr BURNS:** We are playing with fairly deep emotions here, member for Blain ...

**Mr MILLS:** Exactly.

**Dr BURNS:** ... parents who have to take that decision for their children to repeat a year is a big decision because there is a range of social and educational things there, and now I think you are suggesting that individual schools and teachers are keeping students back to repeat a year to inflate a national test rather than the educational benefit of the child. I think it is pretty low.

**Mr MILLS:** To respond to that, minister, I would have every expectation that is not the case and this would therefore allay any concern that it would exist out there, and I play my part ensuring that the enterprise of education is strengthened.

**Dr BURNS:** We will take the question on notice.

**Mr CHAIRMAN:** For the purposes of *Hansard* that is question No 5.6.

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**Mr MILLS:** Sorry, to make this a useful exercise I would need the same for the other grades.

**Dr BURNS:** Is this for government and non-government schools?

**Mr MILLS:** Correct.

**Dr BURNS:** Can I just ask Deb to respond? Can you just respond?

**Ms EFTHYMIADES:** Sure. Member for Blain, we will do each year then so you have a comparison ...

**Mr MILLS:** That is right; I realise the problem.

**Ms EFTHYMIADES:** ... and, obviously within the realms of the *Information Act* in terms of privacy and identification of student data, no individuals will be identified ....

**Mr MILLS:** I am certainly not interested in the names and addresses of students.

**Ms EFTHYMIADES:** And just to advise that will not be a QON we will be able to answer today, that will be a month to get data analysis.

**Mr CHAIRMAN:** We appreciate some of the questions taken on notice can not be answered during the term of the Estimates Committee and will come in afterwards.

**Ms EFTHYMIADES:** Just wanted to clarify because we ...

**Mr MILLS:** No problem, thank you. Minister, how many reports have been made by teachers or other school staff under the mandatory reporting of a crime under Section 26 of the *Care and Protection of Children Act*?

**Dr BURNS:** I will defer to the CEO for that operational answer, member for Blain.

**Mr BARNES:** Member for Blain, we will take that one on notice and get those numbers back during the hearings today.

**Mr MILLS:** Thank you.

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#### Question on Notice No 5.7

**Mr CHAIRMAN:** Do you mind repeating the question for *Hansard*?

**Mr MILLS:** How many reports have been made by teachers or other school staff under the mandatory reporting requirements of Section 26 of the *Care and Protection of Children Act*?

**Mr CHAIRMAN:** That is question No 5.7.

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**Mr MILLS:** I just need to emphasise, I have no interest in any of the details surrounding this.

**Mr BARNES:** Member for Blain, I am told that there are certain confidentiality requirements around the provision of that data. I will take advice in relation to that and, again, make that a part of the reporting back process.

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**Mr MILLS:** I just make it clear I am after a number, not names or details or schools or anything like that - the number.

**Mr BARNES:** The issue still remains that data set is not one the department of Education holds in its entirety and there is the opportunity for staff to make those reports through a number of avenues, so it is not just teaching staff who make those reports. So, I just want to qualify I will need to take some advice from our legal people about how we provide any data back to you in that regard.

**Mr MILLS:** The question is quite clear, how many have teachers or other staff reported? If there are no records kept by the school, I would need to inquiry further.

**Dr BURNS:** I would inquire to the minister for Health and families.

**Mr MILLS:** I do get quite a run around. It seems to be descriptions of a whole-of-government approach in response to these serious matters, and I never go to the place where it is all brought together in one place. You end up knocking on that door and they say they cannot tell you anyway.

**Dr BURNS:** We will endeavour to answer your question, member for Blain.

**Mr MILLS:** That is good.

**Mr BARNES:** Our staff obviously takes mandatory reporting in an exceptionally serious way. It is part of every one of our induction programs, and we do refreshers for all of our staff each year.

**Mr MILLS:** The reason for the question is to substantiate that assertion. To say you take it very seriously, there should be a number to demonstrate that assertion. That is what this is about, otherwise we have assertions and people become a little cynical because we have statements and you can back it up.

Minister, a 2007 election promise was 200 teachers under the Indigenous education agreement to remote schools. How many have been recruited and placed in remote schools.

**Dr BURNS:** I am glad you asked that question, member for Blain. That promise was over both the government and non government sector, and I understand we have hit our target of somewhere around 130 teachers. That has had to be staged because we have had to supply housing for those teachers, and that has also come with the support of the Commonwealth. I will defer to my CEO for a more complete answer on that question.

**Mr BARNES:** Thank you, minister, and I thank the member for Blain for his question. Yes, we have received out of the 200 teachers, 170 teachers, with the remaining 30 teachers, when the program is complete, going to the non-government sector. To date in this program we have been in a position to - or will be in 2010 - to receive 127.5 teachers; 116.6 of these have been allocated to 80 approved remote schools.

As the minister has pointed out, there were some challenges around ensuring we had the necessary accommodation. I am pleased to say as a part of the 200 teachers program, we were able to secure funding to construct in excess of 40 new units of teacher housing, which will be rolled out progressively from the middle of this month to assist in the accommodation of that increased number of teachers in our most vulnerable and disadvantaged communities. The remaining 11 of the 116.6 have been allocated to regions to work directly with schools, and as we find additional teacher housing is available those also will move directly into those remote communities.

We have very tight reporting arrangements in the benefit these staff are providing into these communities, and already are starting to see tangible results in the way in which these teachers have added to participation attendance and engagement in schooling. It is a pretty exciting program from our perspective, and one in which there has been a very productive working relationship with the

Australian government.

**Mr MILLS:** I can see why the minister was excited about the question, because it is a good answer. How many of those appointed under this scheme are still at the schools they were first assigned to.

**Mr BARNES:** I could talk to you about the retention rates in our schools in those areas, but what we have made a conscious decision to do is not designate a particular person, rather include the number, and sometimes this will be three extra teacher numbers, sometimes it will be two, sometimes it will be one.

In the first year of the program, we actually tagged other teachers as the Australian government teacher. Principals overwhelmingly in the community felt that was the wrong thing to do. They wanted all of those teachers who were all doing an equally good job in those focus areas of attendance, participation, and creating a relevance across the curriculum areas, to be equally seen as valued. So, we have not tagged individual teachers.

What I could get for you in those schools to which they have gone - and that is the 80 schools - is the relative retention or turnover year-on-year, as opposed to individual teachers.

**Mr CHAIRMAN:** If that is on notice we are going to need to have a (inaudible).

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#### Question on Notice No 5.8

**Mr MILLS:** The question, I guess is the retention and turnover of teaching staff in the 80 schools under the Indigenous Education Agreement.

**Mr CHAIRMAN:** For the purposes of, I allocate that question No 5.8.

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**Mr MILLS:** Is it still the case that those teachers recruited under this agreement receive extra preparation, training, cross-cultural training than regular teachers?

**Dr BURNS:** I will defer to the CEO.

**Mr BARNES:** Thank you for the question, member for Blain. The answer to this one is, again from my perspective, a pleasing one; that is, that we recruited in excess of 160 new teachers to the Territory this year, some from within the Territory. That is a very important part of our strategy for growing our own. Each and every one of those teachers this year was offered an extensive induction program. That program happened at the beginning of the year across eight days. There were three days of cross-cultural and ESL training, followed by a week of intensive training and induction that happened in Darwin and, then, out in the respective regions and back in schools.

What we have chosen to do, again, is not to make – if you do not tag one of these people, which we have made a conscious decision with communities and staff and principals to do, we do not make this person special; we make everyone special. So, we have put in place a very special set of arrangements to support our teachers. Indeed, for the teachers who work in our 76 very remote Indigenous communities, we have created a remote teaching service.

**Mr MILLS:** Thank you. Yes, good answer, thank you. Minister, how many parents in the Territory have 100% of their welfare income managed in 2009 for failing to have their children attend school on a regular basis?

**Dr BURNS:** You are alluding to the SEAM trial which I endeavoured to try to answer in some detail previously. There have been a number of parents who have had part of their income taken away

through the SEAM trial. I have to say, member for Blain, the SEAM trial has not been the success I had hoped for. We are in the process of negotiating with the Commonwealth to change aspects of the SEAM trial because I do not believe the numbers actually reflect what they should reflect in the numbers who are disregarding everything and not sending their kids to school.

However, in the detail and the changes, the changes will revolve around who actually acts on the data that is supplied by the schools through the Education department. It was fairly convoluted before but, now, we are going to be sending it direct to Centrelink, and they are the ones who will action it. I will defer to the CEO and he can give you a bit more detail.

**Mr MILLS:** Yes, and before we go, bear in mind the question was: how many parents in the Territory have had 100% of their welfare income managed in 2009?

**Dr BURNS:** Well, I am not sure about a percentage, but I will defer to the CEO.

**Mr BARNES:** Thank you, minister, and thank you, member for Blain, for the question. The SEAM trial has been operating across six sites, and that is important contextually. Since January 2009, 335 children were identified by government schools in trial sites as being at risk in relation to school attendance. Of those, 155 were identified as being in scope for the trial. That is a Centrelink definition so, obviously, those people who you can withdraw benefits from actually have to be receiving benefits.

Thirty-eight individual attendance plans were created with the identified families and their schools. You can read into that that there are a whole lot of families, by virtue of the fact that they knew that the trial was about to commence in their schools, began sending their children on a more regular basis, and that was one of the positive spin-offs of being a SEAM trial site school. Twenty-five families of those 38 were referred to Centrelink for appropriate action under SEAM, and five suspensions were made in the time period from 2009.

**Mr MILLS:** What do you mean by 'suspension'?

**Mr BARNES:** The payments are suspended, I believe, for a period of up to 12 weeks, and that is part of the trial. I just need to take advice around the 12 weeks, but I believe it is 12 weeks. And I would need to take some advice around the extent of the funding that is withdrawn, but I believe that it is 100% of the money that was coming to the family to support that child.

**Mr MILLS:** So, out of the 335 that were identified, then the 155 that were ...

**Mr BARNES:** ... 155 in SCOPE.

**Mr MILLS:** Yes, ... that were in the frame that had their capacity to have this measure implemented upon them, I cannot remember the 38, now we go to 25, and actually five had that effect.

**Mr BARNES:** That is right.

**Mr MILLS:** Minister, what changes do you want to make to this? Do you want to increase the five, or do you want to use that five as evidence that it is not really working?

**Dr BURNS:** Well, I think five is a small number compared to the children who are not going to school, and I think some problems have been identified with the SEAM trial. There is, as I understand it, a formal evaluation by the Commonwealth that is just about complete, and they will be recommending changes also. I would like to see it tightened up. There were problems at a school level, where the school was being blamed for the threat of people losing their Centrelink payments, and those of us who have worked on remote communities can know that that is not a good atmosphere to try and induce children to come to school, or for relationships with the general community. So, Centrelink, rather than the school, has been identified as probably the lead agency to take the lead and talk to

those parents who get to that stage. I might defer to the CEO in terms of further detail.

**Mr MILLS:** Yes, certainly. You described changes that you thought needed to take place. What specific changes do you have in mind, minister?

**Dr BURNS:** Well, I have already, I have already ...

**Mr MILLS:** No, no, you have not described any change. You have just given commentary about the problem. I want the specific change.

**Dr BURNS:** Well, I have already told you about the way in which this whole process is actioned ...

**Mr MILLS:** Yes, I understand ...

**Dr BURNS:** ... from Centrelink, rather than the school being in the brig, so that is the major change that I am outlining and, no doubt, the Commonwealth will have further changes in terms of their recommendations, but I will defer to the CEO.

**Mr MILLS:** All right, okay. I am just concerned about the time, but go on.

**Mr BARNES:** The primary change that is, and will be made to SEAM, is the one to which the minister has alluded, and that is that the people who interact with the families at the pointy end, where decisions are being made around withdrawing and suspending people's allowances are, from here on in, going to be the people that work for Centrelink. To date, that responsibility has fallen to people within the school arena and, again, as the minister alluded to, that has become problematic, because our staff have to live in these communities, and while they are doing all of this proactive work, they do not want to be the bearers of that news.

The other important change that is being made is that we have been working with the Commonwealth to make the process truncated, so that it happens far more quickly than it has previously, so that, by the time a problem arises to the time where you have to make a very hard decision about the parents not engaging, we are shortening that time frame to a very significant extent to see whether that, indeed, will have a positive impact.

**Mr MILLS:** Thank you. Minister, how many family responsibility orders have been issued as a result of children not attending school?

**Dr BURNS:** I will defer to the CEO.

**Mr BARNES:** There are a number of family responsibility orders which have been issued through the joint task force we share with the Department of Justice and the Department of Health and Families under the auspices of the *Youth Justice Act*. I need to confirm because a number of those family responsibility orders have attendance as a component of them, as a suite or part of a broader set of issues. What we are moving to, and this will be a part of the attendance and participation package that we have referred to, we have received additional funding specifically so the department can employ and engage our own youth participation officers and undertake family responsibility agreements which are specifically related to education. So, while we are happy to continue to a part of that broader process, we are able to do that, and we are planning on doing that not just in the targeted areas which, at the moment, are Palmerston and Alice Springs, but in a broader context.

**Mr MILLS:** Thank you. I will stop now.

**Mr WOOD:** Just one line of questions a bit different to previous questions, in relation to music. I ask the minister what emphasis does the government put on music, and do you see it as an essential part of the education?

**Dr BURNS:** Absolutely, member for Nelson, and I commend Nora Lewis and the School of Music. I know in the schools I am local member for music is such an important part, and seeing the joy on the faces of the children as they sing and learn about music and, the parents at assemblies see their children perform. So, my own opinion is it very important part.

I did speak to Nora Lewis when I was at the Nightcliff Middle School about three weeks ago, and I have undertaken to make a special visit or an individual separate visit to meet with her and the staff at the School of Music because there are some changes going on in that area and I want to be able to speak with Nora, who has a wealth of experience, as you all know, and find out what concerns she might have and, as minister, what I can do to better support the School of Music and the teaching of music in our schools.

**Mr WOOD:** What is the actual role of the music school?

**Dr BURNS:** As I understand, it provides staff to support music as a curricula item within the schools, but I will defer to the CEO for a more detailed, operational view of it.

**Mr BARNES:** Thank you, minister, and thank you, member for Nelson. As you would be aware, the arts, including music, is one of the key learning areas covered under our curriculum framework, and schools have a requirement to provide for the outcomes in that framework under the arts.

Some of our schools choose, with their specialist allocation, to allocate a specialist music teacher, but some schools do not have specialist music teachers, so there is a dual focus for the School of Music. First, it is to maintain a professional learning community for those music teachers that are located in our schools across the Territory. And, second, it is to work with frontline teachers and provide them with access to information and professional development so our teaching staff can ensure they adequately cover that key learning area.

In addition to that, obviously, the School of Music is engaged in bringing music of various types to our very remote areas via ICT mode and interactive mode. We cannot always get our very top level specialists, particularly in band instruments, the orchestra, etcetera, to travel to all those areas, so through interactive technology we have been able to achieve what would be very difficult if we had people physically travelling out into those locations.

The School of Music has a responsibility for a number of Territory-wide programs, including the very popular *Beat* program, which engages primary students every year in coming together to use music as a celebration. We are negotiating with the School of Music for every other year to run an equivalent program for secondary aged students.

**Mr WOOD:** Is it also available for non-government schools? Is the music school only for government schools?

**Mr BARNES:** Predominately it is part of the Territory wide provisioning for government schools, however I believe there are a number of activities which include both.

**Mr WOOD:** Does the *Beat* only include government schools, or does it go right across the board?

**Mr BARNES:** No, the whole lot.

**Mr WOOD:** Why does it not have a general application to all schools regardless of whether they are government or non government?

**Mr BARNES:** That is something I might ask Alan Green, who is in charge of our education services area, to make comment on. Thank you

**Mr GREEN:** Alan Green, Executive Director Education Services. Thank you, member for Nelson, the School of Music, as the chief executive highlighted, works predominately with our government schools. Certainly programs like the *Beat*, the *Battle of the Bands* are across Territory, and encourage involvement from all students, whether they are from government or non-government schools. We are looking into the future around a range of different online programs to support music learning in school, and we are quite willing to make those available to non-governments. At this point in time, other than those high profiled programs like the *Battle of the Bands*, the *Beat* etcetera, the focus of the music school is government schooling, and working with government teaching staff around the delivery of that curriculum.

**Mr WOOD:** I have a concern there; I would prefer they covered all schools. Minister, you say how important music education is, have you any plans to increase the number of music teachers because, as Mr Barnes said, schools give up something for a music teacher, or they go without and use any teacher with a little musical prowess. I believe music is a really important part of our schools, and it is an important part of learning. Why do we not put more emphasise on trying to - one of the great things which happened recently was at Taminmin they had their fourth musical. It shows how much kids appreciate that opportunity to link in with music. Why can we not look at increasing the number of music teachers in our schools, and especially remote schools?

**Dr BURNS:** As I have said, I will be meeting with Nora Lewis in the near future, and will be canvassing her expert and experienced opinion. To put it in context, there are many competing priorities within a curriculum, and balancing them all within the budget is the biggest ask. In remote schools I agree, I think music is an avenue many of our remote students could pursue, and music is very important to those students.

There are many teachers who might not necessarily be qualified music teachers on these remote communities doing good work, and I am prepared to look at ways we can increase that, member for Nelson. I cannot give you an iron clad guarantee here, however you have raised the issue, I am certainly interested in it, and I will be talking with Nora in the near future about these very issues. That is all I can say.

**Mr WOOD:** Minister, would it be possible to get what the funding for the NT Music School has been over the last five years? It is also possible to give us the numbers of music teachers in all our schools, and give us an idea of those numbers over the last five years?

**Dr BURNS:** That could almost be a question on notice member for Nelson.

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#### Question on Notice No 5.9

**Mr CHAIRMAN:** Do you mind repeating then, member for Nelson?

**Mr WOOD:** Minister, could you give us the funding for the NT Music School over the last five years? Could you also give us the number of music teachers who are teaching in the Northern Territory? I am not sure whether I can ask non-government and government over the last five years, as well.

**Mr CHAIRMAN:** That is question No 5.9.

**Dr BURNS:** Can we add something in there, member for Nelson? What are the strategies? Obviously, we cannot deploy music teachers in every school, but what strategies are being deployed or used to give better support to music in our schools? Can we include that in the question?

**Mr WOOD:** I do not mind. Could you just break that up into primary and secondary as well, because I am interested in what the secondary schools have.



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**Mr BARNES:** We will not have the non-government schools.

**Mr WOOD:** All right.

**Mr CHAIRMAN:** That is question No 5.9, and it will not include non-government component, is my understanding, but will include Dr Burns' addendum.

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**Mr WOOD:** He wants to know himself.

**Mr CHAIRMAN:** At that point, we are going to take a five-minute break. When we return, it will be Output 1.0, Government Education.

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The committee suspended.

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**Mr CHAIRMAN:** Before we move on to Output 1.0 Government Education, we have a local member question to whole-of-government from the member for Brennan.

**Mr CHANDLER:** Thank you. Actually, it is in regard to special needs but it does involve Palmerston. Minister, children with special needs require stability, structure and above all, consistency. How can you provide these core necessities if the department continues down the line of employing inexperienced or people with little or no experience as special needs assistants? What we used to know as ISAs, I believe.

**Dr BURNS:** Obviously, you have a special interest in this, member for Brennan. I have visited a number of the special needs schools or special schools across the Territory and the people I have met have been highly qualified and highly motivated. So, did you want to give some examples of what you are talking about there, like ratios of teachers to assistants?

**Mr CHANDLER:** No minister, it is not about ratios or the enthusiasm about the people involved; it is about the actual people who are employed and the contracts they are employed under, the conditions they are employed under, and what experience they may have had prior to becoming what we have always known as ISAs; and I believe there is a recent term change.

**Dr BURNS:** I will defer to the CEO in that regard, but I would be disappointed if there is anyone but highly qualified teachers in charge of the special needs schools and the classes that are run within the special needs schools.

**Mr CHANDLER:** If I can clarify; it is not about the actual teachers, it is about the assistants.

**Mr BARNES:** I thank the member for the question. In relation to the ISAs we had, one of the things we are working on as a department is to ensure we are in a position to look at converting a number of those ISA positions into permanent staff. The reason we are doing that is very simple and that is, there are some excellent people who take up roles in those ISA positions and, because of the nature of the way in which they have been employed from year-to-year, they sometimes take the skills they have and many of them do engage with teachers in training.

I am aware for example, recently we ran six forums right across the Territory coordinated through our Student Services Division, and a number of teachers and ISAs turned up. In fact, the minister and I will be addressing, over the coming days, a special education conference and a number of the people who have enrolled in that conference are ISAs. So, we do lose a number of these people each year, and therefore we are looking at an arrangement whereby we could convert some of those people into permanent positions. In some of our larger schools we always know there will be a certain number of students with special needs that will require these people to support and work with teachers in

delivering the best education for them.

We have begun negotiations around that, and one of the things we would need to look at is maybe attaching the ISA to a region rather than to a particular school. Where there might be small numbers of students with a disability that move from year to the next, we would not want the resource attached to a particular school. This is on our agenda. It is one of the things we have been progressively working through in the area of special needs. It is one of the things, member for Nelson, we have been keeping your staff engaged in with the requirements that come with your committee.

**Mr CHANDLER:** I am enthusiastic to hear your answer. Thank you.

Talking about qualifications, if you are going down this track of employing what will become full time permanent employees, would you be expecting qualifications, any training whatsoever, prior to employing these people, or relying on people already in the system?

**Mr BARNES:** In answer to your question, it will probably be less about formal qualifications and more about experience. Some people who have been working over a long period of time, and have engaged regularly in professional development with the special education teachers, and other teachers, may not have the qualification, but are well placed to support those young people. The good thing about moving a certain percentage of that workforce into a permanent space is we then know we can dedicate that training in the knowledge they will be retained within the system. These people, I believe, with the loyalty we might show them, will be worth further investing in. That is the commitment we have been working towards.

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#### Answer to Question No 5.1

**Dr BURNS:** Mr Chair, I have a response to question on notice No 5.1, Literacy and Numeracy Task Force. When did the task force first meet? The answer is 1 March 2010. How many times has the task force met? Twice. What recommendations have been made by the task force? No formal recommendations have been made to date, although I understand the CEO has been in discussions with the task force and they are meeting about which directions they might take in their recommendations.

The reference group consists of Thelma Perso, who is heading up the task force; Alan Green, who is the Executive Director Education Services; Kevin Gillan, Head School Education and Training Operations; Bess Price, Chair of the Indigenous Affairs Advisory Council; Joe Martin-Jard, who also works in the education department; Mark Motlop, Chair of the Northern Territory Indigenous Education Council; Garry Fry, who is well known to most, principal of Moulden; Julie Donohue, president of NT COGSO; Wendy Giles, Head of School Education CDU; Adam Lampe, from the AEU; Barb Pitman, Executive Officer, Human Services Training and Advisory Council; Vicki Baylis, who I think works in the Palmerston region for the department; Michael Avery, representing Catholic Education; Gail Barker, who is a representative; Cheryl Salter, NT Independent Schools Association; Hugh Roberts, employment and training advisor, with the Chamber of Commerce NT. I will table that answer for the benefit of the committee.

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#### OUTPUT GROUP 1.0 - GOVERNMENT EDUCATION Output 1.1 – Early Years

**Mr CHAIRMAN:** Did you have a local member question, member for Greatorex?

**Mr CONLAN:** Yes.

**Mr CHAIRMAN:** Okay.

**Mr CONLAN:** Just very quickly.

**Mr CHAIRMAN:** With the committee's indulgence, we will.

**Mr CONLAN:** Very quickly, minister, just as the local member. Just on Acacia Hill High School, I see you put \$2.8m towards that school this year. Can you just answer, please, how will that money be delivered to the school, and will they be able to spend it at the school council's discretion, or are there specific projects being allocated?

**Dr BURNS:** I will defer to the CEO.

**Mr BARNES:** Thank you for the question, member for Greatorex. I will call on Leanne Taylor, who is the Director of Infrastructure Services, to provide you with an answer.

**Mr MILLS:** Thank you.

**Ms TAYLOR:** Leanne Taylor, Senior Director Planning and Infrastructure. Member for Greatorex, we have established a project development group at the Acacia Hills Special School, which is primary and secondary. That project development group is represented by the school council members, as well as teaching staff, the principal, and infrastructure personnel. They will have a high level of input into the works that are proceeding, and that is under way at the moment.

They have had their first planning group meeting. They have met with architects and they are developing a master plan for the school and, then, a scope of works to spend that money.

**Mr CONLAN:** All right. That is fine, thank you very much. Minister, just quickly, did ANZAC High School receive any BER money and, if they did, what has happened to that money? Do you know?

**Dr BURNS:** There are just so many projects, member for Greatorex, I am just going to have to ...

**Mr CHAIRMAN:** While you are looking at that, minister, just talking with the Leader of the Opposition, we have a question about where in the outputs Building Education Revolution questions would fall?

**Dr BURNS:** Hold on, we are just trying to answer the question by the member for Greatorex. Okay, I will defer to Leanne. If you could answer the member for Greatorex's question, please.

**Ms TAYLOR:** Certainly. Member for Greatorex, as a high school they were only entitled to the National Schools Pride element, not the Primary Schools of the 21 Century, and they did not receive any Science and Language Centre funding.

As a combined school, ANZAC and Gillen were able to combine the funding; they applied as one school. The funding was combined between the total enrolments across both campuses, and the money was spent at the library at the Gillen campus.

**Mr CONLAN:** Okay, so they got the National Schools Pride money ...

**Ms TAYLOR:** Yes.

**Mr CONLAN:** They were only able to apply for that, yet, they did not receive any? Is that right?

**Ms TAYLOR:** No, that was the only element they were automatically eligible for as a high school.

**Mr CONLAN:** Yes. So, did they receive any National Schools Pride money?

**Ms TAYLOR:** The Centralian Middle School received National Schools Pride, and that was spent at

the Gillen Campus.

**Mr CONLAN:** Okay, got you. Thank you.

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#### **Answer to Questions on Notice Nos 5.4 and 5.5**

**Dr BURNS:** I do have an answer to another question – I am being enveloped in paper here. Questions on notice Nos 5.4 and 5.5 in relation to school computers.

Question 5.4: the computers have Microsoft Windows 7 and Microsoft Office installed on them by the supplier. Schools may also load their own school-specific software. Software upgrades are provided by the schools network. All computers are supplied with a three-year parts and labour warranty from the supplier. On-site repairs are done for urban schools. For remote schools, a replacement computer is sent and the faulty computer is returned to Darwin or Alice Springs for repair.

Question 5.5: we received no reports of stolen or damaged computers provided under the BER program.

They are the answers and I will table them, member for Blain.

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**Mr CHAIRMAN:** Minister, we are currently at agency specific questions, we still have not moved on to Output 1.0 yet. I allowed the member for Greatorex a question in there. We have a question as a committee about Building the Education Revolution and where that falls, would it be appropriate for the Leader of the Opposition to ask his questions on that now or ...

**Dr BURNS:** Oh, I would welcome questions on the BER.

**Mr MILLS:** It is very exciting, is it not?

**Dr BURNS:** It is very exciting. I have actually got a list here by electorate of BER.

**Mr MILLS:** Well, perhaps I do not need to ask any questions, you can just rave on for about 20 minutes.

**Dr BURNS:** Oh, look, it is like Santa Claus, turning the pages over and over, and over.

**Mr MILLS:** Right, yes. Let us just take a deep breath.

**Dr BURNS:** \$200m.

**Mr MILLS:** To fund the rhetoric revolution? Minister, how much did the Commonwealth government provide to the Northern Territory schools as a part of the Education Revolution in 2009-10? What was the global amount that came to the Territory for this enterprise?

**Dr BURNS:** Well, I will defer to our Chief Financial Officer for that question, specifics of the timing of the flow of the money.

**Mr MILLS:** No, the question is: how much came from the Commonwealth to the Territory for this enterprise?

**Ms HARDING:** Katrina Harding, Chief Financial Officer. I presume the question you are asking how is how much revenue was received in relation to this particular program?

**Mr MILLS:** Correct.

**Ms HARDING:** There was, I will just start, if you do not mind, I will just itemise amounts. We have Building the Education Revolution National Schools Pride 2009-10, for administration - \$167 000. In terms of the capital grant capacity, we received \$3.058m. In terms of the capital grants, sorry, that was for the non-government component.

**Mr MILLS:** That is all right. It is the global amount that has come from the Commonwealth to the Territory.

**Ms HARDING:** Yes, I am just giving it to you by item, if you would like me to just add it up.

**Mr MILLS:** Oh, well, you are probably answering my next question then. I can add that up later, but, if you just perhaps ...

**Ms HARDING:** Okay. I just said, the non-government component of the capital grants was \$3.058m. The government schools component of the capital grants was \$11.08m. Administration of the 21st Century Program for government schools is \$1.317m.

**Mr MILLS:** Okay, so the administration fees, which cover items such as managing the projects, how much was that?

**Dr BURNS:** If I could just intercede there, member for Blain, the advice I have here. The non-construction cost is up to 4% for project management costs, as per BER guidelines, and consultant fees ranging from 2% up to 11%, and the average is at 6% or less of the projects' budgets have been utilised for services provided by consultants, such as architects, designers, surveyors, engineers and probity, etcetera.

**Mr MILLS:** The question, minister, was: what was the dollar amount received globally? I was seeking a global amount that was sent from the Commonwealth to the Territory. What is the global amount that the Territory government has taken in administration costs, fees, charges? All that you described, just the amount.

**Dr BURNS:** Well, Katrina answered that question.

**Ms HARDING:** \$1.3m.

**Mr MILLS:** That is for all those programs?

**Ms HARDING:** \$1.3m is in relation to 21st century administration, that is the level of the administration funds that we received. The National Pride element was \$167 000. So the global amount is \$1.7m.

**Mr MILLS:** I get confused with all these slogans around these different programs. There seem to be education revolutions, Rudd pride, other building something or else. Are they all different things?

**Dr BURNS:** If I could just answer. I think the thing to remember here, member for Blain, I think I know where you are going, but the advice I have got here is: primary school 21st Century total funding of \$173.05m; 144 projects - 25 complete, 108 under construction, and 11 yet to commence, so the results, we are all seeing them in our schools. I suppose we have talked about the BER guidelines in terms of consultant fees, we are saying we are averaging around 6% or less. The message I am receiving from schools, from the construction industry and others, are all positive about this program, and you should not just be trying to tear it apart.

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**Mr MILLS:** I think you are over cooking it a bit. I am simply asking the amount of money received, to the amount of money that ...

**Dr BURNS:** I see what your federal colleagues try to do with it, and in the Territory, there may be problems elsewhere, but in the Territory, things are going along very well with this particular project and program.

**Mr MILLS:** All right. If it makes you feel more at ease, I have been to 30 schools and every school was very happy, okay? So I am not finding there are big problems, I simply need some facts like the amount that came, and the amount has been taken, totally, for Building the Education Revolution in administration fees by the Territory government. Simple as that. Just give me a number without all the other extras.

**Dr BURNS:** The number was given to you.

**Mr MILLS:** There were two numbers.

**Ms HARDING:** Mr Mills, if I could just make it easier. The total amount for Building the Education Revolution which is not administrative-related is \$36.8m in total. That includes government and non-government schools. The amount which is totally for the administrative costs associated with all the programs is \$1.5m which was received in that year.

**Mr MILLS:** In that year?

**Ms HARDING:** Yes.

**Mr MILLS:** I note the excitement around the schools and the enthusiasm for the project, there are a number of libraries being built but, if it is truly an education revolution, what additional funding has been provided for putting more librarians in these new facilities? Has there been an investment in that component? We have the buildings and it is called an 'education revolution' - it is actually a building revolution. What about the education component? Has there been increased funding for librarians?

**Mr BARNES:** Part of the process of school communities sitting down and negotiating how this additional infrastructure can complement the vision schools and their communities have for the provision of quality education and training, means a number of very serious discussions be had in consultation with community members about the best use of those dollars; and what will be required from within the school and the way in which they are resourced and funded to ensure the facility which has been provided can be best accounted for. As we have alluded to earlier, all our schools have resourcing allocation for their school staffing, and I have to say that ...

**Mr MILLS:** So they should!

**Mr BARNES:** Yes, they should, and that resourcing allocation - being a person who has traded in the area of human resources in other jurisdictions - is very generous. There is a capacity, and decisions would have been made within the school context, for them to utilise existing staff, including their specialist staff, which they can determine and make decisions around at the school level, to make best use of any facilities being made available.

Also, every year schools receive a grant allocation and, in very recent times, we have untethered the grant so school principals, in consultation with their school councils and their community, can make informed decisions about the area they want to put additional effort and emphasis on with the dollars available to them. So, what I am is, in my discussions with principals and with school councils and, like you, all of them have been exceptionally positive with this program. They have made very informed decisions around how best to utilise the money and the available resources which comes to them from the government. In fact, school councils have been making very wise decisions around

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additional investment they might put to complement some of the program from within their school council.

**Mr MILLS:** Can I add some coherence to the slogan it is an education revolution when really buildings have been provided, and it is programs within those buildings that are the substance of education. What funding has been put aside to put signs at the front of schools to advertise the programs are operating in the schools which go directly to education in the building? That is different to a building revolution.

**Dr BURNS:** I had better take this question on notice. Member for Blain, obviously the signs are upsetting you. The sign outside Gray primary - \$2.5m for the library, that is upsetting you. Then we have ...

**Mr MILLS:** You have been preparing for this all weekend have you not?

**Dr BURNS:** We have Moulden Park Primary, \$1m for the library extension. You are upset. You drive past, you see the sign and you want to pull it all apart.

**Mr MILLS:** You are confused between a building and education.

**Dr BURNS:** You want to pull it all apart.

**Mr MILLS:** No, I do not minister.

**Dr BURNS:** What are your school councils saying about it?

**Mr MILLS:** They are very happy they have a building, however the ...

**Dr BURNS:** They are very happy; it is only you who are unhappy with your coalition partners in Canberra - unhappy about the BER.

**Mr MILLS:** Minister, I have been involved in education and I can tell the difference between a building and education. I can tell that difference. Anyone who works in a school can tell the difference between an education program and a building. Any kid can tell the difference between a quality education and a building. How is it you cannot?

**Dr BURNS:** I think the school councils are very happy. You are the only one who is unhappy, and you want to tear down the signs. If you had your way you would probably tear down the library for \$2.5m. Which project do you not want in your electorate, Member for Blain? Do you want them all?

**Mr MILLS:** I am opening the door for you to provide your own signs out the front of schools to advertise the learning programs going on in the schools, and I would applaud that. You put up some signs that something is going on.

**Dr BURNS:** We know what the game is. You have your coalition partners, and certain elements of the media, trying to pull the BER apart at the national level. I get positive reports all throughout the Territory from industry, from the non government sector, the Catholic education sector, they are very, very happy with what is going on. You are the only one who is grumpy about it.

**Mr MILLS:** I am not very grumpy at all. I will give you another opportunity ...

**Dr BURNS:** You want to tear down the signs.

**Mr MILLS:** No. Did I say that?

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**Dr BURNS:** I think you do. They are upsetting you.

**Mr MILLS:** No, I provide you the with one ...

**Dr BURNS:** They will be gone soon because at Gray Primary ...

**Mr MILLS:** The election will be over. It is where all the polling takes place.

**Dr BURNS:** Gray primary library is going to be complete on 23 November 010. That is the targeted completion date. You will not have to worry about the sign anymore.

**Mr MILLS:** Minister, how about putting out the front of every school signs which say the attendance and the NAPLAN results? That is what schools are about.

**Dr BURNS:** They are pasted on websites. That is publicly available information which you obviously are not availing yourself of, Member for Blain.

**Mr MILLS:** Obvious to you, however that is not the fact.

Minister, I appreciate the provision of information surrounding the projects in all the schools. Yes, everyone is happy they have buildings. Now we move to the real business, and that is education. Let us go back to the buildings. What has been provided is an amount - project total. Acacia Hill for example, \$50 000, status completed. Every amount is right to the amount, the schools - and I understand how it works, you give them an amount and they will spend the whole thing. Do I assume every project eligible for a certain amount spent every last cent of that on projects within that school?

**Dr BURNS:** There is certainly oversight in the way in which individual schools spend their money. Once again I will come back to my own experience as a local member. There is a project manager who liaises with the school, and has advised the schools with projects under way, how much they can spend, and what is appropriate for them to spend. There is a fair degree of oversight, principally through the Department of Construction and Infrastructure.

**Mr MILLS:** With respect, minister – sorry. No, it is all right. It is just that I am asking is the amount that has been allocated to each school – the issue is not about the oversight; it is the amount that each school was eligible to avail themselves of - was it spent to the dollar? It appears every school spent every last cent they were entitled to.

**Dr BURNS:** I would commend them if they have. Why should they not?

**Mr MILLS:** Okay, let us go to the next one ...

**Dr BURNS:** So, you did not want the Gray School to spend \$2.5m on their library? You would much prefer if they spent \$1m?

**Mr MILLS:** Minister, you seem to be labouring under a misapprehension. It is about the amount that is spent and what is purchased for that amount. It seems curious that every school has managed to meet the exact cent they were entitled to spend.

**Dr BURNS:** Before I ask Mr Barnes to respond, once again, I will come back to my own experience in school councils ...

**Mr MILLS:** I have similar experiences, minister, and that is not the issue.



**Dr BURNS:** In my electorate, where the discussion in the school council was, one of the first things they said was: 'What can we do with it to best benefit the school?' So, there was a lot of discussion about that. The second one was: 'How much money do we have available and how can we spend the full amount to maximise the benefit to our schools?' That are the discussions that went on in my school councils. However, I will defer to the CEO to give you an answer.

**Mr MILLS:** About what, minister? What is my actual question?

**Dr BURNS:** I know what your question is; I have already answered it. But, the CEO wanted to add to my answer.

**Mr MILLS:** You do not know what it is all about.

**Mr CHAIRMAN:** Mr Barnes has the call.

**Mr MILLS:** Go on, Mr Barnes, have a shot; I am not sure what was answered. I have not actually asked it yet, but, anyway ...

**Mr BARNES:** Thank you for the question, member for Blain. The figures you have in front of you are the funds that have been allocated for various projects. As I mentioned earlier, what is happening in those schools is, when these projects are costed and value for money assessments run over them, and we determine we will go ahead, sometimes, the project managers in meeting with the school and its community will say: 'For an additional amount of money we could deliver ...' – because some of the projects may come in \$100 000 or \$150 000 under. A school community sits down and says: 'Look, we would like to get that, that, and that, done within this new building as well. What would that cost?' We would say: 'Well, that would take it over the allocation', and they are saying, on many occasions: 'That is fine, we have money within our school council'. So, what will happen is the complete amount of money that is coming through the program from the Commonwealth will be exhausted and complemented by a decision made at the local level to expend more money.

Another thing that happens is we do hold back a small amount of contingency funding for individual projects, because some projects run under and some run slightly over. That is determined by weather environment, the logistics around getting building materials etcetera to various places at various times.

What you have in front of you is the allocated amount of money. Every individual project will either come in slightly under because people will want to optimise their spend or, sometimes, slightly over. That will be accommodated through the contingency where we hold that money from those who have come in under their project value.

**Mr MILLS:** So, the object of the exercise is to spend the money rather than determine that spend is appropriate for that school community? How do you determine value in this? Is the value the spending of the money or what you buy for that money?

**Mr BARNES:** Just as any of us who make critical decisions around expenditure of capital, whether it is in your home environment or a part of the job that you do at a school level, you sit down first and look at the functions you want to have within your school. Are some of our existing demountable buildings tired and do we need to replace them? Do we have a need to put science facilities in place because we have a growth in the number of students who are interested in doing science? There is a range of very important decisions that are made at the local level around function, first and foremost, then you go off and work out what funds will deliver that function.

**Mr MILLS:** Right.

**Mr BARNES:** So, communities have been excited and engaged in this process and, of course, they want to optimise the spend that is made available.

## ESTIMATES COMMITTEE PROCEEDINGS – 16 JUNE 2010

**Mr MILLS:** I will put it this way, Mr Barnes. If I gave you \$100 000 to go out and buy a new car, would you buy a Hyundai?

**Dr BURNS:** I do not think the CEO should be answering that.

**Mr MILLS:** Well, what about you. If I gave you a \$100 000, would you go out and buy a Suzuki?

**Dr BURNS:** We are not talking about buying a car. We have talked about the wants and desires of schools, ...

**Mr MILLS:** To spend the amounts of money.

**Dr BURNS:** ... how school councils have talked about what they want for their school. I will come back to my electorate. They are very happy with what they have got. Each school in my electorate has done a different thing, and they are very happy. But, I think your agenda, if I could quote from *Hansard* here from last week, this is the ...

**Mr MILLS:** If you could seek leave, no, denied. I am asking you some questions.

**Mr CHAIRMAN:** The minister is answering the question.

**Mr MILLS:** What question?

**Mr CHAIRMAN:** The minister is responding.

**Dr BURNS:** 'I look further down the page', he said, 'and I see Nation Building and stock plans, final schools 21st Century, that is the old BER, I guess, multipurpose halls for \$12m throughout the Katherine region and we all know about the BER program. That is the federal money that has been the rorted Kevin Rudd and Wayne Swan spend-a-thon where out tax dollars have been pumped into school halls and pumped into science buildings that, in some cases, and in fact many cases, were neither needed nor wanted.

**Mr CONLAN:** A point of order, Mr Chairman!

**Mr CHAIRMAN:** We have a point of order.

**Mr CONLAN:** Minister ...

**Mr CHAIRMAN:** No, member for Greatorex, I am talking as Chair. The Leader of the Opposition asked a question that was procured for this Estimates about \$100 000 and a Hyundai, and the minister is responding to that question.

**Mr CONLAN:** Oh, rubbish.

**Mr CHAIRMAN:** Now he has had a response ...

**Members** interjecting.

**Mr CONLAN** interjecting.

**Mr CHAIRMAN:** ... and, member for Greatorex ...

**Mr CONLAN** interjecting.

**Mr CHAIRMAN:** ... the member for Greatorex is on a warning.

**Mr MILLS:** Anyway, get to the point, minister.

**Mr CHAIRMAN:** Order! I am speaking as Chair. Estimates is conversational, and actually you have a significant latitude. The Leader of the Opposition's question does not fit the relevance of the terms of reference we are under, and the minister is responding.

**Dr BURNS:** That adjourns to this, you see, this is the nub of it. 'I had the opportunity recently to inspect the new building at the Katherine South Primary School. This is not an un-needed library or hall'. You see, when it is in their electorate, they love it, but everywhere else it is an evil spend-a-thon. So how about you blokes just come clean, support this thing, your school communities are supporting it, instead of trying to tear it down. That is all I say. And so, keep on going with BER, I love it. It is a good story; you are trying to make it into a bad story.

**Mr CONLAN:** He has a right to ask the questions, you know, minister.

**Mr MILLS:** I am just trying to unpack this, just to another level. What incentives are there for schools to come in under budget, under allocation? What reward is there, because it appears to me that if a school has spent less than their allocation, it is taken for a contingency fund, and a school that goes over gets it?

**Dr BURNS:** Well, let us put it this way. This is probably the biggest tranche of school infrastructure funding in Australia's history for a long, long time. And I suppose, if Mr Abbott gets in at the next federal election, it will be the last for some time, so schools should be optimising their opportunity to invest in infrastructure for the betterment of education of our children. That is what they are doing. Do not criticise them.

**Mr MILLS:** I am not criticising the schools, minister. I am wondering, what mechanism is there within this program and its administration to reward a school to create some incentive around the question of value? Because it appears to me, as has been described, that if a school spends less than its allocation, it is taken from them and given to a school that spends more. Where is the incentive in that? Therefore, the only incentive would be to spend the maximum amount of money in every school. Is that correct, minister? It is a question of value. Good governance, proper programs, expenditure of public funds for real value for education.

**Dr BURNS:** As I have said, schools are taking the opportunity to maximise the infrastructure that they get. The CEO has explained that, in some cases where there are underspends, those underspends go to other worthy projects.

**Mr MILLS:** Yes, like schools that over over-runs.

**Dr BURNS:** This is the brief I have here. Acacia Hills School was eligible for \$250 000 for its own student cohort. The school's priority was new classrooms with ablutions facilities which could not be delivered within the initial budget. To achieve this goal for the school, and for the broader Alice Springs community, \$300 000 was contributed by Braitling Primary School with the full support of the school council and the principal. A further \$250 000 was transferred across from Ipolera School with the approval of the then general manager. Other funding was transferred from Alcoota - \$854, Papunya - \$22 000 and Yulara nearly \$15 000, so really ...

**Mr MILLS:** Minister, how many students at Ipolera?

**Dr BURNS:** There are some schools that are doing the right thing, they can see benefit for the Acacia Hills School, and I commend all those school councils for the cooperative way they are working

together. I will just defer to the CEO.

**Mr MILLS:** What about? The question is finished. He has had his grand statement and diverted somewhere, and it is supposed to be conversational, is it not? We are having a conversation with one bloke.

**Dr BURNS:** Mr Barnes believes he can add to the answer, and so this is a conversation ...

**Mr MILLS:** How did you know he believes that? You did not even ask him.

**Mr CHAIRMAN:** Mr Barnes has the call.

**Mr BARNES:** Member for Blain was talking about good governance and good governance in terms of significant infrastructure projects right across the country over a number of years, deliberately plans into the project management arrangements and allocation for contingency. It is something that is part of the way in which the construction and planning industry work, and it certainly something the Territory and other jurisdictions have used as a part of good governance arrangements.

There is an absolute acceptance by schools around the Territory that if their project for one reason or another happens to come in under, and other projects in unforeseen circumstances happen to go over, these people as evidenced by the example the minister has given, no one understands, and actually welcome the governance supplied to optimise the investment of public funds.

**Mr MILLS:** Well, once again, good on those school communities and the very reason they have made a decision to transfer their under spends to Acacia Hill because of the appalling situation at Acacia Hill, they have done something that you and previous government have not done, and that is provide support for Acacia Hill. That is the story behind this and it is compassion shown to those school communities above and beyond any mechanism that is put in place to provide value. They have done the right thing - something you have not done. That is the issue there, but the ...

**Dr BURNS:** We are investing in special schools, you are aware of that.

**Mr MILLS:** You are now, and that is the true story behind that decision from those local schools; but the question still remains: what mechanisms are there in place about the question of value for the spend, rather than just the spend? What mechanism is there in place to create the incentive in a school ...

**Dr BURNS:** So you are alluding to the assertion you made before about the educational value, or are you talking about the physical value of the infrastructure, or are you talking about both?

**Mr MILLS:** You understand how it works, minister; if there is \$200 000 given to a school they will do all they can to spend that \$200 000 and the object of the exercise is then 'the spend', and the question of value is second. I am asking you what thought, what mechanism is being put in place to ensure that there is value of the spend, because you have seen *The Australian* today which refers to a McDonald store built down the road for half the cost of a school facility which is quite a significantly different facility, and it is a question at the top of many people's minds, the question of value for money. I understand Labor thinks spending is an achievement.

**Dr BURNS:** I think we have canvassed this issue extensively. You seem to be castigating those schools who spend what they have been allocated so, I assume, you are going to send out a letter to each of those schools, including those in your own electorate, that might spend the full amount they have been allocated and tell them they have done the wrong thing.

**Mr MILLS:** Wrong assumption.

## ESTIMATES COMMITTEE PROCEEDINGS – 16 JUNE 2010

**Dr BURNS:** You seem to be on your hobby horse here, but when it comes actually to your electorate and castigating them for exactly what you are saying here, you do not seem willing to do it.

**Mr MILLS:** Minister, you are in the frame here and it is questions of balance ...

**Dr BURNS:** No, you are the one who is in the frame fairly and squarely, talking down this great project. I have already mentioned the projects in your electorate ...

**A member** interjecting.

**Mr CHAIRMAN:** Mr Mills has the call.

**Mr MILLS:** I can assume, from the obstruction and distraction from my attempts to get an answer from you, that there is no attention to the question of value. You are taking from those who manage to have an underspend and giving to those that have an overspend. That is not a recipe for the issues around the value for the spend. I will have to move on because I do not think we are going to get anything.

**Dr BURNS:** I defer to Mr Hasted to respond.

**Mr HASTED:** John Hasted, Deputy Chief Executive, Department of Education and Training. Member for Blain, with value for money, it has to be appreciated we follow the Northern Territory government procurement processes. That is how we have done the installation of infrastructure capital over the years. We also engage qualified, experienced, independent, quantity surveyors. They evaluate each project, and they provide cost estimates to ensure we do achieve value for money.

When the Department of Construction and Infrastructure are not satisfied, the tenders are withdrawn and reissued. We do have a fairly legitimate process there. We also have specialised project managers with probity advisors for high risk projects.

**Mr MILLS:** Okay, that is fine, and that is appropriate. The issue is, minister, just to give you some assistance with this, if you went to some school and said: 'What do you need to improve your education performance in a whole range of areas? You describe to me what you need', and they put their case and you fund that, rather than saying: 'Here is \$200 000, what could you do with that?' If you ask a question on the basis of what will add value to the education enterprise of this school, put that proposal forward, then fund that, rather than saying: 'Here school, here is \$200 000, what are you going to do with that money?', you end up with a different response. That is the issue here, and there is no changing that. That is for your benefit, so you understand where I am coming from.

**Dr BURNS:** That did not happen in my electorate, because the school councils were the ones who made decisions, in consultation with the principal, and the list of people Mr Hasted mentioned, about what they wanted in their school. For instance, Millner school ...

**Mr MILLS:** Minister, you have missed the point. Were they asked what they wanted to strengthen their education outcomes, or were they asked what were they going to build with this \$200 000? Which question were they asked?

**Dr BURNS:** Both, and each school made a decision based on their needs. I commend the schools ...

**Mr MILLS:** After having an amount to spend ...

**Dr BURNS:** ... in my electorate, each one has done a different thing. For instance, Millner school is right into – all right, you do not want to hear about it.

**Mr MILLS:** No, you can go, but I am letting you know I am stopping this. I am not asking any further

questions.

**Mr CHAIRMAN:** You do not have any further questions.

**Mr MILLS:** I will not have any further questions in Education.

**Mr CHAIRMAN:** Minister, we are about to move off Education and into a different agency, department of Housing. The member for Nelson does have questions which could be to a range of outputs. I am asking your indulgence if he can ask his questions now, and then we can move on.

**Mr WOOD:** Thank you, Mr Chair. Minister, in relation to special needs schools. You mentioned in answer to a question from the member for Brennan, the new development at Palmerston. That is on a green field site. Why will you not consider a green field site in Namarluk instead of building on a site limited in size, and in fact you are packing many facilities on a very small site. Are you looking at a green field site?

**Dr BURNS:** As I have said to members of the school council at Namarluk, I agree about site. I would like to investigate either a green field site, or a site on existing land, within the northern suburbs of Darwin. There have been some initial conversations with the Namarluk School Council about relocating their pre-school to another site in the northern suburbs. I am not in a position to name that site, but it is in an existing school which has plenty of space. I am keen. I understand the needs of Namarluk, I sympathise with them about the layout of the land they have. I want to work with them for the medium term of relocation of Namarluk school. There are big budgetary implications there, however in the meantime, I think it is best that we spend the \$6m or so on that existing site because this is going to take some time in the longer time. We need to address some of the immediate issues that are faced by Namarluk on their existing site. I am very keen to work with the school council and the department to look at options. That is my answer to you, member for Nelson.

**Mr WOOD:** Okay, I have lots of questions but I will cut most of them out. This will be to do with 1.5.

**Mr CHAIRMAN:** The minister has indicated that he will be happy to answer them.

**Mr WOOD:** Okay, there has been quite a bit of discussion locally about a new library at Taminmin. Considering Taminmin has gone from about 450 students to about 1250 student in a fairly short time - and the library is a responsibility of both library services and the department of Education - are there any plans to expand the library so that it fits the capacity of the number of students using the school and the community as well?

**Dr BURNS:** Excuse me, member for Nelson. The advice I have is there is a recognised need, member for Nelson. I suppose it all comes down to the budgetary cycle and priority. I accept your advocacy and you never know; keep on advocating and ...

**Mr WOOD:** The school has grown very fast. My question, although it is advocating a local library, is that the Education department has put a lot of facilities into that school to make it capable of housing, if you can put it that way, 1200 students. However, the one area that has missed out is the library. The advocacy is not only local but sensible in relation to how that school is developed.

I will quickly move on. I probably need to get a clarification. This is on tertiary education and in relation to Charles Darwin University. It is probably a global question. As you know, the Charles Darwin University has just put out an expression of interest for the development of Palmerston residential estate. The reason I ask, minister, is that, once upon a time, Palmerston was going to be the university city. In fact, that is what the plans were. That seems to have died.

Who made the decision about selling off land that belongs to the university? What are the plans for Charles Darwin University in Palmerston? Who will receive the funds or the proceeds from the sale of that land?

**Dr BURNS:** Well, the first thing to say, member for Nelson, as you are aware, the Charles Darwin University is an autonomous entity that has its own act under parliament. They operate at all levels with complete autonomy from government.

That said, there is a cooperative and collaborative relationship between CDU and the government. My understanding of the development at Palmerston - and it is probably a question better directed to Professor Barney Glover who, incidentally, is doing a fantastic job as Vice Chancellor - is they have a real need; they believe they have the capacity to take a lot more overseas students into Charles Darwin University, but the accommodation is the big issue for them. So, they see this development as one way of getting the infrastructure for their student accommodation, as well as, I suppose, some stream of income. That is, probably, about the best way that I can answer it.

**Mr WOOD:** Yes, I can understand ...

**Dr BURNS:** There may be planning issues in rezoning; I am not really sure about that. You would probably be best to correct that ...

**Mr WOOD:** No, I did not really want to get into the actual planning issues, as such, but I thought the government itself, as it originally set up the university, would have an overall policy as to where it wants to see tertiary education as the university head. It is the government that put the university at Palmerston, or that Palmerston campus there. Are you saying, basically, that the university does things now in isolation from some overall government policy in relation to the university of the Northern Territory?

**Dr BURNS:** I think I have answered it as best I can in terms of their economy, but maybe the CEO wants to add to the answer.

**Mr BARNES:** CDU has a partnership agreement with the Northern Territory government, and that partnership agreement is managed through the Department of the Chief Minister. At that level, there is strategic discussion around how the university can grow and develop right throughout the Territory, and how best it sits within that part of Territory 2030 which talks about the Territory becoming a university-oriented locale. I know that that committee meets on a very regular basis, and Mike Burgess, as the Chief Executive of the Department of the Chief Minister, might be best placed to respond to their area of strategic direction.

**Mr WOOD:** Yes, thank you, Mr Barnes. I thought, though, you do put, according to the Annual Report 2008-09, around about \$7.2m into the university, although, mind you, I do not know how big that is in the big picture, but I thought you would at least have a little bit of input into what happens in the university that you put \$7.2m into.

**Mr HASSED:** We actually put a lot more than that into the university, because there is also the injection, or investment by government in the Vocational Education and Training stream, but again, the basis, or the lever we have there is about the delivering of training or, the delivery of higher education, not decisions around where they are going to base infrastructure and such. There has also been a substantial investment in infrastructure out at Casuarina and, over the past couple of years, there has been further investment in their Palmerston campus.

**Mr WOOD:** I understand the time, and it is important, but I guess, just a question on VET. I have got here, under Training, that the \$12.3m decrease in training is explained primarily as a decrease in Commonwealth funding. Given one of your agency profiles in providing an Australian VET system allows Territorians to gain and retain employment and build lifelong skills capacity, what will the impact of this reduction be?

**Dr BURNS:** As I understand it, member for Nelson, that reduction in funding represents infrastructure that was funded in the previous financial year, by the Commonwealth government, some projects right

across the Territory, so that was obviously infrastructure funding and one-off funding. As I understand it, our recurrent funding in terms of this particular area of our endeavours remains fairly constant, but I will defer to Mr Hassed.

**Mr HASSED:** As you alluded to, member for Nelson, that reduction was predominantly in a one-off capital injection under a couple of programs, one being Better TAFE Facilities, and the other being the Teaching and Learning Capital Fund, somewhere around the \$10m mark. Those monies were given to CDU, Batchelor also picked up money too, and the proviso was that that money was to be spent this financial year. The clock is ticking for CDU, but I am pleased to say that the facilities that they have invested in are in the process of being handed over.

In terms of the provision of VET, there actually has been an increase of around \$1m for the delivery of training, so, if anything, we are in a better position to provide quality vocational education and training.

**Mr WOOD:** Are you able to give us a breakdown for VET, how much VET is given for each RTO, again, in the NT?

**Mr HASSED:** I can give you an idea of certainly – I have got it here – I cannot give you all providers, but I can get that to you. I can give you a breakdown, that \$52m is committed on a recurrent basis to Charles Darwin University and Batchelor Institute. They are the largest recipients by far of recurrent funding under the VET program. Rolled up, all programs that support and deliver training for apprentices and such, it is around \$24m. CDU would pick up around 60% of that, and private providers would pick up the remaining 40%, and then there is a series of smaller programs, such as the Productivity Places Program which is a competitive program so that RTOs from across Australia can apply for funding under that program. Predominantly, money has been allocated this year and into next to private providers, both local and interstate. We have to provide interstate providers with the opportunity to access that funding as part of the national arrangement with the Australian government. We have \$2.6m for delivery of training in Indigenous communities aligned to employment opportunities, predominately delivered, again, by private providers.

**Mr WOOD:** How do you class Taminmin High School, as a private provider?

**Mr HASSED:** Taminmin would be classified as a private provider delivering VET in schools.

**Mr WOOD:** Do you have a breakdown of those private providers and how much they receive?

**Mr HASSED:** I do not have it with me, but I can get that.

**Dr BURNS:** Could we put that on notice?

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**Question on Notice No 5.10**

**Mr CHAIRMAN:** Do you mind repeating the question, member for Nelson?

**Mr WOOD:** Minister, could you provide details of how much private providers of training funds ...

**Mr HASSED:** There are a number of programs. They are particularly active in the user choice or apprenticeship training area. I could give you the number there ...

**Mr CHAIRMAN:** We need the question for *Hansard*.

**Mr WOOD:** Could you provide details of private providers of VET in the Northern Territory?

**Mr CHAIRMAN:** For the purpose of *Hansard* that is question No 5.10



**Mr HASSED:** Are you talking about Taminmin?

**Mr WOOD:** I would like them all, but if you could split them up and say where it goes, I know where Taminmin or other schools go.

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**Mr WOOD:** My last question, and I have plenty more, is something, I must admit, I have spoken in debates about English as a Second Language, because I always thought this was the alternative to teaching taking time up in schools, and it says that you have allocated \$3.1m to establish a 3pm-9pm after school Indigenous language and culture initiative in remote community schools; and I think this is a good idea, but what community schools have been identified? And, if you have allocated some money, what would it be used for, and have you got a plan?

**Dr BURNS:** The CEO.

**Mr BARNES:** Thank you for the question, member for Nelson. The communities that have been identified are those communities that formerly ran a version of bilingual which we call a step program. It was important for us to work, and we have begun working, with each of those communities to make sure that they understand the department's commitment to the growth of local languages. We certainly encourage the use of those languages through the 9 am to 3 pm part of the school day and it is a part of the continuing bilingual approach to education in all of our 76 very remote schools. In addition to that, we want to give the community an opportunity to come in and run language and culture programs as well as skilling programs to utilise our school facilities.

That money will go to the employment of people who coordinate the programs, training to occur during those after school hours, and while it says 3 pm to 9 pm, from community to community it will be different. Sometimes it will be 4 pm to 6 pm three nights a week; sometimes it will be 7 pm to 9 pm depending on the time of the year. Those are the communities. We have a plan in place. We have started to engage with each of those schools. We are very hopeful that in second semester next year we will be able to kick those off.

**Mr WOOD:** Is it possible for instance that some traditional owners or people who are well versed in the language and have a knowledge of English, who are not teachers, could be brought in as trainees, like adult trainers.

**Mr BARNES:** Absolutely. What we have been talking about with NRETAS is also the capacity to work with them during that period of time to start to digitise and capture those oral stories that people have, and keep them in a special place so they are not lost and that that language can grow. It is something that we are looking forward to engaging with the communities on. I think this time next year we will have many stories to tell around this.

**Mr WOOD:** Will you be keeping track of children who attend these particular classes, or will it be voluntary?

**Mr BARNES:** It will be voluntary because it is outside of school hours. Obviously it is something that the communities are saying they want more of that capacity to make sure that their children grow up to be proud and strong Indigenous people who know their own stories, live their own culture, and have their own language, but at the same time have that standard English literacy that will enable them to get jobs. We will be actively monitoring how well these programs are going given that it is a public investment in these.

**Mr WOOD:** Thank you, minister. I have lots more questions but in the interests of time.

**Mr CHAIRMAN:** We have a member of the committee, the member for Fong Lim, who wishes to ask a question.

**Mr TOLLNER:** Yes, I do not have a very difficult question. Minister, I want you to outline for me under the BER, the Primary Schools for the 21st Century program, can you tell me, or maybe you might want to take it on notice, what work was done at all schools around the Territory? What is the square metre rate for construction of buildings, for government schools? Second, what is the square metre rate for non-government schools and specifically what works occurred at both Robinson River and Nhulunbuy homelands? What was the square metre rate for the construction on those two projects?

**Dr BURNS:** I will take that on notice, member for Fong Lim. I just point out that there is going to be methodological issue with the question you have asked. You have asked for a square metre rate but in many cases you might not be comparing apples with apples.

**Mr TOLLNER:** No, that is why I want to know what work was done along with the square metre rate.

**Dr BURNS:** So you are asking the square metre rate per school?

**Mr TOLLNER:** Per school. Breaking it down into non-government schools, and outlining what work was done for that particular square metre rate.

**Dr BURNS:** We will endeavour to get that answer for you.

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**Question on Notice No 5.11**

**Mr CHAIRMAN:** For the purpose of Hansard can you just read that neatly again, one more time. That is question 5.11.

**Mr TOLLNER:** I think they might have got it but we will have another go. In regard to the BER, specifically the Primary Schools for the 21st Century part of that program, can you outline what work was done at each school across the Northern Territory? What is the square metre rate per building for construction costs at non-government schools versus government schools, if you could delineate between the two? Specifically, what works were done at Robinson River and the Nhulunbuy homelands schools? What was the square metre constructions costs at those two locations?

**Mr CHAIRMAN:** That is question No 5.11.

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**Dr BURNS:** So everything at Ludmilla school, the BER project, is going well, member for Fong Lim?

**Mr TOLLNER:** Everything, minister, everything.

**Dr BURNS:** Are they happy?

**Mr TOLLNER:** Just answer the question. They love it, minister of course they love it, you know that.

**Dr BURNS:** So you want their square metre rate in their as well?

**Mr TOLLNER:** I do.

**Dr BURNS:** Are you going to blame the school council if it is not what you expect?

**Mr TOLLNER:** I am not blaming anyone. I just want to see the information, minister.

**Mr CHAIRMAN:** That concludes consideration for the agency Education and Training. Thank you very much for your attendance and the answers provided.

**Mr CHAIRMAN:** We will now be moving on to consideration ...

**Dr BURNS:** Can I have a minute?

**Mr CHAIRMAN:** Yes. There is change over witnesses. You can have a minute.

**Dr BURNS:** I thank everyone from Education. There was a lot of detail. Thank you very much. A lot of work.

**Members:** Hear, hear!

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The committee suspended.

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### **DEPARTMENT OF HOUSING, LOCAL GOVERNMENT AND REGIONAL SERVICES**

**Mr CHAIRMAN:** I open the estimates public hearings. The questions are asked and answered and that includes the opening that has been provided, so that you may ask questions to it if you wish. I welcome the minister and invite him to introduce the officials accompanying him and, if he wishes, to make an opening statement on behalf of the Department of Housing, Local Government and Regional Services.

**Dr BURNS:** Thank you Mr Chairman. I introduce those at the table with me: Chief Executive of the Department of Housing, Local Government and Regional Services, Ken Davies; Deputy Chief Executive, Catherine Weber; Chief Finance Officer, Dwayne McInnes; and Executive Director, Remote Housing, Mr Andrew Kirkman, who I am sure is going to be at the table - he is at the table now. I will be joined at the table by other senior departmental officers, as appropriate, as we move through portfolio areas of the agency.

The department's key responsibilities are, in my portfolio area of Public and Affordable Housing, including providing safe, affordable, appropriate housing in urban and remote areas; supporting the non-government sector in providing housing assistance to clients with special needs; housing eligible government employees in remote areas; and, delivering essential services infrastructure in remote communities.

On behalf of the Territory government, the agency has been, and will continue to work in close partnership with the Australian government to implement key initiatives under the National Affordable Housing Agreement and National Partnership Agreements on Homelessness, Social Housing, Remote Indigenous Housing, and Nation Building and Jobs Plan. The agency's 2010-11 capital program of \$695m includes significant investment in new and refurbished public and social housing. This includes the start of our \$49m three-year construction program to build 150 new public housing dwellings. This investment will see three new seniors public housing villages to be built in Larapinta, Malak and Johnston. This is in addition to the new 40-unit seniors village that will begin construction soon in Bellamack.

Under the \$1.7bn Remote Indigenous Housing National Partnership, there will be \$354m this year for the Strategic Indigenous Housing and Infrastructure Program operating in over 30 communities across the Territory, building new and upgrading existing houses. About 35% of local Indigenous people make up the workforce, giving them access to real training and employment opportunities.

Another \$237m is being invested in land servicing and essential services infrastructure in the Territory growth towns to support current and future growth. In 2010-11, the implementation of the recently announced public housing framework for remote communities and town camps across the Territory begins. This is delivering a fair and equitable rental system in the bush to ensure people have access to improved housing and associated services.

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The Territory government is also investing \$28m for government employee housing in remote areas to support the delivery of services for people in the bush. In 2010-11, the department will continue to work to address housing affordability and the changing public housing needs as part of the government's *Housing the Territory* strategy. The department has a large task in responding to the needs of Territorians for social, public and affordable housing, assisting those with high and complex needs to sustain their tenancies over the longer term. A range of approaches is being delivered to do this, including establishing an affordable housing rental company. The Territory government is also continuing close work with the Australian government and non-government organisations to deliver more supported transitional emergency and affordable housing options.

Some projects currently under way include: 35 units for affordable housing and 10 for public housing in Parap as part of the Wirrina redevelopment; 18 dwellings in Berrimah; and, 28 dwellings in Alice Springs for supported transitional housing to help people gain the skills to maintain a residential tenancy in urban areas; 20 new units for supported housing in Coconut Grove; refurbishment of eight units in Katherine for supported accommodation; the refurbishment of 35 rooms at The Lodge in Alice Springs for supported accommodation; eight dwellings at Malak for emergency accommodation for people escaping family violence; the redevelopment of Catherine Booth House in Stuart Park for managed accommodation for homeless women; and, another eight dwellings for accommodation for homeless men in Alice Springs.

The task in delivering more housing across the Territory is immense, but I can say that there is a massive amount of work currently under way to address this. As my colleague, Malarndirri McCarthy, said yesterday in hearings, I will respond to questions relating to Indigenous Essential Services for communities other than outstations, and I will respond to questions of a corporate nature for the department as a whole.

**Mr CHAIRMAN:** Are there any questions to the opening statement?

**Ms PURICK:** Yes, I would like to ask some questions. Minister, yesterday, the Chief Minister, after a question, said that the government had received advice, in fact, it was strong advice, that they were opposed to the SIHIP program model of alliances. My question is, where is this advice? Where is the advice, who provided it, and why did not the Chief Minister table the advice when he was requested?

**Dr BURNS:** Well, just to revisit the history of this a little bit, member for Goyder ...

**Ms PURICK:** No, I do not need the history, the question ...

**Mr CHAIRMAN:** The minister has the call.

**Dr BURNS:** Well, you asked for the history.

**Ms PURICK:** No, I just asked, where is the advice?

**Dr BURNS:** You have asked for the history. I am giving you the history. Mal Brough, when he was Minister for Indigenous Affairs, basically gave an ultimatum to this government that we were to sign a memorandum of understanding with the Australian government that specified, amongst other things, two elements: (1) that we would take responsibility for outstations; (2) in terms of the housing for SIHIP, that would be through an alliance contracting model. I can tell you without divulging any Cabinet secrets, member for Goyder, that around the Cabinet table there were discussions and we received some advice within the Cabinet room about potential problems with the alliance modelling.

Whilst we were aware at that time like, we are going back a few years now, I think Clare Martin was Chief Minister at the time, she expressed a great deal of concern over those two elements, particularly the outstations, because we did not have a cash figure of what the assets were worth or what it would take to maintain those assets and; in terms of the alliance modelling for such a large project, there were concerns put forward around the table about the fact it had been tried in

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Queensland at a relevantly small level and would it work at a much larger level across a major housing program throughout the Territory?

That is what I can advise you, member for Goyder, but we had no choice in the matter. Mal Brough was a take no prisoners sort of a bloke, so it was gun at the head stuff, you will do, it that is it. So we had to sign on the line. That was the way that bloke operated.

**Mr GILES:** A point of order, Mr Chairman! Standing Order 113 short, concise answers would be good.

**Mr CHAIRMAN:** There is no point of order.

**Ms PURICK:** Minister, thank you for your comments; however, the Chief Minister said that was against the advice of the Northern Territory government, strong advice from the Northern Territory government that they were not in favour of it, and yet there is documentation I have here, it is public documentation where minister Knight says the alliance model of business working together with governments and the community heralds a new approach for governments. Even your Closing the Gap extols the virtues of working together; when Marion Scrymgour was Deputy Chief Minister:

*It is a model that is based on evidence, it has worked on the eastern seaboard of South Australia, it is not based on cheap rhetoric and coercion.*

Even further back we have minister Vatskalis as Housing saying:

*Alliance contracting has a strong track record with large scale projects, the contracting model has a record of government and the private sector working collaboratively to reduce and manage risk whilst achieving significant time and budgetary savings and delivering other objectives that are normally difficult to quantify.*

Yet the Chief Minister is saying that there was advice against it, and in minutes from a meeting between Macklin and the Chief Minister, minister Macklin supported the Chief Minister's vision in the context of the regional model for strategic alliances.

So what is it, do you support the strategic alliance models or not? I mean it seems you have conflict within your Cabinet. And where is the advice?

**Dr BURNS:** I have already advised the committee of some of the discussions that were had around the Cabinet table at that time; I was there you, were not, member for Goyder. I am telling you what was discussed, the issues that were discussed in relation to outstations and the alliance modelling. I am telling you that any qualms we had were largely academic given the fact that we were compelled by Mal Brough to sign on the dotted line in relation to the alliance modelling.

Now, as the Auditor-General recognises in his report, there are positives and negatives around the alliance model, and the quotes you have read is obviously my colleagues are putting a positive spin on making the alliance model work. I am minister, I am trying to make the alliance model work, I want it to work but that was the one that was dictated to us by Mal Brough through the memorandum of understanding; it is no use crying over spilt milk - we have got to make it work.

**Ms PURICK:** Minister, Chief Minister's vision in the context, so he had a vision of strategic alliances succeeding and yet you are saying that it was ...

**Dr BURNS:** I have a vision of strategic alliances succeeding, too. I want it to succeed because it is the system we have.

**Ms PURICK:** But where is the advice? Table the advice.

**Dr BURNS:** I have already ...

**Ms PURICK:** So there was no advice?

**Dr BURNS:** I have already informed the Committee exactly what was said around the Cabinet table, and I do not wish to discuss further what was said there. It was very clear, as I have said, the then Chief Minister and the rest of Cabinet were very concerned about the attitude of Mal Brough - gun to the head stuff - you will sign, you will take on outstations, you will take up the alliance modelling.

So, it was a new form of contracting that had never being attempted at the level in housing construction, particularly in remote areas, and that was the concern voiced around the Cabinet table. I have nothing more to add to that.

**Ms PURICK:** Why did the Chief Minister say there was advice of the Northern Territory government?

**Dr BURNS:** I am saying in the discussion around the Cabinet table there were views put forward regarding the alliance modelling and the outstations. I cannot stay anything more. That is what happened; we are saddled with it; that was the dictate of Mal Brough. As minister I want to make it work, so let us turn to more productive questioning.

**Ms PURICK:** Did the Chief Minister mislead this committee in saying there was advice, when you are saying there was not advice?

**Dr BURNS:** I did not say anything of the sort.

**Ms PURICK:** You said it was discussed around Cabinet.

**Mr CHAIRMAN:** No, he said it was in discussed in Cabinet, but they did not

**Dr BURNS:** What I have said I have said. I have relayed to this committee ...

**A member** interjecting.

**Mr CHAIRMAN:** Order!

**Dr BURNS:** ... as I said before, we have seven hours. I can pause every time you want to interject and interrupt, member for Fong Lim. What I have relayed to this committee is the discussion and views put around the Cabinet table at that time.

**Ms PURICK:** I can take from that, minister, there was no advice, and the Chief Minister yesterday did mislead this committee.

**Dr BURNS:** You will take whatever you want to from my answer, you will twist it, turn it, and you will go out publicly - you have nothing of substance to ask. I hope the member for Braitling has something of substance to ask. This is pure political fluffery on your part, member for Goyder.

**Ms PURICK:** The point is there is no advice, and was no advice.

**Dr BURNS:** I have answered the question. I have said there was a discussion around the Cabinet table, there were views put, and I have told this committee what the views were.

**Mr CHAIRMAN:** Member for Nelson, do you have questions to the opening statement?

**Mr WOOD:** If SIHIP was part of the opening statement - do we get straight into SIHIP. I have plenty of

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questions on SIHIP.

**Mr CHAIRMAN:** We will move into SIHIP at a future output, minister. I am sure there will be questions on that. Any other questions to the opening statement.

**Mr WOOD:** No, we will go through the process.

**Mr CHAIRMAN:** In that case we will turn to questions.

**Mr TOLLNER:** I have a quick one. Minister, I heard your response. In summing up, and correct me if I am wrong, Cabinet discussed this issue but no directive came from Cabinet, there was no piece of paper, there was no documentary evidence ever ...

**Dr BURNS:** Yes there was, we signed the MOU. That was the piece of paper which came out of Cabinet because we had to sign the MOU ...

**Mr TOLLNER:** Okay, you signed the MOU.

**Dr BURNS:** ... but we were not happy about it.

**Mr TOLLNER:** That is right, but at no stage ...

**Dr BURNS:** Those who know Mal Brough know he is a gun at the head sort of bloke.

**Mr TOLLNER:** ... let me finish my question. He is a terrible man; evil; child of the devil.

**Dr BURNS:** He takes no prisoners.

**Mr CHAIRMAN:** Member for Fong Lim has the call.

**Mr TOLLNER:** What you are telling us is Cabinet had serious concerns about this issue, it was thrown back and forth in Cabinet, you signed the MOU, but at no stage was there written advice or anything that came out of Cabinet you can table now that ...

**Dr BURNS:** I would not be tabling a Cabinet document.

**Mr TOLLNER:** I am talking about the advice you allegedly gave to Canberra.

**Dr BURNS:** What goes into Cabinet is subject to Cabinet confidentiality, you should know that.

**Mr TOLLNER:** I am not talking about what went into Cabinet; I am talking about what comes out of Cabinet. Are you telling me nothing came out of Cabinet?

**Dr BURNS:** What came out of Cabinet was a Cabinet acquiescing and agreeing to sign Mal Brough's MOU. That is what came out of Cabinet.

**Mr TOLLNER:** That is right, but what you are telling me did not come out of Cabinet was any advice or concern about the alliance model, and whilst you discussed it in Cabinet, nothing came out of Cabinet in writing which said Cabinet had concerns with the alliance contract model.?

**Dr BURNS:** If I can explain the Cabinet process to you, member for Fong Lim.

**Mr TOLLNER:** No, no that is not the question.

**Mr CHAIRMAN:** Member for Fong Lim.

**Mr TOLLNER:** A point of order, Mr Chair! I want to see a piece of paper, or some documentary evidence, that Cabinet had concerns about alliance contracting. The Chief Minister said yesterday he had nothing to table in that regard, he could not table anything, and he was not the Chief Minister at the time. What I am asking is do you have anything you can table for this committee that backs up your assertion Cabinet had serious concerns about the alliance contracting model?

**Mr CHAIRMAN:** The minister has the call.

**Dr BURNS:** Can I inform the member for Fong Lim about the Cabinet process ...

**Mr TOLLNER:** What I am asking is, I want to see a piece of paper or some documentary evidence that Cabinet had concerns about alliance contracting. The Chief Minister said yesterday he had nothing to table in that regard; he could not table anything, he was not the Chief Minister at the time. What I am asking you is: do you have anything you can table for this committee that backs up your assertion that Cabinet had serious concerns about the alliance contracting model?

**Mr CHAIRMAN:** And the minister has the call.

**Dr BURNS:** I inform the member for Fong Lim about the Cabinet process ...

**Mr TOLLNER:** I have not asked about the Cabinet process. I have asked about whether there is a document that came out of Cabinet that said ...

**Ms WALKER:** A point of order, Mr Chairman! The member for Fong Lim has asked a question of the minister; the minister is trying to answer that question, and the member for Fong Lim needs to sit and listen to that answer.

**Mr CHAIRMAN:** That is correct; the minister has the call.

**Dr BURNS:** Okay, I will preface my answer with this, which may make the member for Fong Lim a bit happier. Regarding bits of paper, as you put it, that come out of Cabinet, I should explain the Cabinet process. What goes into Cabinet are Cabinet submissions; they can take many forms. Then, there is discussion around the Cabinet table about those - which, incidentally, is oblong rather than round - submissions or the issues that are put before Cabinet. What comes out of Cabinet are what is known as Cabinet decisions. They actually come on a pink bit of paper, member for Fong Lim. If ever you get into Cabinet, no doubt you will want to do away with. Historically, they have been pink. That is the Cabinet decision. The Cabinet decision - I do not have it in front of me now - would have said something like, 'Cabinet agrees to sign the MOU with the federal government in relation to this particular matter'.

That is all that would have come out of Cabinet. There are lots of Cabinet discussions about lots of issues. However, essentially, what comes out of Cabinet are those pinks that clearly show, in a very concise form, what the decision of Cabinet is. The decision of Cabinet was to sign the MOU, albeit, I suppose under protest, about the way Mal Brough had delivered it as a *fait accompli*. I clearly remember the then Chief Minister not happy about it - his attitude and the way he was dealing with the Northern Territory. That is all I have to say, member for Fong Lim.

**Mr TOLLNER:** That is fine. I will go back. I will be very quick here. I understand the process you are talking about. However, what was made plain yesterday when questioning the Chief Minister, was the previous Chief Minister and the Housing minister I think, at the time, had evidently had discussions with Mal Brough, notifying him of their concerns. The view that the Territory government had concerns was evidently widespread. All I am asking is some documentary evidence to prove that.



**Dr BURNS:** I have answered the question, member for Fong Lim. There were discussions around the Cabinet table. There were views that were put forward about the alliance model at that level. You only have to read the advice from the Auditor-General as part of his report ...

**Mr TOLLNER:** Well, I have read lots of things, minister.

**Dr BURNS:** ... about the alliance model is a two-edged sword. There are potential benefits, but there are potential negatives with it as well.

**Mr CHAIRMAN:** That concludes questions to the opening statement.

**Agency Specific (Whole-of-Government Related Questions)  
Budget and Fiscal Strategies**

**Mr CHAIRMAN:** We now move on to questions on Agency Specific (Whole-of-Government Related Questions) Budget and Fiscal Strategies. Shadow minister. First of all, you are after generics.

**Ms PURICK:** We just want to go straight to Urban Public Housing.

**Mr CHAIRMAN:** Member for Nelson. Are you okay? No worries? That concludes consideration of Agency Specific questions.

**OUTPUT GROUP 1.0 – TERRITORY HOUSING SERVICES  
Output 1.1 – Urban Public Housing**

**Mr CHAIRMAN:** We now move on to Output Group 1.0, Territory Housing Services, Output 1.1, Urban Public Housing.

**Ms PURICK:** Minister, my first question is a general question. What is the breakdown of Northern Territory Housing officials you have here, supporting estimates, and Commonwealth?

**Dr BURNS:** How do you mean?

**Ms PURICK:** The members from the departments who are here today to assist in this process - how many of them are Commonwealth employees, perhaps seconded to Housing, and how many are NT government employees?

**Dr BURNS:** I am not sure what relevance that is, to this output.

**Ms PURICK:** Well, it is under Urban Public Housing. How many people are going to assist in the Estimates Committee process?

**Dr BURNS:** I have not counted them. This is your second estimates, you have been around long enough, member for Goyder - although one wonders - to know estimates is a very important process. It is a process more for the opposition than anyone else, and the ...

**Ms PURICK:** Minister, the question has been put ...

**Mr CHAIRMAN:** The minister has the call, member for Goyder.

**Ms PURICK:** ... how many people are employed by Territory Housing and how many are Commonwealth employees seconded to Housing to assist in programs here today with you?

**Dr BURNS:** I know the CEO wants to respond, but I will preface it by saying that estimates is all about providing answers for opposition. If you wanted us to turn up here for three people and say to every

question, 'We will have to get back to you', we could do that. However, we are not doing that, we are trying to provide answers to you, member for Goyder. On that basis, I will ask the CEO to respond specifically to your questions.

**Mr DAVIES:** Member for Goyder, we have got two Commonwealth colleagues here who are observing. There are no Commonwealth employees in the room at the moment. What you have got is arrange of people from across the agency who are executive directors in the regions, supporting in our corporate area, and also in out remote housing area, more specifically, housing.

**Ms PURICK:** Thank you. That was not too difficult. Minister, how many people are in public housing for the 2009-10 year, and how does that compare to last year by region? The regions I ...

**Dr BURNS:** Do you mean the number ...

**Ms PURICK:** The number of people living in public housing - Darwin Katherine, Tennant Creek, Alice Springs.

**Dr BURNS:** That is a very detailed question, I will defer to the CEO.

**Mr DAVIES:** Member for Goyder, in terms of public housing, by region, I will break it down at the – I will go to the high level first, and then I will need to get some advice on the regional level data, it will come to me in a second. There are about 5060 assets in the urban and regional context across the Territory. In the remote area of the Territory, with the new partnership that we have got with the Australian government, we will be, through the SIHIP process and the National Partnership Arrangement, taking on about an additional 4600 assets. Disaggregated by region, public housing stock by region. In Alice Springs, we have got a total of 869 public houses, that is units, duplexes; Casuarina - 1151; Darwin - 1164; Katherine - 467; Nhulunbuy - 37; Palmerston - 1245; and, Tennant Creek - 132, with a total of 5065 assets, member for Goyder.

**Ms PURICK:** Thank you, that is good.

**Mr WOOD:** Can I just ask are the rural public houses included in that?

**Mr DAVIES:** They are included.

**Ms PURICK:** Are they including pastoral figures?

**Mr DAVIES:** They are, member for Nelson, yes.

**Mr WOOD:** You have not got how many there are?

**Mr DAVIES:** In the rural area?

**Mr WOOD:** Yes.

**Mr DAVIES:** No, we could get that for you though if you want it.

#### **Question on Notice No 5.12**

**Mr CHAIRMAN:** Is that a question on notice?

**Ms PURICK:** Yes, please.

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**Mr WOOD:** Minister, could you supply the number of public houses in the rural area? This could include Batchelor, Adelaide River and Litchfield.

**Mr CHAIRMAN:** That is question No 5.12.

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**Mr CHAIRMAN:** For the purposes of the committee, we discussed at PAC that while the shadow minister has the call if the member for Nelson has a question on something you were asking about you are able to ask.

**Mr DAVIES:** Member for Goyder, the figure for you, I will just get the accurate figure for ...

**Ms PURICK:** Sorry?

**Mr DAVIES:** Member for Goyder, the accurate figure for our Territory Housing managed stock for remote public housing is \$4537.

**Ms PURICK:** Okay.

**Mr DAVIES:** Okay?

**Ms PURICK:** Yes. For public housing stock, do you have a figure as to how many are recognised as seniors?

**Mr DAVIES:** Yes, we do.

**Ms PURICK:** Or pensioners?

**Mr DAVIES:** We do, and if you will just bear with me while I get that figure. It is approximately 50%, I will give you the raw numbers. Public housing senior households, would you like them by region?

**Ms PURICK:** I would if you could.

**Mr DAVIES:** We have got them by region. As of April 2010: 359 households in Alice Springs; 457 in Casuarina; 651 in Darwin; 163 for Katherine; 16 for Nhulunbuy; 488 in Palmerston; and Tennant Creek – 51.

**Ms PURICK:** Okay. How does that compare to the previous year?

**Mr DAVIES:** That is pretty well on par, member for Goyder, the previous year there was a total for April 2010 of 2185 senior households. The previous year was 2174. So it is a slight increase. The year before that was 2140.

**Ms PURICK:** Okay, thank you.

**Dr BURNS:** But that situation will certainly improve with the \$50m we are spending on a 150 dwellings including a number of seniors' villages in Darwin, in Palmerston East and also Central Australia.

**Ms PURICK:** Okay, thank you.

**Dr BURNS:** So we are building a seniors' village in Malak, we are building one at Larapinta, and we are building one that is already on the books, the second stage at Johnston. So the Bellamack seniors' village is already on the books; I think there are 40 units there and we are in a partnership

with the Commonwealth government and they are funding us for that. From memory, there are 44 in that, so that is good news for seniors, member for Goyder.

**Ms PURICK:** Minister, on that point, given all these seniors live in urban areas, is there consideration of developing a seniors' complex in the rural area in the Top End?

**Dr BURNS:** I think that is a very good idea. It would be one I would be prepared to entertain, but I suppose we have our budgetary commitments over the next three years, after those 150 dwellings, but certainly I think that is a laudable idea.

**Mr Wood:** And it has been put to a minister before.

**Dr BURNS:** Has it?

**Mr Wood:** Yes.

**Mr Tollner:** Hopefully you are not around after three years.

**Ms PURICK:** Thank you, minister. How many of those – well, I guess all public housing dwellings had to be modified for disabled access?

**Dr BURNS:** To my knowledge, and I may stand corrected here, I will let Ken talk about the numbers in a second, but when modifications need to be made to buildings it is usually done through the Community Services budget. There is a team that goes out and assists people, and funding comes through that particular department for modifications, whether they are in public housing or whether they are in private housing. But I will defer to the CEO on this particular issue.

**Mr DAVIES:** Member for Goyder, we would need to seek that information for you. I can say that with the priority housing wait list we are at the point where houses are vacated; one of the issues is, particularly with some of the clientele coming in, we are having to modify some residences to enable disabled access and, of course, with SIHIP, particularly on places like Groote Eylandt where there is MJD, then that is very much a part of the design feature.

**Ms PURICK:** Do you wish to take it on notice?

**Mr DAVIES:** Yes, we can do that.

#### **Question on Notice No 5.13**

**Mr CHAIRMAN:** Do you mind repeating the question then, member for Goyder?

**Ms PURICK:** How many public housing properties have required building modification for disabled access?

**Mr CHAIRMAN:** For the purposes of Hansard, I allocate that question No 5.13.

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**Ms PURICK:** Minister, in the records of public housing tenants, do you keep a breakdown of nationalities?

**Dr BURNS:** I am not sure about that, I doubt it. I suppose the most important piece of information is about their financial eligibility. When you say nationality, what exactly do you mean, whether they are Australian or whether they come from overseas?

**Ms PURICK:** Nationality, yes, Sudanese, Chinese – because many agencies do keep data on nationalities. The ambulance service does, for example, so I was curious whether public housing has a breakdown of nationalities in their public housing stock?

**Dr BURNS:** I am not sure we keep that data, member for Goyder.

**Mr DAVIES:** Member for Goyder, the application form has Indigenous, non-Indigenous, that is the only category that we have the moment.

**Ms PURICK:** Okay. So if the form has – I call them Territorians and Indigenous Territorians ...

**Mr DAVIES:** Sure.

**Ms PURICK:** So, that is the only differential you have?

**Mr DAVIES:** That is right.

**Ms PURICK:** Okay, minister, moving on then. How many notices were served on public housing tenants to quit properties for not paying rent, and how many of those required legal advice, and how many have required court action?

**Mr CHAIRMAN:** And just for the committee's attention when we conclude that question we will take our lunch break and return to this output.

**Dr BURNS:** Do you want this broken down by region, member for Goyder?

**Ms PURICK:** If you could, minister.

**Dr BURNS:** I am prepared to table this advice.

**Ms PURICK:** Okay, that will be useful.

**Dr BURNS:** In Alice Springs, were you looking at the total?

**Ms PURICK:** Yes.

**Dr BURNS:** The total for 2009-10 in Alice Springs is 11. We are talking about evictions. Darwin, Casuarina, Palmerston is 27; Katherine is 4; Nhulunbuy and Tennant Creek are zero, then evictions break down by type in 2009-10 due to rent arrears, there were 24; due to antisocial behaviour there were 13, and failure maintain is 5. Once again that makes a total of 42. If you are going to question me further about that I might keep it in front of me, however I am prepared to table it.

**Ms PURICK:** I was actually, because one of my subsequent questions was how many notices for antisocial behaviour? That was one you had a category. Sorry, that led to eviction?

**Dr BURNS:** I have the process here; I do not have the number. We have the notices. Member for Goyder is asking for the total number of notices served. Is that what you are after?

**Ms PURICK:** Yes, how many notices for antisocial behaviour were served?

**Mr CHAIRMAN:** Will you take that on notice?

**Dr BURNS:** We will have to take that on notice, member for Goyder.

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**Question on Notice No 5.14**

**Ms PURICK:** How many notices for antisocial behaviour were served on public housing tenants for Darwin, Alice Springs, Tennant Creek, Katherine and Nhulunbuy?

**Mr CHAIRMAN:** For the purpose of Hansard, I allocate that question No 5.14.

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**Mr CHAIRMAN:** We will take a break for lunch.

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The committee suspended.

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**Mr CHAIRMAN:** We are resuming at Output 1.1, Urban Public Housing, and the questions were with the shadow minister.

**Ms PURICK:** Thank you, Chairman.

**Dr BURNS:** I have an answer, member for Goyder, to one of your questions. Do you want me to deliver that now?

**Ms PURICK:** Sure.

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**Answer to Question No 5.12**

**Dr BURNS:** Member for Goyder, this was question 5.12, public housing stock in rural areas, and I am advised the number of public housing dwellings in the Darwin rural area is as follows: Adelaide River 3; Batchelor 59; Howard Springs 1, and Humpty Doo 11, totalling 74. I will table that.

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**Ms PURICK:** Minister, before lunch, the question was how many notices for antisocial behaviour were made. In the past 12 month period, how many complaints were made on the grounds of antisocial behaviour?

**Dr BURNS:** I would say numerous, member for Goyder. It is a big problem; there is no doubt about that.

**Ms PURICK:** I am after Darwin and Alice Springs.

**Dr BURNS:** Bearing in mind also, while the CEO responds, member for Goyder, I am advised, and it has been my experience, often the antisocial behaviour - not always - emanates from visitors to certain tenancies. I will defer to the CEO; he may have more information for you.

**Mr DAVIES:** Thanks, minister. Member for Goyder, regarding antisocial behaviour investigations – so, this is not a complaints, there may well have been more than this, but just the specifics around antisocial behaviour investigations - ABIs have commenced the investigation of at least 232 tenancies in relation to complaints. Some investigations involve numerous complaints and more than one tenancy at a time. We could get you the additional information ...

**Ms PURICK:** That would be useful.

**Mr DAVIES:** Yes, that is a start.

**Mr CHAIRMAN:** Are you having problems getting this information. Do you want to put that on notice?

**Ms PURICK:** I will put this on notice. In the past 12-month period, how many complaints/investigations were made on the grounds of antisocial behaviour in Darwin and Alice Springs respectively? Would that be the best way?

**Mr CHAIRMAN:** That is question No 5.15.

**Mr DAVIES:** I might actually be able to do that answer now, if that is okay, through the Chair? The year to date - this is 2009-10, 30 April 2010, specific complaints about antisocial behaviour were up 627.

**Mr CHAIRMAN:** So there was no 5.15 yet?

**Ms PURICK:** No.

**Mr DAVIES:** I can break that down by region if you would like.

**Ms PURICK:** Yes. Perhaps if you want to table that document it might make it easier.

**Dr BURNS:** Do you want us to table it?

**Ms PURICK:** Yes, that might be easier.

**Dr BURNS:** Okay, so I table this for your benefit. Thank you, Mr Gadd of the committee.

**Ms PURICK:** Minister, how many acceptable behaviour agreements are there currently in force for the Northern Territory? If you can have it by regions - Darwin, Alice Springs, Tennant Creek, and Katherine?

**Mr DAVIES:** Since the introduction of antisocial behaviour legislation in June 2006, the department has entered into a total of 224 acceptable behaviour agreements. I cannot tell you the specifics of how many are afoot at the moment. We could provide further information if you need it, member for Goyder.

**Ms PURICK:** No, that will suffice I think, thank you. Do you have data of how many public housing tenants who refuse to sign acceptable behaviour agreements which, then, led to their eviction?

**Mr DAVIES:** Just bear with me, member for Goyder. For 2009-10 to date, a total of 65 tenants have agreed to enter into acceptable behaviour agreements at the request of Territory Housing, and 13 tenants currently have an ABA in place. That is for 2009-10 specifically.

**Dr BURNS:** But the policy is, member for Goyder, the determination of a tenancy is pursued through the local court if the tenant refuses to enter into an agreement, or an agreement is seriously or repeatedly breached. Evidence against the tenant must be presented in court processes. It is policy, if someone does refuse to sign an agreement, there will be an eviction process that follows.

**Ms PURICK:** Okay. That probably leads into the next question which, perhaps, summarises it. How many agreements were broken by antisocial behaviour in the 12-month period which led to eviction?

They had an agreement, they broke it, which caused you to go down the eviction path?

**Dr BURNS:** Ken.

**Mr DAVIES:** Four is the answer, member for Goyder.

**Ms PURICK:** So, four?

**Mr DAVIES:** Yes.

**Ms PURICK:** Okay. How many of the public housing properties in the Territory are classified restricted premises under the *Liquor Act*?

**Mr DAVIES:** I do have that. Can I answer that, minister?

**Dr BURNS:** Yes.

**Mr DAVIES:** As at 30 April, there are 325 housing dwellings throughout the Northern Territory declared as restricted.

**Ms PURICK:** Okay, so ...

**Dr BURNS:** On top of that, there are also common areas that are declared. There are approximately 48 of those. There are 14 pending declarations. That is probably the state of play at present.

**Ms PURICK:** Okay. So, if the situation where a premises is a restricted premises, and yet it has had complaints against it in regard to the consumption of alcohol and antisocial behaviour that leads from that, and numerous complaints are made to Territory Housing in regard to premises, why does it seem that no action is taken against, and I have written to you, minister, in regard to one of these properties?

**Dr BURNS:** Well, I suppose ...

**Ms PURICK:** If they are breaching their conditions of restricted premises and complaints are lodged with Territory Housing, why is that they are not being evicted?

**Dr BURNS:** Okay, there are a couple of elements to your question that I can answer, member for Goyder. At one level, as I said just before, that evidence has to be given in terms of evictions, and I suppose Territory Housing needs to weigh up the weight of that evidence. I suppose, underlying it all, we are trying to sustain tenancies rather than evict people as the first stop and, added to that, as I alluded to before, a lot of the problems come from visitors, and that is an issue that I am certainly looking at, and possible legislation in that regard to sort of toughen up some of the issues around those who are not tenants, but are inflicting themselves on tenants and, of course, the neighbours, but at this stage, that is the state of play.

I am not sure whether you have got anything to add, Mr Davies?

**Mr DAVIES:** No, I have not, minister.

**Ms PURICK:** I guess my question - perhaps I did not phrase it well. If they are restricted premises, and there are clearly breaches of the fact that there should be no alcohol, and all the neighbourhood and the street knows it and complains to Territory Housing, and yet nothing happens to those tenants, are you saying that Territory Housing provides them with counselling, or tries to sort out the issue before you chuck them out?



**Dr BURNS:** Well, Territory Housing will weigh it up. It comes down to evidence that is acceptable in a court of law. We have had experience, evicting tenants, and the courts have said that the evidence did not stack up. We need to abide by the law, we need to make sure that our cases are solid, and that is sometimes the difficulty. I am not disbelieving what the neighbours have to say, but it is a matter of basically backing up the evidence so it stands up in court.

**Ms PURICK:** From that answer, minister, then my question is, if evidence is collected, photographic evidence, video evidence, and it is presented to Territory Housing, that could form the basis for eviction process because they have breached, one, their restricted premises licence, and two, probably the antisocial behaviour agreement?

**Dr BURNS:** Well, if that evidence is of sufficient quality, of course.

**Ms PURICK:** Okay, thank you.

**Mr DAVIES:** Member for Goyder, if I could just add that a breach of restricted premises declaration is not a breach per se of a tenancy agreement.

**Ms PURICK:** No, I understand that.

**Mr DAVIES:** Yes.

**Ms PURICK:** It is just two separate legal issues.

**Mr DAVIES:** Yes.

**Ms PURICK:** Minister, how many people were evicted in the past 12 months, and for what reason? Was it for not paying of rent, damage to property ...

**Dr BURNS:** We did this question earlier today.

**Ms PURICK:** But not – did we break it down into ...

**Dr BURNS:** Yes, we did.

**Ms PURICK:** Okay. All right, I will go back through *Hansard*.

**Dr BURNS:** I am sure you asked the question.

**Ms PURICK:** Yes, there are the three areas, not paying of rent, damage or antisocial behaviour.

**Dr BURNS:** Yes, well, I do not mind repeating it, member for Goyder. I think the problem might have been that I did not table it, because we were using it at that time, but I am more than happy to table it once I have finished.

I will repeat, 2009-10, 24 due to rental arrears, 13 due to antisocial behaviour, and failure to maintain the dwelling, I assume that means, five, and that makes a total of 42, so I will table that.

**Ms PURICK:** Thank you, minister. The One Mile Dam in Darwin exists under a special purpose lease held by the Aboriginal Development Foundation, and I understand there are discussions into negotiating the housing needs of the residents. Where are those discussions at?

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**Dr BURNS:** Well, they are very longstanding discussions, member for Goyder, and I suppose ...

**Ms PURICK:** But is there any progress being made?

**Dr BURNS:** Well, it is a difficult issue because of the leases, because of the relationship of the One Mile Dam residents with what is known as the ADC, the Aboriginal Development Corporation, and, of course, Yilli Rreung is involved there as well. Basically, as I understand it, it was, and I might stand corrected, I am sure the member for Arafura knows a lot of this history, that there was a lease granted to the One Mile Dam residents by the former CLP government, I think, in the 1980s. Was it late 1980s or early 1980s?

**Ms SCRYMGOUR:** 1979.

**Dr BURNS:** 1979? So, late 1970s. I have been there, I have met with Mr Timber and others down there. I agree that we need to have action there, but there are many dynamics, let us say, in the whole relationship between the One Mile Dam residents, the ADC and Yilli Rreung. But I understand there has been some progress made and some potential options put to the One Mile Dam residents. I am not sure who wants to talk to that? I am keen for those people to move to adequate housing but it is a matter of where and whether they are happy. So, it has been such a protracted, well, it is been a dispute really, member for Goyder, and it is difficult to resolve.

**Ms PURICK:** Thank you, minister. Minister, how many public housing dwellings needed repair due to tenants' damage, which they are liable for, what was the cost, and what has been the success rate of recovery of monies owed? Well, first of all how much has been outstanding?

**Dr BURNS:** That is a good question.

**Ms PURICK:** How much money is owed, and is it possible to get it down through the regions?

**Dr BURNS:** Yes, we will try. Member for Goyder, I do have some figures on categories of debt, so I will probably open up a whole range of questioning here but that is good, that is what estimates is about. I will give you the 2008-09 figure, and I have a figure for 2009-10 at the 30 April if you want that.

**Ms PURICK:** Sure, both will be good.

**Dr BURNS:** So the rent for 2008-09, the debt was \$2.531m; and year to date at 30 April 2010 it was \$2.186m.

**Ms PURICK:** That is a lot of money.

**Dr BURNS:** Well, there is more coming, member for Goyder. Tenant responsibility maintenance, we have \$5.849m for 2008-09, and \$6.688m as of 30 April 2010. I have some other figures here for excess water bond assistance and legal fees, but those two figures I suppose are the headline figures and in terms of ...

**Ms PURICK:** Minister, let me know if I have got this correct; there is nearly \$12m in damage to public housing properties across the Territory?

**Dr BURNS:** No.

**Ms PURICK:** Sorry, for year 2008-09 and 2009-10?

**Dr BURNS:** Yes, that is correct.

**Ms PURICK:** And that has to be recouped from tenants?

**Dr BURNS:** That has to be recouped from tenants. I am coming to that, member for Goyder. So tenant responsibility expenses, the total amount billed in 2008-09 was \$1.881m, and the total collected was \$1.159m, a short fall of \$728 000. Where we can we do pursue the tenants and we do get them to pay. I am not sure whether the CEO has more to say about that.

**Mr DAVIES:** The CFO might want to explain the table debt by category. Just explain that, Dwayne, please.

**Mr McINNES:** To clarify about the levels of debt, they are cumulative figures, they are not added together, so the total...

**Ms PURICK:** So the \$6m was added on from the previous year?

**Mr McINNES:** Yes, that is right. So it is \$6m in total outstanding.

**Ms PURICK:** That is still an extraordinary amount of money for damaged property.

**Dr BURNS:** Over what time period would it be carried forward? Time immemorial?

**Ms PURICK:** What is your success rate percentage wise of getting the money? Is it 50%, 30%?

**Dr BURNS:** From the figures I have given you, approximately 50%. However, we pursue all outstanding debts, and we put the debt collectors on the trail. The other thing is, people cannot come back and want a tenancy if they have an outstanding debt. They have to clear their debt, or demonstrate they are well on the way to clearing their debt with a whole series of regular payments.

**Ms PURICK:** If they leave public housing and are carrying a debt, do you inform the – I am not sure what it is called these days – the credit agency which looks after private rental properties you can refer bad debts to? If they try to go into the private market ...

**Dr BURNS:** I am not sure about that operational issue.

**Mr DAVIES:** We would need to take that on notice and check it, member for Goyder. I do not think we do. Most of the people leaving with debts like this would not be going into a private rental arrangement. We do not do that as a formal part of the process, but as the minister says, a record is kept. The recovery - we pursue them through debt collection processes, and they certainly do not come back into the social housing network without having some capacity to repay that debt as being part of new tenancy arrangements.

**Dr BURNS:** Can I say this, member for Goyder, it is my view, and I have communicated this to the department, I want to see more inspections of Territory properties during the year. There is an annual inspection regime, however I would like to see us move to more frequent visits, first so damage does not get to the state where it has mounted up and mounted up. Second, jumping on the problems quickly I think is very important.

The point I am making is if we go to such a regime, those figures are likely to rise - the more you look, the more you find. I acknowledge we need to be more proactive in this area and not let things get to a state, particularly if we evict tenants then find ourselves having to dip into our pockets for \$20 000 to repair damage done probably over a nine month period.

**Ms PURICK:** You said you wished there were more people to do inspections or property management ...

**Dr BURNS:** No, I said more regular inspections. The target is currently at least one a year; however I have asked the department to focus on problem tenancies with more regular inspections. We have had a good look at the *Residential Tenancies Act* and what we can do legally. There are rules within the *Residential Tenancies Act* which govern how and when you can do inspections and how you inform the tenant. I am focused, and that has been part of the discussion I have been having with the CEO over a whole range of issues to do with the operations of the department. Amongst other things, I want to see more regular inspections, particularly on new tenancies which may prove to be problematic, and on problematic tenancies.

**Ms PURICK:** Yes, one inspection per year does not sound too many when the private sector does it every quarter. Would you look to be moving towards quarterly inspections?

**Dr BURNS:** That is what I am after, member for Goyder.

**Mr DAVIES:** Member for Goyder, one of the things with the inspection process is there are clearly tenancies where the stock is very, very well looked after. Part of it is about knowing the profile of the tenant and understanding the frequency required. For some tenancies we would be inspecting more often than before.

**Dr BURNS:** If I could make this observation, member for Goyder, as a member in the northern suburbs of Darwin who doorknocks, I would say 3% of the tenancies are problematic. Most people look after their public houses, and many even look after them better than people who are buying their house. There is much pride in what people do, however you can readily see there are tenancies that need more management, and that is what I am talking to the CEO and the department about.

**Ms PURICK:** Minister, with the number of dwellings unoccupied, for whatever reason - I know there are hundreds across the Territory - how much rent has been foregone because they are not being tenanted by public housing people?

**Dr BURNS:** I would have to defer to the CEO on that.

**Mr DAVIES:** Thanks, member for Goyder. The amount is \$2.2m ...

**Dr BURNS:** That is over a year.

**Mr DAVIES:** That is over a year to 30 April; that is the 2009-10 amount. It is rent forgone because the premises have not been tenanted.

**Dr BURNS:** But let us try to get this in to a bit of context here ...

**Mr TOLLNER:** You are not going to leave that one out there unaddressed.

**Mr CHAIRMAN:** The minister has the call.

**Dr BURNS:** Thank you, member for Fong Lim. The member for Braitling has rightly raised a whole range of issues with me about untenanted dwellings in Alice Springs. I have even been in the car with him and we have gone around and had a look at a few. However, in the context of Alice Springs, there are approximately 60, I think, out of 800 dwellings. Is that right? Less than 60. So, really, we are looking at 60 out of 800. I will come to the figure in a minute, but it is a relatively small percentage of the overall stock. However, we can still do better. It is about 3%, from memory. Is that right? Something like that, around there.

Get the phone out, member for Fong Lim, and calculate it. It has been a long day. We are endeavouring to get those numbers down.

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I am advised now, of the 58 houses listed as vacant on 30 April 2010, excluding industry housing, 24 are now occupied - this is in Alice Springs - 21 are still in maintenance, 12 are in various stages of allocation, one burnt unit - which I think I have communicated with the member for Braitling about - is going out to tender, and one in Ti Tree is pending. So, as of 15 June 2010, we have a total of 28 houses in maintenance and one going out to tender.

We have worked hard to get those numbers down. I thank the member for Braitling. He has certainly been very active in that area, but we can always do better. Whilst \$2m is a lot, we just have to look at that in the overall perspective.

**Ms PURICK:** Yes, okay, thank you minister. It is concerning, that plus the \$6.08m for damages. Anyway, the next question. What is the cost the department has had to pay for security for Alice Springs public housing in the past year? Also, if you have a cost for Darwin and Tennant Creek? And how does that compare to the last year?

**Mr DAVIES:** Minister, are you okay if I answer the question? Okay. For Alice Springs, the financial year expenditure on security for Alice Springs as at 30 April was \$0.509m - so \$509 000. The following complexes are serviced by the contractor security patrol: Jim McConville, McCary Northrop Apartments, John Gorey Apartments, Calder Court, Harold Little complex, Leaner Court, John Hawkins Court, the Hall flats, Sally Mohammed Complex, Clarissa Rose complex, Agnus East complex, Joseph Nichols complex, Watts Apartments, North Watts Apartments, Ellery Drive complex, Len Tuit complex, and Walkett complex.

**Ms PURICK:** What about Darwin?

**Mr DAVIES:** In addition to those security arrangements, call-out patrols are carried out as requested by Territory Housing at a cost of about \$650 a month, or approximately \$7800 per annum for call-outs.

**Ms PURICK:** Do you have the figure for Darwin and Tennant Creek for security?

**Mr DAVIES:** I do. For Tennant Creek, the total cost of security in the Tennant Creek area is \$45 000 per annum. For Darwin, the estimated cost of security for the Darwin area this financial year is ...

**Dr BURNS:** Is that Darwin and Palmerston?

**Mr DAVIES:** This is for Darwin and Casuarina; I will deal with Palmerston separately, minister, if that is okay? For Darwin and Casuarina, the estimated cost of security is \$0.87m.

**Ms PURICK:** What is your figure?

**Mr DAVIES:** Pardon?

**Ms PURICK:** How much is spent?

**Mr DAVIES:** To date, we have expended \$802m, sorry \$802 000, my apologies.

**Ms PURICK:** And then Palmerston is obviously separate?

**Mr DAVIES:** Palmerston is separate. For that, we have got the estimated cost, including three Palmerston region complexes: Davoren Court, Cornwallis Circuit, Gray, and Victoria Drive, Gray is \$35 000 a month, so that is 35 time 12.

**Ms PURICK:** Thank you, minister.

**Mr DAVIES:** Member for Goyder, my apologies. We are not committing that amount at the moment. That would be the estimated cost of servicing those ...

**Ms PURICK:** To Palmerston?

**Mr DAVIES:** That is right, of servicing those complexes, if we were to proceed.

**Ms PURICK:** Sure. It sounds expensive. In regard to crisis accommodation, how many dwellings are allocated to crisis accommodation in the NT, either managed by Territory Housing or managed by agencies?

**Dr BURNS:** Predominantly, as I understand it, NGOs do this managed accommodation. I did say in my opening remarks that government, along with the Commonwealth, is working with a number of agencies. St Vincent De Paul in Darwin, there are 20 units, from memory, along Dick Ward Drive. Basically, there is Catherine Booth House. The Salvation Army are redoing Catherine Booth House. There is a whole range. Just last week, I was out at Crerar Road in Berrimah, where foundations were being dug and cement being poured for a number of units; I think it is 18 units on Crerar Road for transitional accommodation.

So there is a lot going on with the Commonwealth at present under the stimulus package, approximately \$60m in partnership with the Commonwealth. I suppose the challenge is for the Territory is that we have undertaken to have 200 dwellings either under construction or completed by the end of this calendar year. I have the exact figure here: crisis and supported accommodation, 249 dwellings. And then, in some places across the Territory, we have a category called 'Community', which is employee housing for community organisations, which is 35 dwellings across the Territory.

I have a list of projects here. I have mentioned Crerar Road. The women's shelter, I think that is at Malak. Henry Street, Darwin and Dick Ward Drive, I mentioned St Vincent De Paul. Percy Court in Alice Springs, there will be approximately 79 beds associated with that. Bath Street, Alice Springs, 35 rooms with at least 35 beds, and Goyder Street, there will be 16.

On top of what we already have, there is a lot being added to the stock in collaboration with the Commonwealth.

**Ms PURICK:** Thank you, minister. I want to turn my questions now to the homelessness, and, as you know, we have the worst record in the country; we are nearly five times greater than anyone else. The national is 53 homeless to every 10 000 people, and yet we have 248 for every 10 000 people. Under the program through COAG, the Northern Territory is to receive \$25.5m, \$17.7m over five years, starting from 2009-10, which, in that case, is about \$3.5m per year, for specific programs and strategies. Given we are halfway through 2010, what is actually being developed, and has anything been implemented yet to try and address our homelessness problem? And is it just Darwin that that money is being targeted at, or is it all of the Northern Territory?

**Dr BURNS:** As I alluded to before, there is a partnership with the Commonwealth. There is a lot going on in terms of the developments in that regard. Basically, under the national partnership, there will be \$25m in Australian government funding, and we got matching funding of nearly \$30m, making a total of \$54m over five years to reduce homelessness in the Northern Territory. So we do have a homelessness implementation plan. It probably is not going as fast as some would like, but I believe there is a strategy, and there is certainly funding from the Commonwealth to address this issue.

There are a number of elements to the partnership agreement, there is a place to call home, and there is street-to-home-for chronic homeless people and support for private and public tenants to help sustain their tenancies and a range of other elements are going on. It is not as if nothing is happening there, but I know many people would say that we need to do much more given the level of

homelessness in the Territory, but I will come back to what I talked about before.

In terms of the intervention, I tried to tell Mal Brough that his intervention and the way it was being done would lead to a flood of Indigenous people into our major centres up and down the track in the Territory and, unfortunately I was proved right; but, as I have said a number of times here and in parliament, he was not a bloke who was a very good listener. I can remember when I first came to the Territory 30 years ago Indigenous people visited a centre like Darwin relatively rarely, but now with time that has changed for all kinds of reasons, but I think most people who are objective would say since the intervention there has been a hell of a lot more people coming into our major centres up and down the Territory.

We have to deal with that and that is what we are doing, and we are doing it in partnership with the Commonwealth.

**Ms PURICK:** Minister, thank you for that, but I disagree with you in regard to what race or type of person is contributing to the homelessness, because in my discussions with NGOs it is pretty much 50/50, Territorians and Indigenous Territorians who are homeless, so it is not more one than the other; the issue is not just about Indigenous Territorians coming in from communities and living homeless, it is also about Territorians living homeless, but I will move on.

You did mention a place called Home Program which has \$7.84m allocated to it for capital funds, what is that being spent on? What has been built or developed for that program?

**Mr DAVIES:** Member for Goyder, I was just going to say just in terms of additional support, given that we have talked about what the minister said and the Indigenous context, there is the Youth Development Crisis accommodation with an investment of \$240 000 going to that; there is Palmerston Youth Crisis accommodation being developed; Tenancy Sustainability Program, \$1m being spent on that; assistance for people leaving Correctional Services, \$0.25m being spent on that. There is a high risk youth program, a service coordination system, and a homelessness system mapping exercise being done as well to understand the context for homelessness, given the minister and the agency are working very closely together to get a handle on the families at risk and the individuals at risk.

**Ms PURICK:** If there is a requirement to assist people in the rural area, which tends to be overlooked quite often in regard to these issues, where there is a high level of homelessness with youth, in particular, and there was a proposal to set up a, let us call it a youth hub, trying to get young people to understand why they are sleeping rough, would that be a program people could come in and talk to Territory Housing about funding support?

**Mr DAVIES:** Definitely.

**Ms PURICK:** Okay. That is all I have, Mr Chairman.

**Mr CHAIRMAN:** Do you have questions on Output 1.1, member for Nelson?

**Mr WOOD:** I have, thank you, Mr Chairman. Minister, you had the six month pilot project to recruit four specialist antisocial behaviour compliance officers to investigate complaints, which started in May 2009. How did you measure its success, and will government funding continue?

**Dr BURNS:** Government funding will definitely continue, member for Nelson, and I have met with that group and I commend them for their work. It is difficult work, but I believe they have had a positive effect. Ultimately, they try to help people to sustain their tenancies, but if people are beyond that, that is when eviction takes place. I know in my own electorate and a few neighbouring electorates, people have talked to me about various tenancies and the group has become involved and you can see improvements occur there, but in some cases people have had to be evicted. I will ask Mr Davies to elaborate further.

**Mr DAVIES:** Thanks member for Nelson. We have engaged specialist officers who have the capacity and training to respond quickly to serious incidents of antisocial behaviour. There are currently three in Darwin and one in Alice Springs. One of the benefits has been an improved relationship and communication between the department and neighbours, in particular, affected by public housing antisocial behaviour. ADIs have commenced the investigation of at least 232 tenancies in relation to complaints. Issuing a notice of remedy is a strategy the ADIs use to deal with antisocial behaviour and they can also, at the end of this period, make an application to the Commissioner for Tenancies for termination orders if breaches have occurred. There have been 25 notices to remedy issued since June 2009.

Once an application is made to the Commissioner for Tenancies, a hearing is conducted, providing an opportunity for natural justice to occur, and a decision for termination to be made. The ADIs have attended 13 hearings since their commencement, and a total of 12 requests were prepared seeking approval to terminate tenancies without grounds. This can occur where a periodic tenancy exists, a fixed term tenancy agreement is about to expire, or in circumstances where legal action is not possible, due to complainant's fear of retribution. A termination without grounds is only sought where serious or repeated antisocial behaviour occurs on a regular basis, regularly disturbing neighbours' rights to peaceful and quiet enjoyment of their property.

The total number of tenancies currently under investigation by tenancy management staff, and ADIs for antisocial behaviour is 93, representing 1.8% of the total number of urban housing dwellings in the Territory at this stage.

**Mr WOOD:** Minister, you advertised in the *Katherine Times*, for crisis accommodation program applications for 2010-11 funding. Could you say how many people responded to that advertisement which closed on 21 May, when will funding be given out, and how much in total will be allocated?

**Dr BURNS:** I am getting Mr De Koning. John, could you identify yourself and speak to the question by the member for Nelson please?

**Mr De KONING:** The name is John De Koning, Executive Director, Big Rivers Region. To answer your question member for Nelson, I think you are referring to 54 Acacia. Four NGOs applied, and we have chosen one, Venndale Kalano, and they will be moving into the complex either 30 June or 1 July.

**Mr WOOD:** Minister, this does not say any particular area, it just says: 'Funding applications for the 2010-11 crisis accommodation program are now open'. The program administered by your department: 'Provides capital funding for purchasing, upgrading and renovating accommodation to help people who are homeless and in crisis. Submissions for projects within the following areas are welcome from eligible community organisations'. Who applied for that funding and when will a decision be made, and when will it be allocated?

**Dr BURNS:** That advertisement pertains to Acacia Drive, so I think Mr De Koning has answered the question.

**Mr WOOD:** From reading that it does say there is a specific ...

**Dr BURNS:** Hold on, Mr Davies ...

**Mr DAVIES:** If it is all right with you minister, I might respond. The specific issue with Katherine, and the successful organisation that is going to be managing the crisis accommodation in Katherine – for program grants, I can give you the detail of that, Mr Wood. For approved projects under the crisis accommodation program grants for 2009-10, there was a successful application from the Alice Springs Women's Centre for \$63 000; Darwin Aboriginal and Islander Women's Shelter Centre received \$28 000; the Katherine Women's Crisis Centre Shelter was given \$186 000 to construct an additional building to provide amenity for group sessions, children's room, and private interview space; St Vincent De Paul, the continuation of and renovation to address the safety and maintenance



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need of the Bakhita Centre; and the Salvation Army Trust in Darwin were given \$51 000 to upgrade the Red Shield Hostel to provide day access for homeless people. The total of those allocations was \$420 000.

**Mr WOOD:** Thanks. Minister, I might have thrown John off ...

**Dr BURNS:** No, I apologise too, to John. He is doing a great job in the Katherine region ...

**Mr WOOD:** It was just that the ad was there and it looked as though it applied to the whole of the Territory.

In relation to the waiting list, minister, I know you have been reviewing the public housing waiting list. Could you give us a rundown or summary of what has happened in relation to the numbers of people waiting for either emergency housing or just general housing, after your review of this public housing waiting list?

**Dr BURNS:** You want some discussion on the method used to audit the waiting list and, then, you want the figures?

**Mr WOOD:** Have the figures changed since you audited the waiting list? If so, are we able to see those changes?

**Dr BURNS:** I suppose there is a process in that there were advertisements put in the newspapers, and other means of communication. Then, there will be follow-up with those who have not replied who may have changed their address. There will be natural justice in there, but I will defer to Mr Davies about the process and try to give you an up-to-date waiting list. They are published.

**Mr WOOD:** Yes, that is right. Sometimes, you see them one month, you will not find the previous month unless you have kept a record of them.

**Dr BURNS:** I see.

**Mr WOOD:** Oh, yes, tricky.

**Dr BURNS:** But they have been going up.

**Mr WOOD:** They have. They have gone up quite considerably, still. Nhulunbuy is now 100 months.

**Mr DAVIES:** Member for Nelson, in the audit of the tenant wait list, the current wait list as at 30 April 2010 is 3819 applicants. As a consequence of the review, 778 applications were cancelled across the Territory. In relation to the priority housing applications, at the moment, applicants are prioritised on the grounds of homelessness, serious medical or social problems, financial hardship, and domestic and family violence. In the specifics, in March 2010, the Darwin region had a priority housing wait list. There were 154 priority applications but, in the specifics of the number of people actually on the priority waiting list right now, I do not have those figures. I would like to take that on notice to get them to you.

**Mr WOOD:** Could I ask two things? Is it possible to table the documents showing us the drop in waiting lists, and where those drops occurred - from region to region or from town to town - because that is normally how you put out your waiting list times anyway. That is question one.

**Mr CHAIRMAN:** Is that on notice?

**Mr WOOD:** Well, I do not know whether it needs to be on notice. I was wondering if you could table that document?

**Mr DAVIES:** It would need to be on notice because we need to break it down by region.

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**Question on Notice No 5.15**

**Mr WOOD:** Could the minister provide us figures that showed the waiting list before the review for each major centre in the Territory and, in comparison, the waiting list after the review of the waiting list.

**Mr CHAIRMAN:** That is question No 5.15.

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**Question on Notice No 5.16**

**Mr WOOD:** Could the minister provide us with the waiting list for emergency housing, or priority housing which it is correctly called, before the review of the waiting list, and a list of the number of people waiting on priority housing after the review of the waiting lists?

**Mr CHAIRMAN:** That is question No 5.16.

**Mr WOOD:** By region too.

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**Mr WOOD:** Minister, just another quick question. What happens when you find people, and I am presuming that there is some sort of income threshold, if people go above that threshold, what is the policy in relation to removal, or are people able to stay in that house?

**Dr BURNS:** That is an important issue that you have raised, member for Nelson. We do have income limits and they are published. What happens is, if someone, obviously someone has got an existing lease, because if they are over the income threshold, they are not eligible to enter into public housing. If someone is over the threshold, and, you know, I suppose, consistently over the threshold, we know that sometimes you know people have financial needs and they may go over the threshold for certain periods of time, but over a sustained period of time, if they are over the threshold, they are notified.

There are two things that happen. The first one is that they are notified that their tenancy will cease at the end of the contract or the tenancy agreement that they have signed. Sometimes that could be two or three years hence, so they have got use of that house. We do not chuck them out in the street, but they have to look for alternative accommodation.

Second, they are made to pay what is called market rent. Market rent is assessed by the Australian Valuation Office. It is not probably the full tote rent that people who are living in commercial flats and units, or houses around there would pay, it is actually a bit less than that, so there is, I suppose, that bit of a concession to people, but ultimately they will have to move out of there public housing dwelling, because it is very difficult. The priority housing list is very difficult. I often say it is a bit like Sophie's Choice. I mean, people are in such dire need of housing, and I acknowledge that. It is very difficult for the committee to make those decisions and prioritise people. But one thing I have tried to do as minister, and I have been successful, is to deal with the backlog of priority housing applications, so, basically, I insisted that the Priority Housing Committee meet on a more regular basis, and that backlog has all but disappeared.

I acknowledge that that does not really help people when there is still a considerable waiting time, even on the priority list. I am acknowledging there is a problem, but I am doing the best that I can to try and facilitate the process, and to try and get as many people into priority housing as I can. I imagine we are going to go to what the current wait times are. I am more than happy to discuss that, and what strategies we have got to try and address and reduce waiting times, because I know it is a

priority of yours, member for Nelson.

**Mr WOOD:** Thank you minister. Two quick questions. Town camps in Alice Springs and Tennant Creek, and perhaps in also, I am not sure how it works in Darwin, are they going to be regarded as urban public housing?

**Dr BURNS:** They are.

**Mr WOOD:** Okay, that is all right.

**Dr BURNS:** They will be paying rent that is commensurate, in public housing terms, with public housing tenants in those centres, so in Alice Springs, it will be commensurate or the same as public housing tenants in the town, and similarly in Tennant Creek.

**Mr WOOD:** There is a review of the *Residential Tenancies Act*. Could you give us an update of where you think that is at the present time?

**Dr BURNS:** That is actually in the purview of the Attorney-General. That paper is out for public discussion. I could take advice. Submissions will close at the end of July, I am sure you will find it on the website, member for Nelson.

**Mr WOOD:** Okay, so I better start looking. Thank you.

**Mr TOLLNER:** Minister, I only have the one question.

**Dr BURNS:** This will be profound.

**Mr TOLLNER:** Oh, look, it is not profound at all, I gave you a bit of a heads up on this one. Minister, can you tell me why, when I call, or other politicians call Territory Housing with complaints and concerns from constituents, we are directed to the media unit. Surely it would be more appropriate to direct us to a tenancy manager or an asset manager, or something like that. Why are we being directed to the media unit, minister, and why cannot we talk to anybody in Territory Housing apart from those who work in the Media Unit?

**Dr BURNS:** I think it is a long-standing protocol. I am not sure about the media department side of things, but it is a long-standing way of doing business that politicians, whether government or non-government, do not make direct contact, as a rule, with departmental people. Even as a minister, I write letters to the relevant minister as a local member about issues, I may even contact the minister's office about them, so you know there are lines of communication available to you as a member of the Legislative Assembly.

**Mr TOLLNER:** You will appreciate, minister, at times there are matters of urgency which preclude you from writing a letter to the minister or the ...

**Dr BURNS:** You could always ring my office.

**Mr TOLLNER:** We could always ring your office minister, and I know you are all ears and you are waiting on my call, but in many cases with some ministers that is not the ...

**Dr BURNS:** The member for Braitling sends me lovely emails.

**Mr TOLLNER:** He does, yes, and if I had your email address I would send you lovely emails too, but minister ...

**Dr BURNS:** I would not like to say publicly, but the member for Braiuling can whisper in your ear what it is.

**Mr TOLLNER:** I don't know where you are going with that!

**Ms SCRYMGOUR:** Now, you have got him all flustered!

**Mr TOLLNER:** Obviously, minister, you understand at times that there are matters of urgency and I have never experienced this, mind you I have only been in the Territory parliament for the last 18 months or so, but in the federal parliament we were not precluded from contacting bureaucrats and people in the public service on issues of urgency. Can you give me some background on this long standing protocol that seems to operate up here? You have to understand, minister, to me it seems like perpetuating that culture of cover-up your government has become so infamous for. Would it not be better now to direct the department to say: if you get an urgent call from a member of parliament maybe you can direct him or her to the proper person to deal with it, rather than the Media Unit.?

**Dr BURNS:** All I can say is when I became a member in 2001 I was told it was a long-standing protocol. I am sure the member for Arafura was told exactly the same thing, so I suppose there are some exceptions; I will call the police if there is a police matter.

**Mr TOLLNER:** Could you give us the undertaking you will look at this long-standing protocol and change it to something more workable in the electorates?

**Dr BURNS:** I am very interested to hear what happens in the federal political sphere, so I have heard what you have to say, member for Fong Lim.

**Mr GILES:** Mr Chairman, I might ask a couple of questions. Minister, thank you very much for coming down for a tour in the electorate of Braiuling. The property at Arunga Street you mentioned before, the house has been sitting there vacant for a couple of years. I am pretty sure if I did not take you there, action would not have been taken. Can you tell me why it sat there for two years with nothing happening?

**Dr BURNS:** I have given you credit, you have certainly raised the profile of issues to do with vacant public housing in Alice Springs. I call for a list of those vacant houses not only in Alice Springs but in Darwin, and I thank you for that, and I acknowledge that. That certainly was one that really jumped out of the page; as you say, nearly two years since it was burnt, so I can tell this committee there are funds which will flow now to that particular project. Tenders have already been advertised, they will be awarded on the 25 June and work will start on it. As you would be aware, that is a considerable amount of work; as you showed me the whole thing is burnt to a shell, so it is basically reconstructing ...

**Mr GILES:** How does it get to a point like that where it could just sit there until I show you? How many other places out there are like that?

**Dr BURNS:** I think you have identified all in your electorate, and I do thank you for that, and it is an issue; I suppose it was an issue I was aware of as a local member also. I am focused, as the minister, to get all those outstanding dwellings back into commission. What I also want to do is intensify some of the housing stock --some of those vacant blocks, particularly in Darwin. I would like to explore, if they are larger blocks, putting duplexes there for seniors, because my philosophy is I want to see seniors who are currently in under-utilised dwellings - here might be one senior, or a couple in a three-bedroom house, I would much rather see them in a duplex or a seniors village, and free that house up for a family.

**Mr GILES:** That is all good, minister; I appreciate what you are saying, it is the way to manage. Does it not concern you that you are not being fed the information by the department, or you have not got

your finger on the pulse of what is actually going on?

**Dr BURNS:** I have my finger on the pulse, and I am working hard as minister to address the issues I am confronted with. We are talking about urban housing. Certainly, wait-lists have increased markedly, particularly over the last four to five years. I am focused on that. I think there are a number of issues to do with the expansion of the wait-list. One of them is the private rental market increasing, and pricing people who might transition out of public housing. More people are staying put in public housing and there is not the turnover.

The number of stock, member for Braitling, is a major concern for me. That is why I instructed the department, about two months ago, that sales were – well, not deceased, but there is to be a much higher bar in sales. I was alarmed when I saw, at that stage, there were about 45 or 50 sales to date in this financial year. That is unacceptable, given the fact we are in bad need of stock.

I know politically there has been argy-bargy about the rundown of stock. I have figures here. In the last five years of the CLP government, you sold 2000 ...

**Mr GILES:** We are not going to get into that.

**Dr BURNS:** No, you do not want to get into it. It is actually a six year period - in the same six year period we sold 695, and a further 123 since then. I know the member for Sanderson alleged we sold 2000 ...

**Mr GILES:** This is not relevant

**Dr BURNS:** ... it is very relevant, because we have to get this on the record and straighten it up. He said we sold 2117.

**Mr GILES:** A point of order, Mr Chairman! It is just conversation to chew up time

**Mr CHAIRMAN:** Member for Braitling, you asked if he had his finger on the pulse; he is responding.

**Dr BURNS:** I am going to come up with a positive about it, member for Braitling. The member for Sanderson in parliament said, on the basis of ABS statistics, we had sold 2117 dwellings. What he omitted to say was the starting figure he used included government employee housing, and what is called industry housing. Once you take those out of the equation from the figure he used - what I am saying is in that six year period we sold 695. Now the positive - you sold 2000, we sold 695 - the positive is many Territorians who were renting public houses got into public housing, and got equity in the market and now own their own home. That is the positive.

I could dwell on how little you spent on repairs and maintenance during that time. I have it all here. The fact of the matter is we have to rectify the situation. I am looking forward - I am looking to replenish public housing stock, and I am looking to reduce public housing waiting times.

**Mr GILES:** Could you tell me, minister, the fire damaged dwelling in Alice Springs - if you have the finger on the pulse - how much has been set aside to do that rectification work.

**Dr BURNS:** As you know in the tender process, we do not say - it is like laying your cards on the table in a card game, if you are talking about an exact figure. Usually in the tender process we go out with a range of figures so people can quote within that range. Approximately \$160 000.

**Mr GILES:** How will you determine, minister, if that is value for money?

**Dr BURNS:** As we talked about earlier in these estimates, there is a process through the Department of Construction and Infrastructure, a tender process, where the job is scoped, its designed, quantity

surveyors and engineers look at it, it is put out to tender after our evaluation about how much it will cost. Then, when the tenders come back, there is a process which is actually called 'value for money'.

There are a number of criteria used there. Obviously, the amount that is bid by the tenderer to do the job is part of it, but we also look at the track record of the builder, the way they are actually going to do it, and what extras we might get for the money that is being invested. It is a job that is carried out by the Department of Construction and Infrastructure but, in a way, overseen by the department of Business. There is Procurement Review Board in there; there is a whole process that ensures government gets value for money - a process which, I might say, dates back to the previous government. We have certainly changed it and refined it, but that does not mean to say it does not need further changes and refinements.

**Mr GILES:** Would you say when you have a look at tender No D090438 by Territory Housing for 6 Brooks Place, Millner, for the construction of two two-bedroom duplexes awarded on 10 February 2010 for \$1.148m, plus change, plus the project fees and variations and all that other stuff, is value for money? Two two-bedroom units for roughly \$1.2m? I am just taking the information off ...

**Dr BURNS:** 6 Brooks Street, Millner. It is actually four two-bedroom units.

**Mr GILES:** The tender from the Tenders Online and from the information from the tender was two two-bedroom units – two two-bedroom duplexes for \$1.148m.

**Dr BURNS:** I will have to investigate that, but that is the information I have here.

**Mr GILES:** Let me go to a different one, minister, to make it easier. 13 Moorhen Crescent, Bakewell, in Palmerston; construction of three two-bedroom duplexes awarded on 10 February, the same date, for \$1 932 055 – three two-bedroom duplexes?

**Dr BURNS:** The information I have here, member for Braitling, is six two-bedroom units, so obviously - I have three ground level units and three townhouses, so that makes six. That is the information I have. I am more than happy ...

**Mr GILES:** I think you should probably take it on notice and investigate it because the tender documentation said three two-bedroom room duplexes for just under \$2m.

**Dr BURNS:** I will certainly follow up on it.

**Mr CHAIRMAN:** Is that a question on notice?

**Dr BURNS:** So you want two, Brooks Street and the other one on notice, because ...

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#### Question on Notice No 5.17

**Mr GILES:** I will give you 6 Brooks Place, Millner – two two-bedroom duplexes, Tender No D090438, awarded on 10 February for \$1 148 226; and 13 Moorhen Crescent, Bakewell – construction of three two-bedroom duplexes, Tender No D090442 by Territory Housing awarded on 10 February 2010, Contract No TW1020910 for the amount of \$1 932 055. The follow-up component of that question on notice is how do you identify that as value for money?

**Mr CHAIRMAN:** For the purposes of Hansard, I allocate that question No 5.17.

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**Dr BURNS:** We will accept that but, as has just been pointed out to me, a duplex is a duplex, so two two-bedroom duplexes is – a duplex is actually two sets of units, so that is probably where the

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misunderstanding is coming, member for Braitling. But, we will clarify that for you.

**Mr GILES:** No worries. It is still a costing \$600 000 each – more than \$600 000 each. That would be good if you could clarify that for me.

Minister, town camps - you have mentioned before in your answer to the member for Nelson – are part of Territory Housing in Alice Springs. It is outsourced to Tangentyere through a management agreement?

**Dr BURNS:** Well, all those new houses, of course, are coming up. That was the rental aspect I was talking about with the member for Nelson - the new houses that are being constructed there. Basically, they will come under tenancy agreements, ultimately, with Territory Housing. Did you want to speak more about that, Ken?

**Mr GILES:** I did have a specific question on that.

**Mr CHAIRMAN:** If you ask your question.

**Mr GILES:** I will ask my question, and then if you want to look into that. When we had a drive around, minister, I asked you about Territory Housing's responsibility for vacant Territory Housing, or for vacant town camp houses, and you said it was not the responsibility of the Northern Territory government. Is that still the case? And, if not, when will the vacant houses in town camps in Alice Springs be occupied?

**Dr BURNS:** Well, that really depends on the reason for the vacancy and the stock itself, but I will defer to Mr Davies.

**Mr DAVIES:** Member for Braitling, the answer there is that we are in the process of signing a service agreement with Tangentyere that is going to be delivering services in 17 of the Alice Springs town camps. We will be working with them on tenancing all of the residences in the town camps. For individual residences, it will depend on whether or not they are going to be refurbished. There are 199 that are due to be refurbished in the town camps. They may be being used, going to be set aside, it will depend on the work footprint, but for transitional accommodation, to accommodate families as they are moved in and out while their houses are refurbished, there are also 85 new houses that will be built. In relation to Ipiye-Ipiye, which is one of the town camps that will not be serviced directly by Tangentyere, the department will be managing those tenancies directly.

**Mr GILES:** At the end of the 10-year period, Mr Davies, the management of that will go out to public tender, or go straight back to Tangentyere?

**Mr DAVIES:** No, it will go to tender. It currently sits with the CEO Housing, so the management of that will have to be advertised through a proper procurement process, and that was made very clear by minister Macklin, the federal minister.

**Mr GILES:** Now, as I understand the agreement that we have spoken about with Mal Brough before, are all those remote houses now called public houses, or are they called remote houses?

**Ms SCRYMGOUR:** Oh, we are moving from the ...

**Mr CHAIRMAN:** Output 1.1.

**Mr GILES:** No, I am actually asking a question about this. I am just wondering if they are called ...

**Dr BURNS:** The member for Arafura is asking whether we are moving to a different output area.

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**Mr CHAIRMAN:** Are you still talking about the urban housing in Alice Springs?

**Mr GILES:** Yes, I am asking, with the signing of the agreement in 2007, and part of that agreement said that all the housing will become Territory Housing stock, does that mean that they are now classified as urban housing?

**Dr BURNS:** Well, once again, it depends. There are obviously the new houses, there are the rebuilds, there is the refurbished housing, and then there is the legacy housing. As I understand it, not all housing in the remote areas will become part of our assets, but I will let Mr Davies respond to that.

**Mr DAVIES:** Member for Braitling, in relation to the Alice Springs town camps, and the town camps in Tennant Creek, they will both still come under the Remote Housing NT Rental Management framework, but the rental level for a base three-bedroom house will be equivalent to that of the urban public housing in Tennant Creek and in Alice Springs.

**Mr GILES:** So it will be proportional to it?

**Mr DAVIES:** Yes.

**Mr GILES:** Yes, okay, all right.

**Dr BURNS:** Unless they are the town camps, of course, if it is in the remote areas, but if they are in the town camps, say at Tennant Creek, it will be equal to the Tennant Creek rent for a new house, or Alice Springs, will be equal.

**Mr GILES:** There are rumours going around that there is going to be significant staff number retractions in Territory Housing. Can you just confirm or deny that, particularly around the antisocial behaviour officers and other people. Comments that are coming to me from Alice Springs and across the Territory, is that, following the Estimates process, the CEO will be looking at some sort of staff reduction process.

**Dr BURNS:** Okay. I have mentioned previously in these Estimates that I am working with the CEO in terms of the department and the way forward for the department. As I have said on the public record, that Territory Housing, for some time, I suppose, has had its focus on public housing, but now there is a lot more on its plate, and some of that is SIHIP, some of it is a whole range of things, and affordable housing. As part of my conversation with the CEO, and, I suppose, his own review of the department, and his own thoughts, we need to reform the department, and we need to give people some certainty in that department. Now, as I understand it, there are quite a lot of casual, well not casual employees, but they are not permanent employees, and basically, the information that he has gathered indicates there are many people in Territory Housing who want their job to be permanent rather than a contract renewed every so often.

The rumour you have probably heard is about the CEO starting to get those employees, or those positions rather, into permanent positions. But I will defer to the CEO who can tell you exactly what has happened. So we are not talking about mass retrenchments here, we are actually trying to give people certainty in their employment as a way forward for the whole department.

**Mr DAVIES:** Member for Braitling, the minister is dead right. In terms of my analysis of the agency when we first went in there, we had many super nummary positions; people in unattached roles, and many HDA, people on higher duty allowances, right across the agency,.

We have been dealing with the Australian government funds coming in and growing the remote housing NT area that Andrew is responsible for, as well. We are taking on an additional 5000 stock through the Remote Housing NT framework. So, part of what we have to do is to refocus to ensure that service delivery is optimised, and people are secure in their jobs.



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We are going to work through the agency, we are not talking about redundancies at all or anything like that, but what we are going to do is ensure people are properly placed. There is common nomenclature across regions so people have the same position names and numbers and there is some consistency in the way the services are delivered.

**Mr GILES:** Thank you very much. Minister, will any staff of the department who are acting at higher duties be taken back to their original level? Will any staff of temporary or casual contracts not have their contracts renewed, or not be made permanent? Will any staff who are currently working for the department within the next 12 months no longer be working for the department because of changes implemented by the CEO or other managers within that department?

**Dr BURNS:** I thank you for your question, member for Braitling, and I will defer to Mr Davies for detail, but I do think it is a bit rich of you to come in here bleating about public servants when you know the CLP - you have your job, you have Col Fuller upstairs sharpening his big knife, you know you made an election pledge.

**Members** interjecting.

**Mr CHAIRMAN:** Order!

**Dr BURNS:** You are talking about DCIS, and you want to do away with DCIS:

*Country Liberals have allowed for a general reduction in the service of 700 positions over three years.*

You have said that in your own policy document. This is it here, and you come in here and you try and pull apart a constructive way forward for this department. I think it is a bit hypocritical, but I will defer to Mr Davies for the answer.

**Mr DAVIES:** Thank you, minister. In relation to your question, member for Braitling, we will be working through placing people in positions using the proper processes of the Commissioner for Public Employment, the Northern Territory Public Service will be advertising positions properly, doing it by merit placement, and we will certainly be ensuring all those people who are working within the agency find the right place.

That does not mean as the year progresses people might not make choices to move out of the agency, that is normal in the public service processes, but at the moment our intention is to work with our staff to get them into positions so they have permanency and some as surety; that is the answer.

**Mr CHAIRMAN:** Just speaking at that point. Obviously, I allowed that question be asked and answered, but we are at Output 1.1 Urban Public Housing, that question actually belonged properly at agency specific whole-of-government questions which we have gone past and no questions were actually asked at that point. That is where that question actually belonged.

**Mr GILES:** Mr Chairman, I am actually asking questions about management of urban housing.

**Mr CHAIRMAN:** No, that question is clearly agency specific.

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### Answer to Question No 5.15 and Question No 5.13

**Dr BURNS:** Mr Chairman, I do have some answers to question 5.15, Public Housing Waitlist by Region. Below are the number of public housing applications as at 28 February prior to the audit of the wait list and 31 May 2010. It is by region, the grand total as at 28 February 2010 is 4125, and after 31 May, it is 3229. I will table that for the benefit of members.

There was also a question from the member for Goyder, Question 5.13, dwellings modified for disabled tenants. There are a total of 650 public housing dwellings which have undergone modification for disabled clients, and it is listed by region. Within the last 12 months a total of 24 public housing dwellings have undergone modification for disabled clients, and there is the total of 24, and I table that for members also.

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**Mr CHAIRMAN:** Does that conclude ...

**Mr GILES:** I will wait for the next output group.

**Output Group 1.2 – Remote Indigenous Housing**

**Mr CHAIRMAN:** We know move to Output Group 1.2 – Remote Indigenous Housing. Shadow minister?

**Ms PURICK:** Thank you, Chairman. Minister, how many properties in remote communities does Territory Housing manage currently, and are you able to provide a list of properties by community.

**Dr BURNS:** That is probably a very detailed list, however I will defer to Mr Davies.

**Mr DAVIES:** Member for Goyder, there are two parts to your question. Are we responsible for the tenancy management of houses in remote areas? The answer at the moment is yes. For the CEO housing - in the big regional growth towns, remote service delivery towns, there will be leases which are the purview of the housing precincts of the CEO housing. The CEO housing also has a housing precinct lease in the Alice Springs town camps, and in Tennant Creek. The leases for the remaining communities are currently held by the Australian government under the NTER Act, so we are in effect delivering a tenancy management service as part of the national partnership arrangement we signed up to with the Australian government.

**Ms PURICK:** I have some questions about tenancy later. What percentage of those dwellings would you consider to be impoverished dwellings - they do not have standard power, water or sewerage services? They are completely impoverished?

**Mr DAVIES:** I might refer that to Andrew Kirkman, Executive Director Remote Housing Program NT, member for Goyder.

**Mr KIRKMAN:** There are about 80 across the Territory in that state.

**Ms PURICK:** What is the figure for funding arrangements for the provision of property and tenancy management services to the shires and councils?

**Dr BURNS:** That is a very good question, member for Goyder. I will defer directly to Andrew.

**Mr KIRKMAN:** We have approximately \$35.5m per annum for property management, and to finish your question we have approximately \$9m for tenancy management.

**Ms PURICK:** The \$35.5m was for?

**Mr KIRKMAN:** That is for property management, so maintaining the asset.

**Ms PURICK:** And the \$9m was for?

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**Mr KIRKMAN:** Tenancy management - supporting the tenancies.

**Ms PURICK:** Right. How many of the shires in the Indigenous community housing organisations have been contracted to do the repairs and maintenance that was offered to them? How many, basically, took up the offer?

**Mr KIRKMAN:** In the property management, all shires have taken up that offer. In tenancy management, all shires, bar the Tiwi Shire Council, have taken up tenancy management. In addition to the shires, there are three housing associations – well, in fact, there are more than three housing associations that have taken up responsibility for tenancy and property management.

I will just run through those. Effectively, Canteen Creek Association has taken on Canteen Creek; we have the Yilli Rreung, which is responsible for a number of outstations around Darwin, but also for Acacia, Larrakeyah, and Belyuen within the remote management model and framework. We have Julalikari Council which is responsible for Tennant Creek town camps, and Tangentyere is responsible for Alice Springs.

**Ms PURICK:** Okay. Housing has 14 regionally-based remote – or what they call remote facility managers - across the NT. Where are they based? How many site visits have they conducted? How do they draw up their priority list for repairs and maintenance?

**Dr BURNS:** I will defer to Mr Kirkman on that question. My recollection is, currently, we have about 100 Territory Housing staff who are working remotely, concerned with remote housing, and about 50% of those are either asset managers or tenancy managers. We are about to put on another 20. Possibly, Mr Kirkman could answer that question for you, because I am not sure what the employment arrangements for some of those people are at present.

**Mr KIRKMAN:** Certainly. In property management, we have tenancy and property managers who are directly employed in each of our regional offices; that being, Darwin, Katherine, Tennant Creek and Alice Springs. In those numbers, as the minister has indicated, there are approximately 24 remote asset managers who are on the ground, actually working to maintain those assets. They are working along with the R&M providers, largely being shires, in the repairs and maintenance of those houses.

In tenancy management, there is, effectively, another 30-odd tenancy managers on the ground. They are supported by around 60 community housing officers we fund through that tenancy management figure I provided before. They work together in supporting the tenancies in the various communities.

On top of that, we have a project team which has been working with the regional staff to support them in their work around asset management and tenancy management and, importantly, to assist with intensive tenancy support, particularly around bringing people on to tenancy arrangements for the first time. There are approximately 30 in that project team which we have working out of Darwin.

**Ms PURICK:** So there are 24 asset managers, 30 tenancy managers, and 60 community housing officers, plus another 30 working in the project team?

**Mr KIRKMAN:** That is right. In addition to the tenancy and asset managers who are actually on the ground in communities, there are regional managers and support staff with them. Effectively, there are approximately another 30 of those.

**Ms PURICK:** Are these all Territory Housing employees?

**Mr KIRKMAN:** They are all Territory Housing employees, bar the 60 community housing officers who are shire employees.

**Ms PURICK:** Okay. That is it.

**Mr CHAIRMAN:** At that point, we are going to take a quick break, minister.

**Dr BURNS:** Thank you.

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The committee suspended.

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**Mr CHAIRMAN:** We might recommence, minister.

**Dr BURNS:** Thank you, Mr Chairman.

**Ms PURICK:** Minister, if I can turn my attention now to some questions under the SIHIP program, given it is about remote Indigenous housing. Are you able to tell me how many community Aboriginal people are employed to alliances?

**Dr BURNS:** It is approximately over 30%, but in terms of the absolute numbers, I might defer to Mr Kirkman.

**Mr KIRKMAN:** Currently the alliances are employing over 200 local Indigenous people in the program.

**Mr WOOD:** In relation to Santa Teresa we found that they were not all local Indigenous employees, they came from Alice Springs ...

**Ms PURICK:** That was my question - community. No, keep going, but you are right.

**Mr WOOD:** So is that figure accurate in regards to the question member for Goyder asked?

**Mr KIRKMAN:** In terms of local, I will have to check the content, specifically for Santa Teresa, but I understand it is 200 local people. So there will be other Indigenous and non-Indigenous people working in the program.

**Dr BURNS:** If I could just intercede here, member for Nelson. I do not see anything negative in people from elsewhere in a region joining the crew delivering SIHIP, because for it all to be sustainable it will move from community to community, and in terms of repairs and maintenance and ongoing works on communities, I think it is a positive thing. I think it gives people who want it, sustainable employment; it gives them a path, it gives them exposure to a hell of a lot more work and different work environments. I think it is a positive thing.

**Ms PURICK:** Minister, I hear what you say and I do not disagree with you, because gainful employment is gainful employment, but I am concerned if government is promoting it is giving jobs and opportunities to locally based people in the community, when it is not necessarily accurate, because they are coming from that community or from Tennant Creek or Alice Springs.

Perhaps if I could put that question on notice:

**Dr BURNS:** I am more than happy to take that on notice, member for Goyder.

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**Question on Notice No 5.18**

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**Mr CHAIRMAN:** Question No 5.18. Would you please repeat the question for Hansard?

**Ms PURICK:** Could we find out exactly how many community Territorians are employed by the alliances, and at what communities?

**Dr BURNS:** But I would point out that, do you quiz people on their birthplace?

**Ms PURICK:** Minister, I think it would be easy to find out if they are locally-based people; that will not be too difficult because the alliances will be able to say straight up: 'Yes, these people live in the community' or 'No they do not'.

**Mr WOOD:** Could I make a brief statement in relation to Ingkerreke outstation organisation who said, because we had been asked at Santa Teresa, why outsiders were being employed. We actually assumed it was non-Indigenous people when we went to Ingkerreke but they said it was their people working at Santa Teresa. Not all, but there were those people there. Just to clarify that.

**Dr BURNS:** We will respond as best we can. Sorry, Mr Kirkman is telling me we can respond now.

**Mr KIRKMAN:** We have Mr John Baskerville here who is coordinating work for the program in the southern region. I will get John to come and respond to what is happening in Santa Teresa.

**Mr BASKERVILLE:** John Baskerville, I am Director of SIHIP, Coordination in Alice and I have a responsibility for the community's (inaudible).

At Santa Teresa there are 22 Indigenous people working on the project. A number of those are CDEP people. We have two houses down there that are being refurbished by Indigenous people, under the supervision of NFA, and they are doing a range of activities such as some of the building and concreting work around these two particular houses.

**Mr CHAIRMAN:** That is fine, but the question on notice still stands, No 5.18.

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**Dr BURNS:** We will try to answer that, member for Goyder.

**Ms PURICK:** Thank you. Minister, what quality assurance measures are implemented, as part of the SIHIP program, to ensure the position of Aboriginal liaison officer, or mentors, meets the agreed targets or outcomes?

**Dr BURNS:** I might defer to Mr Kirkman on that.

**Ms PURICK:** I understand there are people who perform these roles, but what quality assurance measures are in place to ensure they meet the outcomes agreed to?

**Mr KIRKMAN:** The biggest KPI, if you like, we hold are people providing both the brokerage for employment in the communities for the program, and also the Indigenous mentors, is the number of participants in the program, and the target for the program is 20%. I am happy to be able to say we are currently about 36% across the program.

There are a number of other matters that need to be addressed during the employment. Obviously, training is the big one. Career management plans is another important one, and from the program manager's perspective, the transition to further work after the program.

**Ms PURICK:** That raises my next question which goes to the heart of what you just referenced. When SIHIP has concluded and the houses are built, refurbished, renovated - and government has been asked this before, so I will be interested in your answer, minister - what planning, and what seed funding are you planning to allocate to help the establishment of businesses in the communities after SIHIP to ensure maintenance of the properties?

Currently, once SIHIP finishes that is it. Is government considering some seed funding to help these businesses establish so they can undertake the repairs and maintenance?

**Dr BURNS:** The remote rental framework is a step to provide a caucus of funds far beyond what is available now. I have said on the public record currently approximately \$10m per annum is collected in rent. Under the remote rental framework it will be closer to \$30m. We will be looking at that money, and hopefully working through the shires to provide repairs and maintenance.

With businesses starting up, I think that would be a positive thing, particularly Indigenous businesses around repairs and maintenance. That is why it is so crucial for people to be trained in various trades, and the building trade, as part of SIHIP. We are trying to provide some sustainability, particularly through our 20 town's initiative, or growth centres.

I am not sure whether Ken, or Mr Kirkman, wants to respond further than that.

**Mr DAVIES:** I might kick off first Andrew, and then go to you. Member for Goyder, we are in the process of working with our Australian government colleagues around a housing maintenance program we want to put in place. Clearly, we will need to do this with the shires. They have the infrastructure on the ground to support small businesses and manage the sort of procurement processes that would be required around it. That is where we are looking to in opportunities for people transitioning from the building program into a tenancy and property management frame. As the minister says, there will be substantial new additional dollars coming in through the increased rental to bring houses to standard.

We are anxious to see the environs of houses brought up to scratch. We want to see fences built, we want to see clothes lines in place, lawns mowed, car wrecks out of yards, that sort of thing. That is where we will be heading with it.

**Mr KIRKMAN:** Yes, there are also a number of other angles we are taking in trying to get the maximum number of Indigenous people remaining in employment following the program. Some of those relate to the service level agreements. We are agreeing with the shires around property management. They will have a target of approximately 40% Indigenous employment in those contracts, and also importantly, an industry participation plan will be required which will really put an onus on shires and property management contractors looking to businesses in the community, and hopefully that will stimulate some activity.

In particular on the Tiwis, we are looking at a further brokerage model for those participants in Milikapiti and Pirlangimpi, which will be coming off the program over the next couple of months. Most of those workers have chosen to stay in community, not to move on with the program, which is understandable. Obviously, it provides a fair challenge in employment going forward, but we are certainly hopeful, with the property management and the tenancy management commitment going forward on each of these communities, there will be work for them.

**Ms PURICK:** Do you know how many subcontracting businesses are actually Aboriginal owned, working with alliances? Or are they Aboriginal contracting businesses currently?

**Dr BURNS:** I will defer to Mr Kirkman on that.

**Mr KIRKMAN:** There certainly is a number. I will have to take it on notice if you want the exact number. We have some significant businesses like Ingkerreke, providing significant work for Territory Alliance in the Alice Springs town camps, and a significant amount of work for New Futures Alliance in the southern refurbishments package, particularly Santa Teresa, of which they are doing a predominant of number there.

**Question on Notice No 5.19**

**Mr CHAIRMAN:** Do you mind repeating that question?

**Ms PURICK:** I am interested in that because there are, obviously, more communities than those you have mentioned. How many subcontracting Aboriginal owned businesses are involved in SIHIP, and at which communities?

**Mr CHAIRMAN:** That is question No 5.19.

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**Ms PURICK:** I know that time is of the essence so, perhaps, I will jump a few. How many people employed with SIHIP are located in the Chan Building?

**Dr BURNS:** That is more of an operational issue. I will defer to Mr Kirkman. Bearing in mind, that it is a massive project ...

**Mr DAVIES:** We are in partnership with the Australian government, so there are a number of people in that building who are also Australian government employees ...

**Dr BURNS:** Also bearing in mind the Auditor-General finding that administration costs were around 8%. That is an acceptable level, but I will defer to Mr Kirkman.

**Mr KIRKMAN:** Thank you, minister. In all, we have 30 Northern Territory government employees working on SIHIP housing program located in Chan, working with me on program management. Obviously, across all aspects including community engagement, employment and workforce development - excuse me, in employment and workforce development, there is a further eight, so it is 38 in all. Also, importantly, alliance directors and their teams who work in with the alliances in respect to the work we are doing.

There are a further six in the infrastructure team, which is working jointly with Indigenous Essential Services Pty Ltd, a subsidiary of Power and Water, in the delivery of essential and other infrastructure in the growth towns we are doing significant infrastructure work in.

There are a further 23 in Gary Boyle's team around tenancy and property management. That is to assist the regions in tenancy and property management ...

**Ms PURICK:** That was not those 24 asset managers and 30 tenancy managers ...

**Mr KIRKMAN:** No.

**Ms PURICK:** That is separate?

**Mr KIRKMAN:** I think I gave you a figure of 30, which is the fully-funded figure. At the moment, there is 23, but there will be 30 all up when filled. That is supporting the regions, that is not part of the construction program; it is part of the ongoing tenancy and property management.

**Ms PURICK:** All right, thank you. I know that there is the industry engagement group and who is on it - not from the government point of view, though. I understand this group is soon to travel to Alice Springs to visit Santa Teresa, Alice Springs, and the town camps, and to meet with the New Futures Alliance. Why has Alice Springs and the town camps been selected? Would it not be more appropriate to go to the Tiwi Islands? What will be the cost of this trip, and what does the engagement group hope to achieve by this visit to Santa Teresa and Alice Springs?

**Dr BURNS:** I will defer to Mr Kirkman.

**Mr KIRKMAN:** Yes, I meet with the industry participation group on the program once a month. That is, as much as anything, to keep industry informed of what is happening in the program, what the opportunities are for the program, and to clearly explain to them what is happening in the program. There was, perhaps, a period of time where there was not a clear flow of information. They are great supporters ...

**Ms PURICK:** That is fine, I accept that, but why are they travelling to Alice Springs, and what is the cost to move the team and the group to Alice Springs?

**Mr KIRKMAN:** We will have to work through the cost, because that is coming up over the few weeks, but I can certainly give you an indicative cost on notice. Some of those participants may be paying for their own costs. Going back to part of your question, we chose Alice Springs, given the level of activity in Alice Springs town camps and the proximity to a major refurbishment site that is under way, that being Santa Teresa- they were certainly very keen to see that – and given the numbers of members that they represent, and many thousands, and most of industry in the Territory, I think it will be a very worthwhile investment for the program to get their support going forward.

**Ms PURICK:** Okay, thank you. Minister, the Commonwealth said that they would do the consultation with communities with the Housing Reference Groups, and pull back the alliance from doing that role, as I understand it, so, if the Commonwealth is undertaking this community consultation, how many communities have the Commonwealth representatives visited in the Territory, and which ones, to discuss their housing needs or requirements?

**Dr BURNS:** I will defer to Mr Kirkman.

**Mr KIRKMAN:** Member for Goyder, do you mind repeating that question?

**Ms PURICK:** As I understand it, the Commonwealth said that they would undertake the consultation with communities, with, whether it be their Housing Reference Groups, or the local council of that community, so how many communities have these Commonwealth representatives visited in the Territory and, if so, if they have visited any – which I would be surprised if they have, but I would stand corrected – which ones have they visited to engage in community consultation?

**Dr BURNS:** Hold on, Mr Davies has a response here.

**Mr DAVIES:** Member for Goyder, just in terms – we have got the leasing aspect of the program, then we have got the building itself, the building program, and then the ...

**Ms PURICK:** This is more towards the building and the ...

**Mr DAVIES:** Is it the building?

**Ms PURICK:** I know one alliance in particular did do a lot of community consultation with housing industry groups, with the women's groups, as to style of housing, that is why some of the houses have got five bedrooms, for example, but they were all cut back, taken away, and the Commonwealth said they would do the community consultation in regard to housing types, models, styles. So my question is, how many of these Commonwealth people have actually come and visited the communities, and which ones?

**Mr DAVIES:** All right, member for Goyder, I will go to Andrew around how the housing packages are designed on the ground.



## ESTIMATES COMMITTEE PROCEEDINGS – 16 JUNE 2010

**Mr KIRKMAN:** Certainly, post the review of the program in August of last year, the Commonwealth undertook to provide a significant effort in terms of community engagement on the communities. They are doing that in consultation and within the team that both myself and my Australian government counterpart in the program, Mr Ian Boyson, is running, we do run that as one team, both with NT and AG employees. The focus from the Australian government was the connection with the government business managers in each community.

The government business managers do have a role with this program, and that is to, for one, pass information on the program to community members, but also to assist in meetings such as housing reference groups, and basically provide an assistance to the program through their on-site presence there in the communities. So, I guess, in that respect, they are in every community, because we are utilising their services, and certainly the Australian government people in my team have been travelling out to most of the communities that we are doing work in.

**Ms PURICK:** Are they Australian government employees?

**Mr KIRKMAN:** That is right, in community engagement.

**Ms PURICK:** Okay. Is it possible to get a list of the communities they have visited?

**Dr BURNS:** Well, you should really be directing that to the Commonwealth minister.

**Ms PURICK:** No, well, I am asking you, minister.

**Dr BURNS:** I mean we take responsibility ...

**Ms PURICK:** It is a joint cooperative ...

**Dr BURNS:** You can reasonably ask Mr Kirkman questions about what our responsibilities are, but I really think you should be directing those questions towards the Commonwealth.

**Mr CHAIRMAN:** At that point, minister, I will just remind the committee of the test of relevance, which is, any questions going to the operations or financial positions of the departments and agencies which seek funds and estimates are relevant questions for the purposes of Estimates, and obviously the Territory government is the budget that we are looking at, and while Commonwealth government questions have come up from time to time, our ministers have attempted to answer them, but the Commonwealth budget is a separate thing and we are here for the Territory budget.

**Ms PURICK:** So I guess it is a fair comment that the Commonwealth really dropped down money and basically has abdicated some of their responsibilities in regards to what I call grass roots, on the ground consultation. But I will move on, that is fine ...

**Dr BURNS:** I think you should, member for Goyder.

**Ms PURICK:** Minister, I turn to Groote Eylandt in regards to Earth Connect Alliance. How much has been paid to Earth Connect Alliance?

**Dr BURNS:** I have said on the public record, in terms of their transition out of the program, there has been no money paid to them to transition. Above and beyond that, there were buildings in train, there were other issues; so there is a financial settlement, but there has been no payment to them as compensation, if you like, to exit the program.

In terms of those negotiations, I believe they are near conclusion, and some of those negotiations would be commercial incompetence. But, it is basically around the work they have done, or was in train. Obviously there are instalments on the payments, and paying them for the work they did just

before they transitioned. I will say again, and I will emphasise again there was no compensation type of payment to them to transition out of the program; that was by mutual agreement.

**Ms PURICK:** Thank you, minister. The Anindilyakwa Land Council advice we received is seven partially built semi-elevated houses have been found by an independent government examination to have major problems, problems that may require all seven to be demolished and started again. When did this independent government inspection of the houses take place, and will the houses need to be demolished and rebuilt?

**Dr BURNS:** In terms of all that alliance's work, both on Groote Eylandt and also in Gunbalanya, we have obviously had to go through and certify the works. So there has been some remedial works done on some of the houses; I know there was an issue with one house at Gunbalanya and that work has gone on. I am not aware of any houses that have to be demolished, but I will defer to Mr Kirkman who can elaborate on the question you have asked.

**Mr KIRKMAN:** Thank you, minister. We were made aware of some issues with elevated houses in Angurugu early this calendar year, which we thoroughly investigated. We do have concerns about the longevity of some of those houses given the particular products that have been used in those houses, but we are now talking with the Anindilyakwa Land Council about use of those houses going forward.

**Ms PURICK:** Minister, my understanding is, and this goes to how the project was managed by the Northern Territory government, as far back as October last year the land council was expressing concerns with the alliance, and yet no one seemed to be listening to them until March this year when they were basically sacked. Why was there such a lag?

**Dr BURNS:** I could begin by answering that question. There were contractual arrangements between the Commonwealth, the Territory and the alliance partners; I was certainly aware of some of the issues when I took over the portfolio area and many of those issues did centre on the way that particular alliance was engaging with the community. The community was not happy with some of that.

Basically, the department and officers then looked very carefully at a range of issues to do with that particular alliance, their financial reporting, and the quality of their work, and it was by agreement that they exited the program. You have to give people some element of procedural fairness and justice, so they were sent a letter saying: 'Here are things that you need to remedy', and I think they sent back a 120-page response, or thereabouts. Obviously, where we did not want to end up was in court, so it was through negotiation and the skill of people like Mr Kirkman that actually got us to a point where the alliance was prepared to exit with no cost to the taxpayer in terms of any inducement or reward for exiting. And, at the same time, we have to ensure those houses are of sufficient standard to move forward to hand back to the people of Groote Eylandt. I will defer to Mr Kirkman, if he wants to elaborate further on my answer.

**Ms PURICK:** Will the houses be demolished? Are they that poorly constructed with the wrong materials, and if they have to be repaired what extra cost will that be?

**Mr KIRKMAN:** Three of the seven houses in Angurugu were not sufficiently progressed to be of use going forward. I think, for the most part, there might be a couple of low stilts in the ground for those which we will probably look at removing. Three of those will probably be gone - there is very minor work on those. For the remaining four which were significantly advanced, they will probably require a couple of hundred thousand to finish off.

**Ms PURICK:** Per house?

**Mr KIRKMAN:** Per house. We will then be working with the ALC about the future use of those houses.

**Ms PURICK:** Of those four that were significantly advanced, is that, 80% complete? What was that cost?

**Mr KIRKMAN:** They were about 60% complete.

**Ms PURICK:** What was the cost per house, do you know approximately?

**Dr BURNS:** We are not giving costs for houses. That is something we have not engaged in, however I can say as part of the negotiation with the alliance, all these issues in a financial settlement with the Territory will be addressed. Mr Kirkman has said it is going to take some funds to bring these houses to a standard where we believe they can be used. In our negotiations with the alliance, all these factors will be taken into account will they not, Mr Kirkman?

**Mr KIRKMAN:** That is true.

**Mr CHAIRMAN:** I advise the committee the member for Nhulunbuy is taking the chair.

**Ms PURICK:** I have to get it clear in my head, minister, the alliance was a group of reputable companies from Queensland. How is that under the management of the NT government and its program, they managed to do such shoddy work, for it to continue and have almost four houses half complete, and now it is going to take about \$1m to fix them up.

**Dr BURNS:** I do not think it did go on beyond extending them a natural justice within the contractual arrangement. We even had a parliamentary committee going over there saying, in some parts, how good the work was. Others were saying they thought the work was not up to standard. There were differing opinions. I am not an expert on building, however, I believe Mr Kirkman, and the department, moved as swiftly as they could within the constraints of natural justice and the contracts which existed, to ensure that alliance was exited from the program, and to come to an agreement with them. Part of the remediation of those buildings will be met as part of the negotiation process with that particular alliance. They have a claim for outstanding work they believe, and we have our position. I think that is where we should leave it.

**Ms PURICK:** That would be all my questions.

**Mr WOOD:** Thank you, Madam Deputy Chair. Minister, one of the key issues, and you just touched on it, is about getting the cost of the houses – in the Senate Committee Fourth Report 2010 on regional and remote Indigenous communities, recommendations 5 and 6 say:

*The committee recommends that on a monthly basis the Australian government publish the number and location of new, rebuilt or refurbished homes completed under the National Partnership Agreement on Remote Indigenous Program.*

*The committee also recommends that the Coordinator General for remote Indigenous services conduct a detailed analysis of the National Partnership Agreement on Remote Indigenous Housing in his next six monthly report.*

Council of Territory Cooperation recommendations 7 and 8 said:

*The council recommends that all new rebuild or refurbished houses, when handed over to Territory Housing have a publicly available final cost that includes an administrative component,*

and:

*The council recommends the Northern Territory and Australian governments provide the CTC with a detailed financial report of the SIHIP program every quarter.*

We have not been able to get that information.

One of the responses by the government to the CTC's report was that would cost a lot of money and you might as well use that money repairing a house at Groote Eylandt. The reality is, in the Auditor-General's report, he has come up with expenditure incurred to April 2010, which totals \$203.7m. Why can those figures not be broken up to give us an indication of how much each house has cost - the ones that have built, and the same with refurbished and rebuilt houses?

**Dr BURNS:** I understand. As you say, the matter has been raised in the estimates in Canberra. I understand Mr Harmer, who is secretary of the department, has given an undertaking - this has just been reported to me by the CEO – that, basically, at the end of each package, those figures would be available, which seems to me a better way to do it because, then, the cost would be aggregated.

It is a bit hard when you are part-way through a package to supply those costs because, to some degree, as the Auditor-General pointed out, those costs peaked in the early part, but will plateau off towards the end of the package. That is the information I have got. Do you have some more information, Ken?

**Mr DAVIES:** Member for Nelson, Dr Harmer just said 'what we are saying is we cannot give it to you at the moment; we are saying when we have a finished package in the community, we will be able to break down those costs for you' for an individual house ...

**Mr WOOD:** I believe eight houses at Milikapiti have been refurbished and completed. Is that regarded as a package? If it is, then why can those refurbishment costs not be worked out?

**Dr BURNS:** I defer to Mr Kirkman.

**Mr KIRKMAN:** There are 30 houses approximately, at both Milikapiti and Pirlangimpi. As I undertook to the Council for Territory Cooperation, we will give you an average cost of each of those houses when the communities are finished. They do not constitute a full package. When Nguiu and those two communities are complete, the package will be complete. So, there will be some allocation required. Their numbers may move slightly when Nguiu is finished. As undertaken, we will provide you with an average cost of those houses when each community is finished.

**Mr WOOD:** The Auditor-General has given us a total figure over the last three years. Are we able to extrapolate out of those figures? For instance, \$19.6m has been spent on consultants. Are we able to get a list of who those consultants were and how much they were paid?

**Dr BURNS:** We might just rearrange our seating here.

**Mr GILES:** They are shuffling the chairs on the *Titanic*, playing music as the ship is going down.

**Dr BURNS:** Could you repeat the question please, member for Nelson?

**Mr WOOD:** On page 38 of the Auditor-General's report, it states there was \$19.607m spent on consultancy fees over the last three years. Can you give us a breakdown of who those consultants were, what the amount of fees were, and some indication of why those consultants were employed?

**Dr BURNS:** We will take that on notice and we will supply that list. You and I have had a discussion about this, member for Nelson, about consultants, etcetera. You put forward the view that the alliances have their own expertise and why are we engaging consultants. I might just ask Mr Kirkman to elaborate on the range of professions that the consultants comprise. For instance, there are accountants who are independent of the alliances. That has to be an independent consultant. There is a whole range of other professions and services that are required to be outside the range of the alliances. Did you just want to elaborate on the range of services that those consultants might provide, Mr Kirkman?

**Mr KIRKMAN:** Certainly.

**Mr WOOD:** Sorry, there is a lot of talk here. Is that document able to be tabled, because of time? We do not have a lot of time. Is there a document that would list those consultants?

**Madam DEPUTY CHAIR:** Gerry, just for the record, could I ask if you want that question on notice?

**Mr WOOD:** Yes.

**Dr BURNS:** I do not mind, I am very happy to table this document, you know, like GHD, QF Services, cost manager and independent estimator, probity auditor, the (inaudible), KPMG, Minter Ellison for legal representation, etcetera, so really, I am pleased to table that.

**Mr WOOD:** Does that have costs with it?

**Dr BURNS:** No, it does not have costs, as I say, it is just a descriptor.

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#### Question on Notice No 5.20

**Mr WOOD:** Well, is it possible minister to get a break down of the \$19.607m that is mentioned in the Auditor-General's report June 2010 in relation to consultant fees?

**Dr BURNS:** No, that will be fine member for Nelson.

**Mr WOOD:** That is enough for the question there, thank you.

**Madam DEPUTY CHAIR:** And for Hansard, that is question No 5.20.

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**Mr WOOD:** Minister, can I move along to some issues that I think that are concerning. I would be interested to know if there is wastage in the alliance, and I will give you an example, and you can tell me whether you think there is wastage or not. But alliance workers continue to fly in and out of Nguiu daily to work, and they have been doing that for some time. How much is paid in this package on airfares, that is, daily fares, and how much is also paid in regard to management airfares and inspections?

**Dr BURNS:** I think I would be qualified, or we are in a position to talk about Northern Territory government employees, but if I could just say that the alliances are to deliver products within a certain price. How they do that, to some degree, if they need certain skills that they fly in and out, is really up to them. The bottom line is the bottom line. But anyway, I will defer to Mr Kirkman.

**Mr KIRKMAN:** Member for Nelson, I am advised by Territory Alliance that, in fact, flying people in and out of Nguiu is not far removed from the cost of housing them in construction camps. As you are aware, they have a significant construction camp there. They are supplementing that by flying people in and out, and the cost of flying in and out Nguiu, given its proximity, is not far different than housing in a construction camp, where you need the appropriate accommodation, food and meals, and the living away from home allowances. In other communities, that is not the case.

**Mr WOOD:** But part of the alliance program is also that, you know, there are accountants, the Commonwealth is looking after the program. Surely someone would have done an analysis, of a cost benefit analysis, as to whether it is cheaper to fly people in and out versus putting a construction village up, and this has been happening for a long time now. The reason I am asking is, not to say that a company should not fly them in and out, but if we are trying to save money so that we can build

more houses, surely the cheapest process should be the one we are going down the path. I am not saying cheap as in cheap and nasty, but the more cost efficient process should be being used so that we have got more money for houses. I mean, on one hand I am told we cannot get a breakdown of the packages because that will cost money, so I think, rightly, I should be asking, well, are we wasting money on airfares when we should be actually housing people on that community?

**Mr KIRKMAN:** I am advised by Territory Alliance that the cost is very similar to housing someone in the construction camp as it is flying in and out. They have got close to a 300-man camp there at the moment. As you are aware, 50% of the workforce there is local Indigenous people, so that certainly assists the accommodation issue, but given the proximity, and the fact that it is probably not much more than a hundred bucks a head to fly people in and out, it is actually not far different than the cost of a construction camp and housing them in the camp.

**Mr WOOD:** Are there any figures that I could lay my eyes on to show that that actually has that sort of work ...

**Mr KIRKMAN:** I would be happy to ask Territory Alliance if they are okay to go through that with you.

**Mr WOOD:** Okay, and could you ...

**Dr BURNS:** I think, member for Nelson, when you look, just on another point, when you look at some of the mining outfits in the Territory, like GEMCO, I believe, are going to fly in and fly out sort of ...

**Mr WOOD:** Not on a daily basis.

**Dr BURNS:** Well, not on a daily basis, but obviously there are probably benefits to them and their business. They would look at it pretty carefully. As I said in the beginning, it is up to the alliances to deliver a product at a certain price. How they do that, apart from the element of Indigenous employment, for some degree, is their call.

**Mr WOOD:** That might be all right if this was a private contract, but it is not. It is an alliance with the Commonwealth and Territory governments. I understand there is commercial-in-confidence, but to some extent, because you are involved in the alliances, there is a question from a taxpayer perspective whether best value for money is occurring, and I think it is part of Estimates Committee and part of the CTC's role to put those questions because who else is going to question whether there is wastage?

I have a follow up question in relation to that, and I know Mr Davies already heard me speak about this, but if you take Bathurst Island, Nguiu, what is happening over there to build a wall in a house? They take over a series of panels, they have got a special name for them, they go over ...

**Dr BURNS:** Ritek.

**Mr WOOD:** Pardon?

**Dr BURNS:** Is it Ritek panels?

**Mr WOOD:** They go over on a barge and they are full of air, so they take up a huge amount of space, and there is no sand on Bathurst Island, no blue metal and no cement, so all those materials are barged over separately, and then we made the wall on Bathurst Island. You would think that the best thing to do would be to make the wall in Darwin so you do not have two trips. You have the Ritek system in Darwin where you pour the sand you get from Darwin, and you put the concrete you get from Darwin, and then you have one trip for the wall. Has anyone in government told them that is a fairly inefficient way of putting up a wall?

**Dr BURNS:** Member for Nelson, I am not an engineer, but ...

**Mr WOOD:** And I am not. I am just trying to use commonsense.

**Dr BURNS:** think the question you have asked is a reasonable question, but, I suppose as you were talking about it I thought about the technology of the Ritek panelling and, basically, the construction of the houses and whether you could pour the cement in the Ritek and then assemble the Ritek. I have been there and had a very brief briefing on the Ritek and it seems to me its value is that it can be put in situ, that basically the services can be put through the wall, that other sort of reinforcing can be put in there and then the cement is poured. I will defer to Mr Kirkman.

**Mr KIRKMAN:** As the minister has alluded to, the technology is part of it. The other part is obviously the weight effectively. I am not aware either if we can actually even do this, but if we were to fill them before freighting them over, effectively then you have a tilt slab on your hands and then you are going to have to crane that to wherever you are going, so there is a whole range of issues. I am happy for Territory Alliance and I am sure you will have the opportunity in the council again to explore that with them and they will be able to take you through that, but they certainly assure me that the most cost effective solution is the one they are employing now on Nguuu.

**Mr WOOD:** Because we know at Wadeye they do a poured slab, and they cart it to the house.

Just another question on Galiwinku – I have been told that there has been a hold up at Galiwinku and part of that is the negotiation of land tenure for the construction village with the Aboriginal people there, other than the correct TOs. Why did the negotiations not start with the correct traditional owners?

**Dr BURNS:** I will let Mr Kirkman answer that one.

**Mr KIRKMAN:** Yes, this has been complex. Territory Alliance, when they entered into an arrangement with Marthakal Association for the construction of that camp with a view that it is left as a legacy, a sort of a motel use, if you like, for Galiwinku on their departure, they were under the impression, I gather, Marthakal were as well, that they had the consent of the appropriate people, the appropriate owners in the area that they were looking at for the construction camp. As it turned out that was not the case and it has required a significant discussion with traditional owners in terms of looking for a new site.

I am told now by Territory Alliance that has been resolved and they continue to work with Marthakal because they believe that the legacy is an important aspect of what they are doing there.

**Mr WOOD:** Is it a case that up to last week there has not been one slab poured at Galiwinku?

**Mr KIRKMAN:** No, I am told that we are advancing on, I think, seven, but I will see if I can get you the correct number there. In fact, the first 11 are underway in Galiwinku and ...

**Mr WOOD:** Which one, the first 11 or how many slabs have been poured?

**Mr KIRKMAN:** I will have to get back to you on where those 11 are at, however I understand a number of those slabs have poured. Eve Robinson, Executive Director Arnhem, has just provided me with some information from her people on the ground, there are in fact four slabs poured. One of these has walls standing ready for the concrete fill.

**Mr WOOD:** In relation to Galiwinku, and I am going on what I have been told, there are three DET houses going up which started after the slabs had been poured for the Galiwinku houses, and will be finished before the Wet Season. People are, understandably, asking how they can build those houses so quickly and they cannot build alliance houses so quickly.

**Mr KIRKMAN:** I am not aware of the construction of the DET houses other than knowing they are going ahead. They are certainly not community housing. I understand they are a pre-fabricated structure. However, in comparison to the program, I cannot readily do that.

**Ms ANDERSON:** Minister, my question is a very short follow-up from what the member for Nelson was saying. How many fly-in fly-outs do we have, not necessarily to the islands, but out of New South Wales and Victoria? How many interstate people do we have working on the whole program?

**Dr BURNS:** I do not have an exact number, I will defer to Mr Kirkman. As I have visited a few sites I have asked people where they come from, and there are a few tradesmen who come from interstate. There are a few people - many people who come from the Territory, given the shortage of trades in particular, such as electricians etcetera. I do not think that is surprising; it is disappointing, we need to produce more of our own tradesmen.

I am not sure whether Ken has any information about that. It is a matter for employment for the alliances, but I will come back to the targets we have for Indigenous employment, and outside that while we prefer locals and local companies, there will be a need for people from interstate unfortunately.

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**Question on Notice No 5.21**

**Ms ANDERSON:** Minister, I am wondering if you can take a question on notice from me to inform me as to how many people we have coming in from New South Wales, New Zealand, wherever?

**Dr BURNS:** It might not be exact to the point of a percentage, but we will endeavour to find that answer for you.

**Ms ANDERSON:** Thank you.

**Dr BURNS:** Can we take that question on notice, Madam Deputy Chair.

**Madam DEPUTY CHAIR:** Certainly, minister. For the purposes of Hansard, I allocate that question No 5.21.

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**Ms ANDERSON:** Very briefly, minister I am wondering with tenancy agreements how people are assessed? We had a house handed over at Larapinta and a tenant has gone in. Has anybody in Territory Housing checked to see whether that person, or the person going into that house, has a house somewhere else? Territory Housing in Alice Springs, an outstation?

**Dr BURNS:** That is a very good question, member for Macdonnell, because it is one issue which has troubled me. Often we see people who have access to an outstation house, they have access to a house in the township, and they come to Darwin and sometimes try to get access. That is the legend, how much of that is true I am not sure.

Housing is such a valuable commodity I would be expecting the department to ascertain whether people do have access to another property, and on what basis. As we build up our data base it will make it harder for a small number of people who are doing that to get around the system, but I will defer to you, Mr Davies.

**Mr DAVIES:** Thanks, minister. Member for Macdonnell, I might get the executive director from Alice Springs to sit in my chair. She can explain the specifics.



**Ms ANDERSON:** She knows the person very well, and she knew she had an outstation as well. It would be lovely to hear from Andrea.

**Ms MARTIN:** Andrea Martin, the Regional Executive Director for the Central Australian Region. We, as a matter of policy, check with our remote systems to make sure people are not tenants in both houses. We certainly check with urban to make sure they are not also in an urban house. With outstations, if we can get that information, we certainly do check against that. But, it is much harder to get that information; it is not on the public housing system or on our own systems.

Then, the other problem is whether they occasionally visit an outstation or if it is their main place of residence, and trying to retain that as well. Certainly, this particular person, I am not aware, has offended residents of an outstation.

**Ms ANDERSON:** My concern is that this person, as we all know - because we know the people very well - they have an outstation north of Alice Springs, about 30 km, that has two houses paid for by the Territory taxpayer. They have now gone inside a brand spanking new house at Larapinta. I also know the daughter-in-law has a Territory Housing house in Alice Springs. The next house, I believe, which is being built at Larapinta, is also going to the son. The house that she has just left, which is the house that she has just vacated to move into the new house, her son and another male person are living inside that house. So, there are two people.

**Mr DAVIES:** If it is okay with you, minister, I might just try to answer this, member for Macdonnell. I do not want to use these circumstances to explore specific casing in the context of people who could be named. Just to try to reassure you, what we are doing here with the rent framework is, when we are tenanting houses now, we are, for the first time, creating a list of names that will be built into our system to ensure that somebody in an urban context - an Alice Springs town camp for instance - cannot move to Papunya in the social housing context and pick up a house there.

The issue of outstations is still an ongoing challenge for us. Currently, those outstations are serviced by outstation resource centres, or by shires in some cases, and our lists of tenants do not tie up. It is fair to say, in the built assets in outstations, there are 2400 houses out there that, somehow, we have to get a line of sight to, to ensure we do not have people double-dipping on housing.

At the moment, we are just lining up our urban housing context with our new remote tenancy framework that will pick up all the housing in the 73 small communities and our big RSV sites. We have not made the connection yet into outstations. When we look at the list, in our own records, we are taking people at face value in that context. It is part of the bigger system we have to build going forward.

**Dr BURNS:** Your point is taken, member for Macdonnell. It is a very good point and, obviously, we have a bit of work to do to get those systems in place so people cannot take advantage of the system.

**Ms ANDERSON:** Thank you.

**Madam DEPUTY CHAIR:** Thank you, member for Macdonnell. Are there any further questions of Output 1.2?

**Mr GILES:** I might just ask a couple, if that is all right.

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**Answer to Question on Notice No 5.16**

**Dr BURNS:** Just before the member for Braitling does that, I have a couple of answers. Sorry, member for Braitling.

No 5.16, Priority housing applicants pre- and post-review of wait lists. The number of priority applications pre- and post-review of public housing wait lists is as follows: applications at 28 February - I will not read them out by region - there was a total of 228. Applications at 31 May 2010 was 285. I will table that.

**Answer to Question on Notice No 5.17**

**Dr BURNS:** I have question No 5.17: what was the construction cost for Brooks Place and Moorhen Crescent dwellings? Both these projects are nearing completion ...

**Mr GILES:** I just saw some photos of them.

**Dr BURNS:** What is that?

**Mr GILES:** I just saw some photos of them.

**Dr BURNS:** Oh lovely! Did it make you happy?

**Mr GILES:** Not really - for \$1.9m.

**Dr BURNS:** Okay, the final construction cost is, therefore, projected at this stage for 6 Brooks Place, Millner, the tender number you mentioned, which is four by two-bedroom units – that is, two duplexes; so there are actually four units involved - at \$298 622 per dwelling.

For 13 Moorhen Circuit, Bakewell, which is six two-bedroom units, the final construction projected cost is \$336 370 per dwelling.

How do you identify this as value for money? Both these tenders were publicly tendered in order to seek a competitive price for the market. Tenders were assessed under the Northern Territory government's procurement directions. And, in accordance with the value for money principal, tenders were assessed against the following criteria: Past performance; local development and value adding; timeliness; capacity; whole of life costs; and, innovation, so that is the response.

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**Mr GILES:** Minister, I take note of the member for Macdonnell's question about outstations and the response by Mr Davies, saying he is still trying to get outstations ready. I do note that you have only got 11 houses in two-and-a-half years for the cost of more than \$200m, but in the MOU that was signed by your government in 2007 in September, by, I think it was Mike Burgess who signed it, that is apparently, as you said, when Mal Brough had a gun to your head. Look at paragraph 8 in the agreement. I will just read paragraphs 8 and 9. It says here:

*Consistent with this procurement process and new contracting methodology based on the strategic alliance approach to be used to deliver the \$793m in funds being offered by the Australian government, as well as the \$100m funding that has been announced by the Northern Territory government for use in Indigenous housing. In addition to this, the new contracting methodology may be used to deliver Australian and Northern Territory government funding for staff housing, safe houses and childcare facilities in remote Indigenous communities.*

Paragraph nine says:

*The Northern Territory government has a strong preference for Australian government funding to be provided to Territory Housing, which will be the purchaser of program manager*

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*services for application of the \$793m in existing and new commitments. The Australian government is prepared to support this proposal on the demonstration by the Northern Territory government of its capacity to deliver through a performance-based contract with payments based on outcomes achieved.*

So, quite clearly, there was no gun to the head of anybody. I am not quite sure whether the Chief Minister has misled the Estimates Committee by saying that they did not support it and that they were bullied into it. You said you were bullied into it by Mal Brough. Minister, what we have seen?

**Dr BURNS:** Well ...

**Mr GILES:** I have not asked by question, minister. Quite clearly, this agreement, from September 2007, which is now more than two-and-a-half years old, which also says in there that the government will take responsibility for outstations, which also says that all this housing would be transferred to public housing, presumably so these could get on the public housing register ...

**Dr BURNS:** Sorry, what paragraph was that?

**Mr GILES:** Paragraphs eight and nine I just read to you. So, outstations are supposed to be in here, so here we are, two-and-a-half years later ...

**Ms SCRYMGOUR:** Sorry, Madam Deputy Chair, and the question is, but I remind the member for Braitling of Standing Order 62, and his statement of misleading, a member or a Chief Minister for misleading this committee. I ask that you rule on Standing Order 62, and please remind the member for Braitling of that standing order, if he is going to ask a question, he should make it relevant instead of making statements about his pin-up boy.

**Madam DEPUTY CHAIR:** Thank you, member for Arafura. Member for Braitling, if you could just watch ...

**Mr GILES:** Could you just remind me of Standing Order 62?

**Madam DEPUTY CHAIR:** Standing Order 62, Offensive or unbecoming words:

*No member shall use offensive or unbecoming words against the Assembly or any member of the Assembly.*

The member for Arafura is alluding to allegations. So if you could come to the question quickly, please, and think about the language you are using.

**Mr GILES:** Minister, as part of the SIHIP program, you have undertaken assessments of houses right across the Northern Territory in all 73 communities. How many houses will have to be demolished because they are beyond economic repair?

**Dr BURNS:** Hold on, was there a question implicit in the first part of your MOU?

**Mr GILES:** I got cut off when I was asking the minister the question ...

**Ms SCRYMGOUR:** He clearly did not have a question.

**Mr GILES:** There was one, but I just ...

**Dr BURNS:** So you were just making a political point. But if I could just say to you, in relation to that, member for Braitling, there is more to politics than bits of paper, as you well know. It is not all about

bits of paper. There is stuff that goes on underneath the bits of paper.

**Mr KIRKMAN:** From our analysis thus far, and there still is a lot of scoping going on around the works in the 30 communities we are doing, we understand there is at least a couple of hundred houses that would be in that category. What we have said to alliances, or what we have requested of alliances, is that they will not leave a house in a community that will be unserviceable within 24 months of the program, and in those communities that we are doing new houses and major works ...

**Mr GILES:** Thanks, Mr Kirkman, would you have a figure more than just at least a couple of hundred, more accurate?

**Mr KIRKMAN:** The figure at the moment is 180.

**Mr GILES:** 180.

**Mr KIRKMAN:** I would expect once we get to the end of the housing program you will find that it is in excess of that figure.

**Mr GILES:** In excess of 180. Mr Kirkman, how many of those in excess of 180 do you expect to be in communities that are not getting new houses constructed?

**Mr KIRKMAN:** I am not sure I have those figures in front of me. The figures that we have are around 170 in those communities that are not getting new houses.

**Mr GILES:** Just for clarification, about 170 in communities that are not getting new houses will be beyond economical repair and need to be removed. I just need to think aloud for a second here. So the *Little Children are Sacred* Report identified that housing to reduce overcrowding was needed to protect children, but in communities other than the ones that are getting new houses will actually have a reduction in housing of 170 houses. That is right? Yes.

**Mr KIRKMAN:** Obviously, a part of our management framework will be how we can sustain those houses for as long as possible.

**Mr GILES:** Okay. So, currently, there are six communities that are getting new houses that have signed up for a lease package at the moment, and we are trying to negotiate leasing arrangements with other community that will offer up services in terms of new housing refurbishment packages. Is that right – six communities plus the town camps?

**Mr KIRKMAN:** Yes, I think it is at least six communities. Yes, that is right.

**Mr GILES:** Six plus town camps. Is it right that you are going to 15 communities, the 15 growth towns, or is it 16 growth towns?

**Mr KIRKMAN:** It is 15 growth towns plus Anindilyakwa in Groote Eylandt.

**Mr GILES:** So you have, according to multiple different bits of paper work, you have 127 of the 750 new houses unallocated to be dispersed between nine communities as part of the negotiation agreement with those growth towns. Is that right?

**Dr BURNS:** I will start by answering this question. Obviously the figures you have used, member for Braiting, just illustrate the enormity of the backlog or arrears in Indigenous housing. As I have said on the public record quite a number of times, SIHIP is a very significant first step in that, but the need is great and it will take successive tranches of funding to begin to turn back the need on these Indigenous communities. Now, we are negotiating with quite a number of communities over leasing. It is on the public record

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that the Central Land Council wanted to see our remote rental framework before they would sign off on leases. I think it is just a bit premature at this stage to be speculating about communities and the number of houses in communities until those negotiations are complete. Moreover, we have more than enough to do over the next few months and to the end of this year. Our targets are plain: 150 new houses to be completed by the end of this calendar year, and 1000 rebuilds and refurbishments.

**Mr GILES:** Thank you for that, minister. I am not sure what that answered, but thanks for what you said. I will just go straight to the Auditor-General's Report.

**Dr BURNS:** Yes.

**Mr GILES:** This says there are 127 houses that have not been allocated. Okay, we use those ...

**Dr BURNS:** What page are we looking at here?

**Mr GILES:** I am not sure what page. I flicked through while I am asking ...

**Dr BURNS:** You had better look at the page.

**Mr GILES:** I just know this off the top of my head because I read the document.

**Dr BURNS:** I just want to see the page.

**Mr GILES:** When I find it I will tell you the page number. How about that?

**Dr BURNS:** We need to attribute things here. We need to be specific ...

**Mr GILES:** We also need to use up the last 20 minutes so I cannot ask any more questions. Page number 17, minister, unallocated - 127 dwellings. There are nine communities who do not have housing packages put to them because they are still going through the leasing arrangements. What is on offer to each of those nine communities, out of that 127, that is unallocated?

**Dr BURNS:** This first tranche of funding, the \$670m, is but a first step in the national partnership agreement. There will be negotiation with those communities about that \$127m, and an equitable result will be arrived at. What you are trying to do is cause jealousy and discord by this line of questioning. We have more than enough work, as you can see through all the packages, to keep us going at least until the end of this year and beyond.

**Mr GILES:** Thank you, minister. I refer you to page number 41 of the Auditor-General's report.

**Madam DEPUTY CHAIR:** Member for Braitling, I am going to call this your last question.

**Mr GILES:** Why do I have a last question? I do not have a time limit.

**Madam DEPUTY CHAIR:** We have members here who want to move forward. If I could ask you ...

**Mr GILES:** We do not have time limits on our questions.

**Madam DEPUTY CHAIR:** If you could ask your question please, member for Braitling.

**Mr GILES:** The first dot point says:

*Several instances were identified in relation to support for expenditure not being provided, correct approval not being obtained, and incorrect calculation that resulted in overpayments to the alliances.*

There is mention on the bottom of page 40, of an audit which was undertaken internally:

*Lack of supporting documents to enable an audit to be completed, while some invoices submitted as part of the claim differed from invoices held on the alliance partner's files.*

Minister, that goes to the heart of my question. Has anybody within your government, or working on part of the alliance for your government, instructed any alliance contractors to get their invoices right? I would be quite happy for you to take a look around the room.

**Dr BURNS:** To read from the bottom of page 40, it says: 'All overpayments have been recovered by the department'. We are talking about, in the case of these alliances, very reputable Territory businesses. Once again you are reflecting on these businesses. The Auditor-General, in his conclusion, found: 'While management control systems are still incomplete, workers will advance towards rectifying this matter'. There were issues - all overpayments have been recovered, and the Auditor-General is quite clear about progress in getting the control systems in place. I might defer to Ken Davies for further detail on what instructions may or may not have been given to the alliance partners.

**Mr DAVIES:** Member for Braitling, I will refer to the CFO who is also responsible for the financial side of SIHIP.

**Mr McINNES:** Dwayne McInnes, Chief Financial Officer. One of the first steps the department took when the alliances were established was to bring on a financial auditor, and their primary role is to audit the accounts of the alliances. The payment methodology in place allows that retrospective adjustment of accounts, so whatever might be over-claimed on one account is taken off the next account. Those issues of overpayments are raised individually in exit interviews with each of the alliances, and those issues are addressed at each exit interview with the alliances to ensure those issues are no longer issues, and they have been resolved before the next audit.

**Mr GILES:** Thanks very much, Mr McInnes. My question was more to the point of, has anybody instructed a subcontractor, an alliance partner, a contractor, a builder or anybody who provided a service under the alliance model, as part of the SIHIP program, to get their invoices right to match up with what they said they have done, what they have been paid for, or otherwise?

**Mr KIRKMAN:** Yes, we meet monthly, and after audit reports we step through those with the alliances, and I guess demand improvement along the way. It is important to put this in context. We are talking about thousands upon thousands of contractor claims, employee hours, and other costs. I do not think it is particularly surprising there will be some issues with some of those.

Importantly, program management, as Mr McGuinness has pointed out, has employed a reputable auditor to ensure that, whenever there is an issue with any of those thousand upon thousands of claims, it is dealt with and the alliances are rectified. Certainly, we talk to them monthly, if not daily, around improving systems.

**Mr GILES:** So that is not a no?

**Dr BURNS:** Oh, there is no need to be aggressive.

**Mr GILES:** No, no, I am asking. Is that a no?

**Dr BURNS:** That is a better way.

**Mr GILES:** Is that a no, minister? Does that make you feel better?

**Dr BURNS:** Oh, you are asking me? I thought you were asking Mr KirKman. Well, the answer is, obviously, that this is being addressed.

**Mr GILES:** I just want an answer - no, maybe, or yes.

**Mr KIRKMAN:** The answer is yes. We are talking to them regularly about improvement upon invoicing and other matters.

**Mr GILES:** So, you or other people of your government that you represent, or your staff or otherwise, or the CEO or whoever it may be, have spoken to the alliance contractor and told them to improve their invoices?

**Dr BURNS:** No, what it is all about is improving the system. You are starting from a position of mistrust. We are talking about Territory companies - some of them could even be based in Alice Springs - who have been here for generations who are reputable people ...

**Mr GILES:** I am not talking about Carey Builders or ...

**Madam DEPUTY CHAIR:** Order!

**Dr BURNS:** I think you are reflecting very badly on these, I suppose, icons of Territory business and Territory construction. We work in a cooperative, collaborative way, not a gun-to-the-head way, member for Braiiling.

**Members** interjecting.

**Madam DEPUTY CHAIR:** Order!

**Mr GILES:** Minister, could you please inform me or table the schedule of works for house No 206 at Ali Curung.

**Dr BURNS:** Ali Curung. I would like to say it is a happy hunting ground for you but, in 2007, polling group No 14, you polled 38, Warren Snowdon 620. So, let us hope you are doing better now in Ali Curung ...

**Mr GILES:** You know what the better things ...

**Dr BURNS:** ... member for Lingiari.

**Ms PURICK:** You should ask about Yirrkala.

**Dr BURNS:** Three, was it? Anyway, I digress.

**Mr GILES:** The only thing is we would actually get things done at Ali Curung, unlike you with the mismanaged programs ...

**Dr BURNS:** You got done at Ali Curung.

**Madam DEPUTY CHAIR:** Order!

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**Mr GILES:** Is it not embarrassing, minister, that someone who lost so badly in Ali Curung actually fights so hard for the people at Ali Curung? That is his real concern.

**Dr BURNS:** Well, you have a political issue, but let us keep moving on it.

**Ms SCRYMGOUR:** Political expediency, that is what it is.

**Mr BASKERVILLE:** What was your question?

**Mr GILES:** Have you a schedule of works at Ali Curung?

**Dr BURNS:** That is a fair bit of detail.

**Mr BASKERVILLE:** There will be. I do not have it here.

**Mr GILES:** Can I ask that you please table a copy of that, Mr Baskerville?

**Dr BURNS:** No, he said he does not have it with him.

**Mr BASKERVILLE:** I do not have it with me.

**Mr GILES:** You do not have it with you. Can you tell me what you did on house No 206 at Ali Curung?

**Mr BASKERVILLE:** We did the kitchen; there was a stainless steel kitchen put in. We did painting. We fixed up the ...

**Dr BURNS:** The bathroom, the wet area, I suppose.

**Mr BASKERVILLE:** Yes. We renewed the hot water system and fixed up the fencing.

**Mr GILES:** The what? I am sorry.

**Mr BASKERVILLE:** Fixed up the fencing.

**Mr GILES:** You might need to have another look at that.

**Dr BURNS:** Mr Baskerville travels to Ali Curung on a very regular basis; it is part of his duty.

**Mr GILES:** Weekly I am told; weekly I am told.

**Dr BURNS:** Who tells you that?

**Madam DEPUTY CHAIR:** Order!

**Mr GILES:** Mr Baskerville, was there no money available to replace the windows, fix the screens, install the air-conditioner, or put a lid on the septic tank?

**Mr BASKERVILLE:** The septic tank was a little job that was given to the shire council in January. It was not part of the SIHIP project. What was the other one? Windows. The windows were fixed. The air-conditioning was owned by the resident, and it was not in situ when the alliance went in to repair the house.



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**Mr GILES:** Mr Baskerville, by fixing the windows does that mean putting wooden panels up at windows instead of glass?

**Mr BASKERVILLE:** No. That was put up by the tenant after the alliance had been there.

**Mr GILES:** All right. Well, Mr Baskerville, I was actually there when they were doing the work, and those panels were up while they were doing the work. They were there the day after they left. I am not sure how that can be true. The fencing - I cannot see how that was fixed. How much did you pay for that work on house No 206?

**Dr BURNS:** We are not discussing individual amounts. As it has been on the public record, the cost of refurbishments can be between \$20 000 and \$100 000, with an average of \$75 000.

**Mr GILES:** Do you have any idea how much that work costs that you did on the house?

**Dr BURNS:** I have just given you the answer.

**Mr GILES:** You have absolutely no idea how much money you are spending on any refurbishments for any houses?

**Dr BURNS:** I have given you the answer. We are looking at average expenditure for refurbishments, and I have given you the answer.

**Mr GILES:** How can that be good value for money when Territory taxpayers are putting money out there, federal government money, through that MOU that I have spoke about, putting money out there to contractors, without giving them a schedule of works to do, without knowing how much you are paying for that schedule of works?

**Dr BURNS:** What I can say is, in terms of Ali Curung, the figure that springs to mind, there are 54 houses undergoing refurbishments. We could have halved that number or even made that number a third and just completely rebuilt those houses, but what was decided was that we would maximise the number of houses and the number of families who would benefit from having a functional kitchen and a functional bathroom, and having the services redone within those houses, having the wet areas where people could bathe, having the kitchen areas, and when I was at Ali Curung, I saw the kitchen areas, the tiling in the kitchen areas, the food preparation area, areas where food could be locked and stored, and also new hard-wired electric stoves as a part of the refurbishment of the kitchen.

**Mr GILES:** Minister, how much does it cost for new hard-wire electric stove, a new, small stainless steel kitchen, fixing the wet area, doing the tiling in the bathroom, the hot water service that is leaking, and a fence that is falling down? How much does that actually cost?

**Dr BURNS:** I have told you, the average cost of refurbishments is \$75 000, but the cost could vary between \$20 000 and \$100 000.

**Mr GILES:** I am not interested in the average cost. I want to know ...

**Dr BURNS:** It is all about a basic functionality ...

**Madam DEPUTY CHAIR:** Order! Order, member for Braitling! You asked a question and the minister is endeavouring to answer it, thankyou.

**Mr GILES:** I am not sure if ...

**Madam DEPUTY CHAIR:** Order, member for Braitling!

**Mr GILES:** He has finished answering the question.

**Madam DEPUTY CHAIR:** Have you finished answering that question?

**Dr BURNS:** Oh, I will let him keep on going. I was hoping we would get to Public Employment.

**Madam DEPUTY CHAIR:** It is up to the opposition members to manage their time toward those outputs, member for Braitling.

**Mr WOOD:** Madam Deputy Chair, I was going to say to the member for Braitling that there was a detailed answer in relation to that issue in the last CTC meeting.

**Ms SCRYMGOUR:** Yes, you should read it, but he cannot read.

**Madam DEPUTY CHAIR:** Order!

**Mr GILES:** A point of order, Madam Deputy Chair, I would ask that the member withdraw that.

**Madam DEPUTY CHAIR:** Order!

**Ms SCRYMGOUR:** I will withdraw that.

**Madam DEPUTY CHAIR:** Order!

**Ms SCRYMGOUR:** Which part? You are lazy? You cannot read?

**Madam DEPUTY CHAIR:** Thank you, member for Arafura.

**Mr GILES:** Minister, has every contractor been paid who was not paid as a part of the Earth Alliance closing down?

**Dr BURNS:** I am not apprised of that detail. Did you want to take that one on, or was it Dwayne?

**Mr McINNES:** The department has endeavoured to pay every contractor that was outstanding at the point of ending the alliance. There have been dribs and drabs coming in after that but, at this point in time, we have paid all claims that have been presented to us.

**Mr GILES:** Thank you, Mr McInnes. Since they were cancelled, I think it was on 28 March, what are the total payments that have had to be made from paying out those contractors to date?

**Mr McINNES:** We do not have that detail here, but we can take it on notice.

#### **Question on Notice No 5.22**

**Madam DEPUTY CHAIR:** Can you repeat that question on notice?

**Mr GILES:** Minister, what is the total amount paid to supply the contractors on the alliance packages that comprises Gunbalanya, Groote Eylandt and Belyuen, and the case of Larrakeyah since the sensation about the alliance contractor?

**Madam DEPUTY CHAIR:** Minister, are you happy to take that question?

**Dr BURNS:** Yes, of course I am,

**Mr WOOD:** It is not a local question.

**Madam DEPUTY CHAIR:** For the purposes of *Hansard*, I allocate that question No 5.22.

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**Mr WOOD:** We are moving out of local questions here.

**Madam DEPUTY CHAIR:** Member for Braitling, if I could just remind you that you are asking questions of the committee as a local member.

**Ms Scrymgour:** Local member.

**Mr GILES:** Yes, some of those people who worked on those alliances are in my electorate.

**Mr Wood:** Yes, yes, and my great grandfather, he migrated over from Ireland too, in 1841.

**Dr Burns:** Some of those people in Ali Curung, very few voted for you.

**Madam DEPUTY CHAIR:** Order!

**Mr GILES:** Minister, you tried to answer questions before about people who fly in/fly out as a part of the alliance model, and there was an answer there about a work camp of, I think it was a 300-man camp on the Tiwis, if that was correct?

**Mr Wood:** That is not a local question.

**Ms Scrymgour:** No, and that was answered. A point of order!

**Mr GILES:** Yes ...

**Madam DEPUTY CHAIR:** Please pause, member for Braitling. What is your point of order, member for Arafura?

**Ms SCRYMGOUR:** At the moment the member for Braitling is supposed to be directing his question as local member. He is also being repetitive. This question has already been asked before and if he wants to he can talk to the shadow unless he suddenly swapped jobs and the opposition spokesperson is no longer the member for Goyder but the member for Braitling.

**Mr TOLLNER:** I would like to speak to the point of order, Madam Deputy Chair.

**Madam DEPUTY CHAIR:** Thanks, member for Arafura. Order!

**Ms SCRYMGOUR:** There are other members of the committee who have questions.

**Mr TOLLNER:** That is true. I am one of them. Look the member has people who do fly in and fly out as part of that contract and I think it is appropriate that he represent them and ask these questions.

**Madam DEPUTY CHAIR:** You are speaking to the point of order, member for Braitling. I think we are stretching a little here to local member questions, but I do take it that you may have people who travel in and out of your electorate. You are not the shadow.

**Mr GILES:** How about I just leave my SIHIP questions there and I will let Public Employment go.

**Mr WOOD:** We have not got to Indigenous Essential Services.

**Madam DEPUTY CHAIR:** So that concludes consideration of Output 1.2.  
**Output 1.3 – Government Employee Housing**

**Madam DEPUTY CHAIR:** The committee will now proceed to Output 1.3, Government Employee Housing. Are there any questions, member for Goyder?

**Ms PURICK:** No.

**Madam DEPUTY CHAIR:** Are there any questions, member for Nelson, on government employee housing?

**Mr WOOD:** No.

**Dr BURNS:** Except it was included in the ABS statistics that the member for Sanderson used wrongly to attribute us to selling 2000 public housing stock.

**Madam DEPUTY CHAIR:** Thanks, minister.

**Dr BURNS:** I just had to say that.

**Madam DEPUTY CHAIR:** There are no questions for Output 1.3.  
**Output 1.4 - Indigenous Essential Services**

**Madam DEPUTY CHAIR:** We move to Output 1.4, Indigenous Essential Services, keeping in mind it is not in relation to outstations as that was addressed last night by minister Malarndirri McCarthy. Are there any questions on Output 1.4?

**Ms PURICK:** Yes, I just have two questions and the minister may wish to take them on notice in the interests of time. I would be interested to know how many communities are contracted with Power and Water Corporation for the delivery of power and what is the cost per community of delivering that power? The second question is: how regularly are community bores tested for quality water in the different communities?

**Dr BURNS:** What was that?

**Ms PURICK:** The second question was: how regularly are community bores tested for water quality?

**Dr BURNS:** I think they are tested quite regularly.

**Ms PURICK:** If you wish to take them on notice?

**Dr BURNS:** Ian, if you replace John at the table, please. Please identify yourself and address the question asked by the member for Goyder.

**Mr REDMOND:** Ian Redmond, Manager, Indigenous Essential Services. The department contracts IS Pty Ltd to manage 72 communities. The water supplies are, basically, for populations over 1000 are tested weekly; for populations under 1000 are tested monthly. They report to the department of Health and ....

**Dr BURNS:** So it is tested not only micro-biologically but also chemically, is that correct?

**Mr REDMOND:** Microbiology is the main concern; that is the acute health ...

**Mr Tollner:** This is the old pharmacist coming out in him.

**Ms PURICK:** Minister, the first question was how many communities are contracted to Power and Water Corporation for the delivery of power and what is the cost ...

**Dr BURNS:** I think Ian answered that.

**Mr REDMOND:** That was 72.

**Ms PURICK:** Oh sorry, 72. And what is the cost to deliver that power in each of those communities?

**Mr REDMOND:** I would say that is a question that would probably be better asked of Power and Water. There may be a commercial aspect with that but they could answer you and break down by communities.

**Ms PURICK:** All right thank you.

**Mr WOOD:** Maybe this is a Power and Water question but in your Indigenous communities report it talks about leases for infrastructure. What happens with leases when it comes to powerlines and water pipes and sewerage pipes? Not the actual infrastructure generators and that sort of thing. Do you require a lease over that infrastructure in those communities? I could ask where you are at because technically the community owns those power lines.

**Mr FAGAN:** There are a number of options with tenure in respect of linear infrastructure for power water and sewerage on Aboriginal land. One is that you can have a regular lease over the infrastructure. The other is that you can have an easement over that infrastructure in respect of an existing lease. A third is you can have a licence to access that infrastructure, repair it, and the like. The fourth, which is currently the situation in many places, there are no tenure arrangements other than the infrastructure lying on Aboriginal land.

**Mr WOOD:** I would like to ask more questions on that, but I think we have run out of time.

**Madam DEPUTY CHAIR:** We have indeed run out of time. That concludes outputs under Housing, Local Government and Regional Services. On behalf of the committee I thank officers who provided advice to the minister this morning. I also thank officers of the Commissioner for Public Employment who have come today, but are not going to that output.

**Dr BURNS:** Yes, I thank committee members for their questions. I also thank the departmental people for the preparation they have done; it is a big job. Also, commiserations to OCPE.

**Madam DEPUTY CHAIR:** We will take a three minute break.

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The committee suspended.

**MINISTER GERRY McCARTHY'S PORTFOLIOS  
DEPARTMENT OF LANDS AND PLANNING  
NORTHERN TERRITORY LANDS GROUP**

**Mr CHAIRMAN:** We might start, minister. We will start with looking at the Appropriation Bill as it relates to the Department of Lands and Planning.

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Minister, I would like you to introduce the officials accompanying you and, if you have an opening statement, would you care to make it?

**Mr McCARTHY:** Yes, Mr Chairman.

Mr Chairman, the attendees I would like to introduce are the Chief Executive, Department of Lands and Planning, Dr David Ritchie; Acting Chief Financial Officer, Wati Xuereb; Business Services Executive Director, Tracey Scott; Strategic Planning Group Executive Director, Sharon Noske; Land Services Group Acting Executive Director, Leah Croke; Transport Group Acting Executive Director, Ernie Wanka; Land Development Corporation General Manager, John Coleman; and Territory Growth Planning Unit Executive Director, David Malone. I will be joined at the table by other senior departmental officers as appropriate as we move through the appropriation for the department.

The Northern Territory Department of Lands and Planning has responsibility for developing and providing the strategic planning and growth frameworks, strategies, and infrastructure plans required to sustainably develop the Northern Territory. I was pleased to hear yesterday that the Australian Conservation Foundation ranked Darwin as Australia's most sustainable city, and I am looking forward to reading their full report and going through it with the department.

The department also provides an integrated approach to service delivery through lands, transport and planning, as well as the statutory body of the NT Build Office and the Government Business Division of the Darwin Bus Service. The department plays a key role in the development of the Territory through strategic and long-term integrated land planning, land use, and development for the ongoing growth and viability of the Territory.

The department provides professional advice and secretariat services to the Development Consent Authority. It also provides government with strategic policy advice relating to land use planning - and I am pleased to inform the committee that the Northern Territory Planning Scheme is widely acknowledged to be one of the best in the country - safe, accessible and effective transport services to support future growth and the needs of the Territory, as well as the environmental benefits of an increased public transport network.

In 2010-11, the department will be delivering on our election commitment to improve public transport services across the Territory. Bus services are being boosted in and around Alice Springs and the department is finalising the introduction of orbital bus services into the city, northern suburbs and Palmerston.

Continued review and the development of roads planning will ensure connectivity across the Territory and between all regional centres and communities. Roads are the arteries relied on by Territory business and we are continuing to invest in our road networks at record levels. Ongoing alignment of government activities and frameworks will ensure the needs and expectations of the community are met.

Important areas of focus for the department include comprehensive analysis of growth trends to inform government decision-making, a strategic land use plan for the greater Darwin region, Territory-wide residential and industrial land release programs, and a new regional transport framework.

The department is progressing the planning for the city of Weddell to meet our commitment to have land available in 2014. Additional funding of \$1.95m has been allocated to progress investigative studies for the new town. The Territory is continuing to record high levels of population growth and we have comprehensive plans to provide strategic land use, and policy to manage that growth.

Members will be aware that this budget includes \$10m to commence the development of the next suburb of Alice Springs, Kilgariff, in honour of Bernie Kilgariff. We are continuing the roll out residential land in Palmerston. Titles have been issued for the first stage of the 678 lots in the suburb

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of Bellamack, and the new suburb of Johnston is well under way. We are continuing to invest in the release of land in Palmerston East, Johnston. \$20m has been invested in progressing with headworks to service new suburbs with new roads, power, water and sewerage.

Mr Chairman, I look forward to any questions the committee may have with regard to the appropriation for this year.

**Mr CHAIRMAN:** Are there any questions to the opening statement?

**Ms PURICK:** No.

**Mr CHAIRMAN:** Any questions to the opening statement, member for Nelson?

**Mr WOOD:** No.

### **Agency Specific (Whole-of-Government Related Questions) Budget and Fiscal Strategies**

**Mr CHAIRMAN:** In that case, we will proceed to questions on the Agency Specific (Whole-of-Government Related Questions) Budget and Fiscal Strategies.

**Ms PURICK:** No.

**Mr CHAIRMAN:** No. Member for Nelson?

**Mr WOOD:** No.

**Mr CHAIRMAN:** Okay.

### **OUTPUT GROUP 1.0 – LANDS Output 1.1 – Land Information**

**Mr CHAIRMAN:** We will proceed to Output Group 1.0, Lands, Output 1.1, Land Information.

**Ms PURICK:** Thank you. I want to ask questions under a series of different topics. The first one is the NTLIS. How many regular users were there for the year, past year, for both government and private for ILIS?

**Mr McCARTHY:** How many users for the year? Well, in terms of operations, I will flick to the CEO, Dr David Ritchie, with our system, how many users?

**Dr RITCHIE:** We will have that information shortly.

**Ms PURICK:** Well, perhaps if I then ask, how many users for both government and private, and what agency is the largest user of ILIS?

**Dr RITCHIE:** Member for Goyder, I understand the question is, first there was the global how many users?

**Ms PURICK:** Yes.

**Dr RITCHIE:** At the end of 2010, there were 1826.

**Ms PURICK:** 2010 or 2009?

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**Dr RITCHIE:** Well, this is the end of - this is up to now.

**Ms PURICK:** Oh, okay, sorry.

**Dr RITCHIE:** April, now. There were 1826 individual user accounts of the NT government and, of those, there were, sorry, that is within the NT, and then, externally, there were another 867 accounts and 338 business accounts accessing ILIS.

**Ms PURICK:** Which government agency would be the largest user?

**Dr RITCHIE:** Other than our own.

**Ms PURICK:** What, Power and Water, or Justice or ...

**Dr RITCHIE:** I am informed the Department of Justice is the next biggest user.

**Ms PURICK:** Given that it is a pre-paid service, how much revenue was generated in the last year for accessing ILIS?

**Dr RITCHIE:** The way ILIS is set up is that it is not a fee for service system.

**Ms PURICK:** But I understood that every time a private person accesses it, they pay \$10 to get a printout. That was my understanding.

**Dr RITCHIE:** The product they are getting there is a title search, not a user ...

**Ms PURICK:** Sure, I should have rephrased it better. What statutory charges did you collect for the last year?

**Dr RITCHIE:** Statutory charges. We cannot give you an answer to that because it is not our ... we do not actually collect them, that is a fee that is charged by the Department of Justice.

**Ms PURICK:** Okay, sure. For the last 12 months, what was the figure for property transactions valued at?

**Dr RITCHIE:** The fee for property transactions. Do you mean the total value of property transactions?

**Ms PURICK:** Yes.

**Dr RITCHIE:** It is \$3.278bn.

**Ms PURICK:** Yes, that is the one. Through you, minister, the department signed an MOU with the Australian government to develop an electronic development assessment process system in ILIS. Has that project been completed?

**Dr RITCHIE:** Yes.

**Ms PURICK:** Yes, okay. Now, this is a technical question, and I mean no disrespect, but ILIS was originally going to allow land tenure downloads in map info, that is, you can put in coordinates in required layers. This was promised, and has been promised for many years, and it will be a massive help to industry to update maps on a needs basis, so it has been promised for quite a few years now, and of course, for a fee, as with the current text information, where is the project at, and why has it taken so long to get the land tenure downloads and map info?



**Dr RITCHIE:** Just an observation, I will ask a technical expert to provide the answer, but map info is a particular product, and the emphasis on ILIS as being to web enable it to make it able to be used in a range of programs rather than a specific proprietary program.

**Mr STEPHENS:** Vic Stephens, Senior Director, Land Information. Within the government, there is a facility which enables the download of spatial information in a variety of formats, including map info format. The reason that has not been expanded generally to the private sector is because we have issues to do with online licensing. We need to actually identify and have a licence sign-on electronically. We are addressing that through a facility called Creative Commons licensing and we expect and hope to put that into effect some time in the next financial year.

**Ms PURICK:** Minister, with the new *Unit Titles Act*, significant changes I understand are required to ILIS to enable to the efficient administration of the act and ILIS. What are these changes and have those changes been undertaken already?

**Mr STEPHENS:** The changes involve very significant changes to the ILIS architecture. The majority of those changes have been done. We expect the changes to be completed early in the next financial year. From the private sector's perspective, not a great deal with change, but it is all to do with the internal processing of the new unit titles schemes so that the full capabilities of title search and all of the information about a title that should be discoverable can be discoverable.

**Ms PURICK:** In regards to the Commonwealth-funded projects, how much funding was secured from the Commonwealth to undertake the aerial imagery and mapping over the 73 intervention communities, which I understand it was? Has that work been completed? Who is the recipient of the mapping work? So it was linked to the intervention and the 73 communities.

**Mr STEPHENS:** The amount initially allocated by FaHCSIA under a memorandum of understanding was approximately \$1.8m. The initial remapping and reimagery of the 73 communities was completed this financial year, keeping in mind that the program is seasonal, so you cannot do much in the Wet Season. We are undertaking new programs this year throughout 2010 which will carry into next year with additional funding which also has been received from FaHCSIA.

**Ms PURICK:** The other funding program is the money that was secured from the Commonwealth for the natural disaster mitigation program to deliver, again, aerial imagery and mapping. Has that project been completed?

**Mr STEPHENS:** Yes, it has been completed.

**Ms PURICK:** Does that information get held by your department or shared across agencies?

**Mr STEPHENS:** It is held by our department, but it is available to Commonwealth agencies to and NRETAS and agencies involved in emergency management planning.

**Ms PURICK:** Thank you. The other topic is land evaluations for the new shires. Have the evaluation roles for the eight newly created shires been established? I know work started in 2008 but has it been completed?

**Mr McCARTHY:** Land valuations for the new shires?

**Ms PURICK:** Yes, valuation rolls.

**Mr McCARTHY:** David, are you happy to talk on this?

**Dr RITCHIE:** The evaluation rolls for the shires coincide with the normal re-evaluation schedule for

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Katherine and the former Tennant Creek, Mt Cook and the Barkly. They will be carried out in both Coomalie and Wagait, and the assessments will be as of the middle of this year, so, July 2010. The issues, as you know, are not straightforward because, compared with the municipalities and the older local government areas because a lot of the tenure is in inalienable freehold under the ALRA. There has been a provision for \$433 000 to do that work this year, but the actual cost is still subject to the quote from the Australian Valuation Office.

**Ms PURICK:** Okay. Minister, why is it that land held in land trust, under the *Aboriginal Land Rights Act*, is not rateable, given that the residents on land trust land, or leaseholders of the land, would use services provided by the shires? They are using services provided by the shires, yet land trust land - does not matter how big it is - is not subject to rates. That does not seem quite fair when everyone else who accesses the services or uses the roads provided by the shires will be paying rates.

**Mr McCARTHY:** That is a very good question, member for Goyder, as this line of questioning is - very interesting. We need to talk to the minister for Local Government about that as well. It seems it is a cross-over question. We have many good people in the room. David, if you would like to comment on that.

**Dr RITCHIE:** Strictly the reason is because the *Local Government Act* says they are not. It is a question of the legislation, however there are a number of reasons for that. As the minister says, that is a matter really for the Local Government minister. In any communally held title, the difficulty will go back to holding somebody accountable for the charge.

**Ms PURICK:** Could be the land council if they hold the land trust in their management. The reason I am asking, minister, is because it was the argument run previously by government officials that mining companies should be rated because they access roads which take them to townships. That was one of their main arguments, which was pretty shallow I thought. On the other hand, you have many people living on land trust land who are equally accessing particular services and yet are not paying any rates. I know it is an act situation, however I guess my question is does it not seem unfair a certain section of our community pays rates and accesses services, and a certain section does not.

**Mr McCARTHY:** Once again that is a good question, and I think we need to get the lands councils to discuss that - to have that dialogue. In relation to that, I think it is the way to the future, and if I can talk about my own electorate, it is now about land use. As we start to look at our growth towns policy, at developing the Territory, encouraging Indigenous development this will capture the concept you are talking about, member for Goyder.

**Ms PURICK:** The next question is in this the area of valuation. I understand if a lease exists over a land trust land it becomes rateable. Is it the land underneath which is rateable, or is it the leaseholder who is rateable? I presume it is the leaseholder, and if that is the case, how many situations do we have in the Territory where there is a leaseholder on top of land trust land who would then be subject to rates?

**Mr McCARTHY:** Member for Goyder, it seems to be relating to the same chronology, that is developing use of the land. If you have freehold title for instance, we have that basis to work off. It is in the realm of the minister for Local Government, and it is also good visioning for the future, and a very interesting line of questioning.

**Mr PURICK:** Thank you, minister that is very generous of you. Minister, I want to turn to pastoral land now. Has work commenced on the revaluation of pastoral land as (inaudible) review is due 2009-10? Has this work started already?

**Mr McCARTHY:** Yes.

**Ms PURICK:** Have any site inspections so far been carried out following sale of properties? If so, do you have a list of the properties that would be visited, and have they been visited yet?

**Mr McCARTHY:** In relation to the first part of that question member for Goyder, the valuation roles will also incorporate the relevant valuations of pastoral properties, which were completed in 2009-10 and dated 1 July 2009. How these values are adjusted to be consistent with other shire valuations is being determined in consultation with the AVO. In terms of lists, I will throw to the CEO, Mr David Ritchie.

**Dr RITCHIE:** The revaluation of pastoral land has, in fact, been completed by the Australian Valuation Office. Suffice to say, that was carried out by them with their usual high level of rigour, but they will know who they ...

**Ms PURICK:** So, perhaps, I will approach them. In regard to the last round, are there any outstanding objections to the value that was placed on pastoral properties?

**Dr RITCHIE:** I understand there are still three objections.

**Ms PURICK:** Outstanding from the last round?

**Dr RITCHIE:** From the last round.

**Ms PURICK:** Where are they in the system? Are they ...?

**Dr RITCHIE:** There is an independent review board, the Valuation Review Board, and it is still with them.

**Ms PURICK:** Still with them, okay. Thank you.

**Mr CHAIRMAN:** Member for Nelson? We are still Output 1.1, Land Information.

**Mr WOOD:** Perhaps I should have asked this before. I just need clarification. I want to ask a question on place names, and I presume that is in Land Information. According to the annual report it is ...

**Dr RITCHIE:** That is correct.

**Mr WOOD:** The other one was: where did the NT Land Corporation end up in our discussions within this department?

**Mr CHAIRMAN:** At which output should that question be answered?

**Mr McCARTHY:** Can we have the first question, member for Nelson, on place names?

**Mr CHAIRMAN:** Yes, that is for this output. But, the second question was?

**Mr WOOD:** Does NT Land Corporation have any connection with this department and, if so, where do I ask questions about it?

**Mr McCARTHY:** What is the question on place names?

**Mr WOOD:** I am going to get to that. I am just getting information to make sure it is in the right ...

**Mr CHAIRMAN:** The member for Nelson is seeking advice about where he should ask a question from the agenda.

**Mr WOOD:** If we miss an output, we do not come back.

**Mr McCARTHY:** I have taken a great interest in the Place Names Committee, member for Nelson, since joining the portfolio ...

**Mr WOOD:** Yes, so do I.

**Mr CHAIRMAN:** Is there an output here where NT Land Corporation questions can be asked?

**Dr RITCHIE:** Yes, Mr Chairman, it could be here. The department hosts the corporation and, so, provides it with some facilities and some secretariat services. It can be asked in the end of this output.

**Mr McCARTHY:** So it would not be at Output 1.1, Land Development?

**Dr RITCHIE:** I think it is Land Administration.

**Mr CHAIRMAN:** Okay, so I will put it in Land Administration.

**Mr WOOD:** Okay. I will put it in there. I will just ask my question on place names. I had asked this when we had our first meeting in parliament in Alice Springs. The Place Names Committee for the Territory was established under section 5 of the *Place Names Act*. It made recommendations to you, as Minister for Lands and Planning, for the naming of a place within the Territory. Do you give approval for actual place names and the spelling of such place names?

**Mr McCARTHY:** That is a good question, member for Nelson. I have encountered this on two occasions so far in the portfolio. They come as recommendations to me and, I must say, I have not questioned the spelling. In my previous life, I did it as a living. I questioned spelling and I do continue to question spelling - right throughout the department I might add ...

**Mr Tollner:** When I was a chalkie.

**Ms Purick:** Good to hear you.

**Mr McCARTHY:** That is a good question. Maybe David ...

**Mr WOOD:** Would it be better if I just asked you one question, then you will know, instead of doing a lot of trick questions, you will get an idea ...

**Mr McCARTHY:** Are we going to get to Aboriginal place names here?

**Mr WOOD:** We are.

**Mr McCARTHY:** Aha, here we go. Member for Nelson, I have had an ongoing battle with linguists over a period of 30 years ...

**Mr WOOD:** Then you are the man I need to be talking to.

**Mr McCARTHY:** ... on this subject. I am probably not the one to talk to on this one. David, do you want to comment on this?

**Mr WOOD:** Do you want me to just add a little? I have a whole range of questions, but with the use of Aboriginal language place names, who decides on the spelling of such names?

**Mr McCARTHY:** Good question.

**Dr RITCHIE:** There is no simple answer to this question.

**Mr WOOD:** I thought that might be the case, but we shall try to get simple ...

**Dr RITCHIE:** The task of reducing an oral language to writing for the first time - languages that do not use the same structures of English - there are ways to do it that look okay to lay people and, then, there are ways to do it so that the correct sound can be reproduced by a linguist, and we are all familiar with the various orthographies around the Territory, the North East Arnhem Land orthography with the classic tail end sound, and the Arrernte orthography, and it begs the question, to what audience should the Place Names Committee focus its final decisions on. What they try to do is reach a balance between the two. There has to be, for that sort of ordinary person looking at the sign test, but at the same time, we do not want to end up with Arrernte spelt Arunta anymore, because it becomes Arunta, and it becomes a completely different word to the original one.

**Mr WOOD:** Is not that how you are taught, like comparable versus comparable?

**Dr RITCHIE:** With respect, it is not, because they are kind of dialectical kind of differences. With the names of Aboriginal languages, if they are to be reproduced so that the spelling approximates the actual way that that word is used in the original language, then there has to be a bit of rigour about the orthography used, and that is where the problem is, but it is a balancing thing.

**Mr WOOD:** Could I ask, minister, that I do not believe it should have to go that far. You come north of Tennant Creek and you pronounce names the way the average person would pronounce that name. My concern is that, because there are names now that, for a person of English speaking background, which we all are in Australia, and I understand Aboriginal people, of course, speak other languages besides English, but they did not write these names, that you can ruin the language because it is unpronounceable, and I will give you an example. How do you spell 'Ginger Porta'? My understanding is it is Ltyentye Apurte. Now, I think no man in his right mind, who reads English in the newspapers, English in books, will get that out of there.

My question really is, although you are technically right, and I can go to look at names in the north of the Territory which are not written in that same way, are we not actually allowing the written version of these names to actually denigrate more so the Aboriginal names because, if I was to pronounce Ltyentye, that would be Ltyentye, and Apurte would be Apurte, and it is not pronounced that way. So unless we are going to teach the entire population of Australia phonetics, really, minister, I am asking you, why cannot we go back to normal phonetics, similar to where we pronounce Jawoyn as Jawoyn, Daguragu as Daguragu, Kalkarindji as Kalkarindji, and why do we end up with some parts of the Territory with the Territory's place names being basically unpronounceable?

**Mr McCARTHY:** What a great debate, member for Nelson. I will throw a couple of ideas around this. First of all, we are going to drive Hansard nuts, but the way I taught at (inaudible) ...

**Mr WOOD:** That is all right, it is the Northern Territory, so ...

**Mr McCARTHY:** Yes, the way I taught at (inaudible) on the blackboard in 1981 is different than it is spelled today. When you look at the linguists working on the *New Testament*, for instance, there was so much debate around that. All I could suggest is, in the time we have available, maybe we need to go and look at my heritage, and look at the Republic of Ireland, where the street sign is in Gaelic, and then it has an English translation underneath it. From my point of view, to show true respect for the traditional owners, and these are starting to come in with our growth towns, this is where we are heading. We need to accept that orthography. However, we may look at translations to provide the non-first language speaker an opportunity to pronounce that correctly.

**Mr WOOD:** Could I put it the other way. When I pick up a dictionary, it will have the word written as we say it, and it will have the linguistic version of it. I am happy to have both pronunciations, and

when I walk into Alice Springs Airport, Arrente is the name for the area, which, if I was a newcomer I would say, 'I am now at ah-ren-net-tay', and then underneath it in brackets, it has written, 'A-REN-TA'. Now, if it was not put there, most people would not be able to pronounce it. But it is put there, recognising the fact that most people cannot pronounce that type of language. It is not pronounceable by most people, and there should be some consistency in the Northern Territory over place names. It is important that Aboriginal place names are used, but are we going to go to the super technical concepts that the linguists use? I have met linguists. They live on another planet and they probably represent about 0.0001 of the English speaking people in Australia. I am not sure that they should be the ones that drive the language to that extent that it is more for only the few that can pronounce it rather than the majority.

So I am asking, minister, do you think this policy of using these forms of spelling could be reviewed. In the end people might say that is the way they want it. The Aboriginal language was not written, so we are not trying to destroy someone's language. We are trying to make sure it is enhanced by people being able to pronounce it properly. Would you, at least, look at reviewing how we would write Aboriginal words in the Northern Territory?

**Mr McCARTHY:** Member for Nelson, absolutely. I think that has created agenda item one on our next meeting, Dr Ritchie. So yes, I think we definitely need to take that on board, and that is something for the Place Names Committee to look at as well. I hope that I give you joy, but at the end of this you are probably not going to get any joy. I can bet your bottom dollar there will be a linguist involved in this activity.

**Mr WOOD:** When you meet that linguist, you ask him how the average person on the street pronounces Ltyentye.

**Mr McCARTHY:** Yes, sure.

**Mr WOOD:** That is my gripe for the week.

**Mr CHAIRMAN:** That concludes questions on Output 1.1. Member for Fong Lim, you have a question for Output 1.1?

**Mr TOLLNER:** No, I will not. Sorry, I have just been corrected.

#### **Output 1.2 - Land Administration**

**Mr CHAIRMAN:** We now move on to Output 1.2, Land Administration. Shadow minister.

**Ms PURICK:** Thank you, Mr Chairman. Minister, can you provide a list of the parcels of Crown land that was sold in the last year, and for what purpose and at what cost?

**Mr McCARTHY:** Thank you, member for Goyder. I am sure that we could. Whether we have that here today is the question. We will get that for you.

**Ms PURICK:** Perhaps linked to that question would be: they were parcels of land that were sold, but what acquisition projects were undertaken during the past year and why and at what costs? So, it is sales plus acquisition.

**Dr RITCHIE:** The properties that were disposed and sold in 2009-10 were three lots at Tennant Creek; Lots 1197, 1198, 1211. They were sold at auction. The purchasers of the first two were Probuild Pty Ltd, and the purchasers of 1211 was Douglas George Dean.

There was one lot in Alice Springs, which is lot 8059 which was disposed of by way of a community land grant to Federals Sports Club. There is a lot in Elliot, 1462, a direct sale, and that was with Power and Water Corporation. There was another one in Alice Springs which was 6992 and that was a land swap with J&W Haines. There was a direct sale also in Tennant Creek to Global Port

Solutions.

There was a direct sale in Palmerston, Lot 1132, to Gaymark Investments, and Lot 10030, Power and Water Corporation, and then there was Lot 10287, which is Johnson, and that was by tender and was sold to Mousellis Properties Pty Limited.

Moving into Darwin, there was Lot 71 Bagot, sold as a direct sale to the Smith and Perrill Family Trust, Lot 5940 direct sale to JJH Developments. There was Section 6183 Bagot, direct sale to Terrence and Lee Sinton. The Little Mindil blocks were sold by expression of interest to SKYCITY casino. Down the track there was portion number 54711720 Marrakai, a direct sale was to Anthony O'Hearne. That is for the disposals of Crown land in 2009-10.

**Ms PURICK:** Were there any acquisition projects undertaken in the past year?

**Dr RITCHIE:** They are going through the program. There is a whole range of ones associated with roads - there are little things so you put them together, so there are the roads ones ...

**Ms PURICK:** Would it be easier if you tabled the document?

**Dr RITCHIE:** It is not quite written in that way, because I am extrapolating for this answer.

**Ms PURICK:** No, that is fine.

**Dr RITCHIE:** There are road acquisitions - rural roads and easements and corridors and all that. I will go through this list rather than try to group them, because it will take longer to group them by eye than read them straight out. NT portion 1604 Manbulloo - and that is for the Katherine freight centre. There was an acquisition for Litchfield Park Road Stage 2, because that is to create a better crossing for the Finnis.

I understand there were the World War II tunnels; they are volumetric blocks and have only recently come into being to create an owner over them. There was part of Lot 5524 in Darwin, Mindil; Berry Springs connector road for the Top End Gun Club, and then there was extension of Tiger Brennan Drive, McMillans Road, and Lot 309 London Street in Virginia.

**Ms PURICK:** Yes, I have noted that. What was that for?

**Dr RITCHIE:** I might need to take that on notice and track that down.

#### Question on Notice No 6.1

**Ms PURICK:** The question is Lot 309 London Road in Virginia was acquired for what purpose, and at what cost?

**Mr CHAIRMAN:** That is question No 6.1.

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**Ms PURICK:** There is also an acquisition for the widening of the Arnhem Highway. Which section has been designated for widening? Which section and what length?

**Dr RITCHIE:** Member for Goyder, it does not appear, obviously, in this list. We could get a really direct answer without having to take it on notice if save that for roads, because ...

**Ms PURICK:** On the Arnhem Highway is an acquisition for widening. Which location on the Arnhem Highway and how many kilometres?

**Mr CHAIRMAN:** Oh sorry, I thought you said not to take it on notice but when we get to roads he will have the answer.

**Ms PURICK:** Oh, okay. Thank you, Dr Ritchie, that will probably be fine.

The only other one in regard to acquisition: I understand there have been negotiations - and they may well have closed - for the proposed regional waste facility on Sections 4225 and 4226 Hundred of Bagot towards the Howard Peninsula. Has that study been completed and is it a document that can be made public? The one where the three councils are going to utilise that facility.

**Dr RITCHIE:** Member for Goyder, the study identified several sites on the peninsula. We are just in the final stages, through the Chief Minister's Department, of negotiating with the Australian Defence Forces about a site that is acceptable for them. Once that is done, then there will have to be a proper environmental impact assessment, which we will then do, and that will be a public process.

**Ms PURICK:** Okay, thank you. I have just a couple of questions in regard to land claims. How many outstanding land claims are there still under the *Aboriginal Land Rights (Northern Territory) Act*?

**Mr McCARTHY:** Member for Goyder, 249 claims were lodged under the *Aboriginal Land Rights (Northern Territory) Act 1976* before the legislative sunset date for claims passed on 5 June 1997. The Northern Territory government is actively working, with the Aboriginal Land Commissioner and the Australian government and relevant land councils, to resolve the valid claims under this act. Dr Ritchie can continue in relation to your question.

**Dr RITCHIE:** Yes, thank you, minister. Of the 15 outstanding claims in 2009-10, six of those have been now determined by the Aboriginal Land Commissioner, but the others on the applications have been PLs, basically, in the Federal Court to overturn that determination. All six of those are now afoot. That, then, leaves us claims listed in 2010-11 and, just looking at this, there appears to be 14 listed ...

**Ms PURICK:** For hearing?

**Dr RITCHIE:** For hearing. Then, there are the six which would then take it – there is Vernon Islands, Anthony Lagoon, Wickham River, Ngunwarripi, Alligator River is three, Kakadu Jim Jim, Kakadu region, the Kenbi is still sitting on ...

**Ms PURICK:** The federal minister.

**Dr RITCHIE:** Yes, with the federal minister. Port Patterson Islands, which are the flow-on group; then there is Yirrwallalai, which is with the Department of Defence, Dry River, which is a stock route; there is this Claim No 55 which does not have a name other than NT Portion 2001, which the Commonwealth is negotiating settlement on that; Ban Ban Springs; Coomalie; Deep Water; Upper Daly Repeat and Belyuen which is wrapped into Kenbi anyway. They are all listed. With them, we add the six which – sorry, and Cobourg Peninsula. Then, there is the six, which are Gregory National Park, Daly River, Douglas Daly River, that is upper Daly, Daly River region two, Finnis River, and Katherine, all of which are sort of variations on the original.

**Mr WOOD:** Minister, how much money is allocated to the control of weeds on Crown land this year, and how does it compare with last year?

**Dr RITCHIE:** Member for Nelson, the question, was it how much, or what have we ...

**Mr WOOD:** How much money is allocated to the control of weeds on Crown land this year?



**Dr RITCHIE:** The allocation for this year is \$1.53m, and that is basically – we combine weed control with burning too, because often they go hand in hand, so there is a glycosate and then a burn regime. Just on that, we entrust through a service level agreement with NRETAS.

**Mr WOOD:** How does it compare with last year?

**Dr RITCHIE:** We have got a bit looking at that, it was \$1.4m-odd last year, so it is an improvement of about a bit over \$100 000 additional this year.

**Mr WOOD:** You would not know whether this cost will cover the costs of an increased price glycosate, or whether you are actually going to do some more work, because my question is leading to, where is the government in relation to the control of weeds on its own land, especially gamba grass?

**Dr RITCHIE:** All I can say on that is that this has been a project that is being refined and has had increasing resources put to it over the last few years, where it was recognised that it was a significant issue. That is one of the reasons that we have developed a Memorandum of Understanding with NRETAS, who actually have specialist capabilities to do that, and to make sure that all the expenditure of the \$1.5m-odd that we have is actually targeted as part of a program and not a series of one-offs, so that we do target with staff up the top of the catchments and we slowly work down. We do not just randomly spray stuff down the bottom of the catchment year after year after year. There is a real effort in this of actually doing it strategically, and I am just being reminded that, in fact, there is an undertaking to produce a complete strategy for all of the Crown land holdings this year.

**Mr WOOD:** Considering the government has declared gamba grass, the weed was in a certain boundary, has there been a strategy developed from the government's perspective to reduce gamba grass within that area on its own land?

**Mr McCARTHY:** Member for Nelson, working with NRETAS on this project, we are finalising the Crown Management Land Weed Management Strategy and four supporting regional weed management plans. This work has been progressed through a Cabinet recurrent funding allocation. These plans will be implemented, monitored and reviewed commencing in the 2010-11 season, the beginning of the Wet, and because gamba grass has been declared, I say that that will be one of the species that will be targeted.

**Mr WOOD:** Will we be able to get a copy of that plan when it is completed so we can see what the strategy is?

**Mr McCARTHY:** Yes.

**Mr WOOD:** Minister, how much money is set aside to remove illegal rubbish dumped on Crown land? Do you regularly inspect land for rubbish or illegal dumping? Has anyone been prosecuted in the last 12 months for dumping rubbish on Crown land?

**Mr McCARTHY:** So we have three parts to that question. David Ritchie, the CEO, will respond to that.

**Dr RITCHIE:** Member for Nelson, I think the answers are yes. Yes we do have a regular inspection particularly of areas that are known to be frequented by illegal dumping. Lee Point was one such area that has received some special attention with the result that it is looking much cleaner and illegal dumping has been almost nil. The next part was how much. The property management breakdowns of maintaining those kind of inspections and that kind of ancillary cleaning up is around \$43 000 in the last financial year.

**Mr WOOD:** That is for all crown land in the Northern Territory?

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**Dr RITCHIE:** That is distinct from void management programs and all that sort of stuff. All Crown land in the Northern Territory, yes, so the weed control program is separate. The fire control program is around \$30000, and a general maintenance, keeping rubbish removal, that sort of thing is \$43 000.

**Mr WOOD:** I ask the minister if he thinks \$43 000 is enough? I will speak for my own area. Forestry land has old cars, it has junk rubbish, and it has it all the time and unless there is a plan by Clean Up Australia Day, they sometimes get scouts to come in or the fire brigade to come in or someone else to clean up, there does not appear to be any proactive approach to cleaning up rubbish on crown land.

I was also involved in Clean Up Australia Day with the member for Goyder's sister. The number of beer cans and beer bottles in Forestry land was enormous. There is land behind Coolalinga where the pipeline easement passes through. There are old dumped cars in that region and I could go on. There are out on PowerWater's bores on Girraween Road, I have been out there, there are dumped cars, dumped furniture. I know we should be advocating people do not do it but the reality is it is dumped and it is not the council's responsibility to pick it up. So, has the government got a proactive stand when it comes to cleaning up its own land? I know that Lee Point was mentioned but have all the Lee Point dumpers moved out to Howard Springs? Do you have a proactive plan to remove rubbish from crown lands, especially in, you might say, areas close by populated places?

**Mr McCARTHY:** Member for Nelson, I think that the CEO has outlined our plan and what we do and I think you have highlighted that there is a lot more to be done and it is a very valid point. I have taken an interest in road reserves in the portfolio of transport and looked at how those areas are cleaned up with accident sites and all sorts of logistics around that. But I will take that on board. I think that that is a very valid point. You have highlighted some interesting areas. I suppose we can take on board and go back and look at them.

The discussion we have been having, member for Nelson, is that there are many more figures on this table in terms of property management around crown lands but your point specifically about the removal of rubbish is something that I need to take on.

**Mr WOOD:** I know we are going to run out of time but just two quick questions: pastoral properties, you are reducing the lease plans on pastoral properties to compensate for increases in rates in local government. How much money are you actually losing in that arrangement, that is, how much money do you not now get from pastoral leases?

**Dr RITCHIE:** Member for Nelson, the relationship between pastoral rents and rates has to be taken together because the *Local Government Act* and the *Pastoral Land Act* have been amended so they work in unison. That was the result of pastoral leaseholders being concerned about being rated twice, in effect, once through the lease payments on their lease, and again through rates.

The way rents are calculated is a proportion of unimproved capital value, and the link with the *Local Government Act* is if there is an increase in the rates charged as a result of the re-evaluation, there will be a proportional deduction in the amount charged for the rent.

**Mr WOOD:** All I really want to know is how much is that. If you do not have it could I put that question on notice?

**Dr RITCHIE:** It has not been determined. The current situation still applies until there is a decision made, and a decision has not been made. There is a review every two years.

**Mr WOOD:** NT Land Corporation, I have always wanted to ask a question about it. Do you supply and support, or give any assistance to NT Land Corporation? Can you tell us how much land is owned by NT Land Corporation? Do you know where their annual report is because do not have a work phone, probably for obvious reasons. Can you give us some assistance in relation to those matters?

**Mr McCARTHY:** Member for Nelson, you are right. The corporation is not an agency of the Northern

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Territory government, and current members, one being Dr David Ritchie, would be the appropriate person to comment on that.

**Dr RITCHIE:** Thank you, minister. The Department of Lands and Planning hosts the Northern Territory Land Corporation to the extent that we provide them secretariat services, meeting rooms, and an office for the Chair. Other than that, they operate completely separately.

The holdings of the Land Corporation we can table for you, and again there are some very big parcels and many little ones.

**Mr WOOD:** Would you be able to table details of what land is owned by NT Land Corporation, and could we have a copy of the annual report?

**Dr RITCHIE:** Yes, member for Nelson, we can get a copy of the annual report. I spoke to the Chair of the Land Corporation this morning, that is Peter Blake, and he said if there are any questions he would be very happy to brief anyone on the committee on the operations at any time. That is an offer.

**Mr CHAIRMAN:** If I could clarify for the benefit of the committee and witnesses. We have new terms of reference this year where the initial question goes to the minister, but subsequent questions can go to departmental officers. Follow up questions can go directly to the witnesses present.

**Mr WOOD:** Do you need the question again?

**Mr CHAIRMAN:** I think he has agreed to table it.

**Mr WOOD:** Were you intending to table the annual report?

**Mr Tollner:** He is tabling the list of holdings right now.

**Mr WOOD:** There was the tabling of the holdings, plus the annual report.

**Mr CHAIRMAN:** That has been agreed to.

**Mr TOLLNER:** Minister, can you tell me how many of the township leases that were compulsorily acquired - the five-year leases compulsorily acquired by the commonwealth as part of the intervention, have been converted to 99-year leases?

**Mr McCARTHY:** Member for Fong Lim, I will refer that to the CEO, David Ritchie. Can we advise the member?

**Mr TOLLNER:** Maybe just take it on notice.

**Mr McCARTHY:** Can we get a clarification, member for Fong Lim.

**Mr TOLLNER:** Well, the federal government compulsorily acquired leases on townships for five years to allow the construction of houses, and all of that sort of stuff, to proceed without hiccup. Part of the MOU the Commonwealth signed with the Northern Territory government was there would be a transition from those five-year leases to 99-year leases. In how many instances has that occurred?

**Mr McCARTHY:** I have been advised that information will be available through the Department of Housing and Local Government.

**Mr TOLLNER:** All right, no worries. Just one more question, Can you tell me how many privately-owned houses have been constructed on Aboriginal land?

**Mr McCARTHY:** What a great question! How many houses are constructed on Aboriginal land?

**Mr TOLLNER:** I suppose if you do not know how many leases there are you, you have no idea how many houses there are.

**Mr McCARTHY:** I was trying to think of people I know, and I could work on that basis. I will just confer.

**Dr RITCHIE:** The answer is, if it is Aboriginal freehold, that is a form of title that is communally held, so it is not possible to have a privately-owned house.

**Mr TOLLNER:** Yes, but, obviously, you are aware there are leases that have been put in place on townships. Some townships have actually been selling those leases privately, and people have actually privately built houses on those leases.

**Dr RITCHIE:** I understand the question: how many people in their own private capacity have built houses on Aboriginal land.

**Mr TOLLNER:** Well, I am interested in private home ownership on Aboriginal land, and how it is going. What have you done to assist?

**Dr RITCHIE:** I have to say that is a question for the minister for Housing, because we are involved in ...

**Mr TOLLNER:** Lands does not involve themselves in planning on Aboriginal land?

**Dr RITCHIE:** No, the Department of Lands ...

**Mr TOLLNER:** There is no land administration occurring on Aboriginal land by you guys?

**Dr RITCHIE:** The Department of Lands and Planning is directly involved in producing the area plans for each of the 20 growth towns. That is the first time it has ever been done. Part of that exercise involves actually surveying individual lots for residential housing, as well as defining areas of specific purposes for community activities, industry, etcetera.

**Mr TOLLNER:** Part of the MOU the Northern Territory government signed with the Commonwealth - you talk about there are 73 communities identified. You have just mention 20 of them. What about the other 53? Have you done any town plans and the like on those communities?

**Dr RITCHIE:** Member for Fong Lim, the department has been charged with dealing with the 20 growth towns; the others are on Aboriginal land.

**Mr TOLLNER:** They are all on Aboriginal land.

**Dr RITCHIE:** Yes, but there are quite a number of communities that are not growth towns, that we have what is called a serviced land availability plans established for them. The big difference is the plans that have been done that I referred to as area plans, are being done within the meaning of the *Planning Act*, which means they have to be surveyed to a standard acceptable to the Surveyor General, so we know a block of land for the purposes that you are talking about is going to be negotiable and sold, and ...

**Mr TOLLNER:** All right. When will that work occur on the other 53 communities?

**Dr RITCHIE:** It is my understanding there is no proposal to ...

**Mr TOLLNER:** Apart from that MOU you signed with the Commonwealth?

**Dr RITCHIE:** The project, at the moment, is to bring the 20 growth towns in under the authority of the *Planning Act*. There is no proposal afoot to bring all of the other 72 communities into the *Planning Act*.

**Mr TOLLNER:** Okay. Has the Commonwealth been advised of that, that you are intending to disregard those 53 places that you agreed to under the Memorandum of Understanding?

**Mr RITCHIE:** I think that there are two things. We are talking at cross purposes. There is no intention to disregard them, but there is a difference in the idea of bringing a township under the *Planning Act*, because the *Planning Act* requires, in the first instance, that titles can be issued, that the quality of the surveys have to be of the standard of the Surveyor-General, and that, when the zoning is made within the meaning of the *Planning Act*, you are actually designating how a community will develop, so the purpose of the whole exercise is to ensure that communities develop in a way that is good for the people, that the design is one that makes it liveable, etcetera.

**Ms PURICK:** That is enough. That is fine, thank you.

**Mr CHAIRMAN:** That concludes consideration of Output 1.2, Land Administration.

### **Output 1.3 – Building Advisory Services**

**Mr CHAIRMAN:** We will now move on to Output 1.3, Building Advisory Services.

**Ms PURICK:** I just want a clarification. Have we 20 minutes left, for all of Planning and Lands?

**Mr CHAIRMAN:** The schedule has you finishing at 5.30 pm.

**Ms PURICK:** All right. Well, in the interests of time, I do have a lot of questions. Some of them are questions on notice, but I will just go to a couple of succinct ones, under builders registration and home warranty insurance for now.

Minister, in regard to the builders registration, when plans are submitted to build a house, is the builders registration details checked to see if the person is actually registered?

**Mr McCARTHY:** Can you repeat that question for me, please?

**Ms PURICK:** When plans for a house are submitted, is there a check by the department to see if the builder listed on those plans is actually registered, or has a current registration?

**Mr McCARTHY:** The answer is yes.

**Ms PURICK:** Well, my subsequent question is, how is that Mr Randall Carey submitted plans for upwards of 15 houses and is unregistered for 15 months? Surely, his name would have showed up on the documentation that was submitted to the department, and there would have been a check and it would have shown he was not registered.

**Mr McCARTHY:** Member for Goyder, my immediate response to that is that Mr Randall Carey was operating illegally. Now, that is ...

**Ms PURICK:** But my question is, minister, you said, yes, there was a check that the builder listed on the plans to see if he or she is registered, so if these plans for those houses in Alice Springs and

elsewhere were checked, they would have seen Randall Carey, knowing he was not a registered builder, so how did that happen?

**Mr McCARTHY:** Once again, member for Goyder, I think we have got to work off the baseline that Mr Randall Carey was operating illegally. Now, if we want to go into further details, then, David Ritchie?

**Dr RITCHIE:** The answer to that is that there is provision under the *Building Act* for somebody to operate, as long as there is a registered builder who is prepared to warrant and to sign the documentation, then somebody else can do the work.

**Ms PURICK:** With respect, that is not my question. My question is: the answer was, yes, the builders registration is checked when plans are submitted.

**Dr RITCHIE:** Yes.

**Ms PURICK:** Randall Carey was operating, submitting plans for upwards of 15 months, and yet the department knew, or would have known he was not registered. My question is, how did that happen?

**Dr RITCHIE:** Member for Goyder, my answer was that it happened because he was not actually submitting the plans, because the plans were submitted by another builder.

**Ms PURICK:** Right, okay. All right, I will leave it for there in the interests of time.

Minister, I have raised this question before in the parliament. Are you prepared to consider, and I am not advocating more registration or legislation, but are you prepared to consider the anomaly of where work can be undertaken under the roofline, upwards of \$100 000, or if not \$200 000, and the person undertaking that work does not have to be a registered builder. The classic example is bathroom renovations, wet area renovations, where renovation work, it can be taken back to frame work if need be to completely remodel and remake a whole bathroom area come whatever. Yes a building permit is required, but the person does not have to be a registered builder as long as they are within those roof lines. My question to you, minister, is: will you take it on board and consider somehow fixing the anomaly in the case of when those kind of business people who are unscrupulous do not do good work?

**Mr McCARTHY:** As we discussed in the committee stage debate, member for Goyder, that is a good point. I know that the department is looking at that regulation of contractors because that is the area we are talking about. If we want some more information from experts, I would like to hand over to David Ritchie who might bring on more of our team to comment on that.

**Dr RITCHIE:** Member for Goyder, the department and the minister have recently received a report from the building industry reference group and there are a whole range of recommendations and that sort of thing is part of the suite of things that are being looked at.

**Ms PURICK:** Minister, there was a Senate inquiry conducted into the mandatory last home warranty insurance scheme 2008, which was after time when the government announced it would do home warranty insurance, the Northern Territory government did not put a submission in to that inquiry. Given the importance of the home warranty insurance argument and the fact that the government promised to do it, why did the government not put in a submission or appear before that Senate inquiry?

A subsequent question, recommend two of that committee report reads, 'The committee recommends that COAG and the ministerial council on consumer affairs should pursue a nationally harmonised best practices scheme of consumer protection in domestic building.' Has the department been involved in any discussions to try and achieve this aim? If not, why not?

**Mr McCARTHY:** Member for Goyder, this is a space we have been working in and we have

acknowledged that report and we have also taken on board the anomalies that present with that and we are looking at other jurisdictions. This is not an easy answer and it is not a quick fix. I think if Territorians start to take a bigger interest in home warranty insurance, they will understand that it is not the total fix. It has real limitations and on the national front, in terms of providing an affordable and an appropriate product, there are real challenges as well. But once again, if you want some more details, I would like to ...

**Ms PURICK:** No, no, that is fine. My question was: why did the NT government not put a submission in to the Senate inquiry?

**Mr McCARTHY:** I would like David Ritchie to respond to that.

**Dr RITCHIE:** Member for Goyder, the reason I understand that we did not was because it was an inquiry looking for submissions from jurisdictions that had home warranty insurance schemes in place and, as we did not, we did not put in a submission. It was one of those sorts of things we would learn from ...

**Ms PURICK:** So did you have people attending as observers? You said you have a copy of the report and you are working from it. Is that what I heard you say?

**Dr RITCHIE:** Yes.

**Ms PURICK:** Okay. I will leave it there, because we want to move on.

**Mr CHAIRMAN:** That concludes Output 1.3, Building Advisory Services.  
**Output 1.4 – Development Assessment**

**Mr CHAIRMAN:** We will now move on to Output 1.4, Development Assessment.

**Ms PURICK:** How many development applications do you currently have on your desk awaiting decision?

**Mr McCARTHY:** On my desk?

**Ms PURICK:** With the minister's office.

**Mr McCARTHY:** That is better, because on my desk, I cleared it on the weekend and I make a great point of keeping these moving. However, in terms of the process, we could get a comment from the CEO, Dr David Ritchie.

**Ms PURICK:** How many development applications for any matter of developments are in the minister's office awaiting a decision?

**Dr RITCHIE:** I will have to take that question on notice.

**Mr WOOD:** Can I just seek clarification on that? You are talking about rezoning, but the minister deals with rezoning, the Development Consent Authority deals with ....

**Ms PURICK:** But the Development Consent Authority comes under his auspices.

**Mr McCARTHY:** They provide reports to me, yes.

**Ms PURICK:** The question on notice is how many Development Consent Authority development applications, whether it be for re-zoning or any other matter, are currently in your office waiting your decision?

**Mr McCARTHY:** Sure.

**Mr CHAIRMAN:** That is question No 6.2.

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**Mr TOLLNER:** Further to that question, minister, how many times have you taken a contrary view to Development Consent Authority recommendations?

**Mr McCARTHY:** In my time in the portfolio, I do not think I have. None.

**Mr TOLLNER:** Minister, why are so few of the DCA recommendations ever released by you to the public?

**Mr McCARTHY:** Member for Fong Lim, that is an interesting question and my answer is, as I have been working through this portfolio, that is part of a process which relates to the democratic process, and relates to that wonderful concept members on the other side of parliament keep promoting for me, that is the holier than thou minister who has the ultimate power with the strike of a pen, which I do not sit comfortably with. I work as part of the process, and the Development Consent Authority, for all sorts of reasons, has a really important role to play. Their information is presented as one part of an application process which comes to the minister for decision making. I take an active interest in incorporating a think tank around that, I ask many questions, I bring many people to the table, and at the end of the day I make the decision.

**Mr TOLLNER:** I did not really understand that answer, minister. I would have thought there would be a simple reason why you did not release things publicly.

I draw your attention to a more specific example, the old Bunnings site, and the re-zoning application that was submitted. The Chief Minister who, in this case, is the local member, involved himself in protesting against that re-zoning application. Huge numbers of submissions went to the Development Consent Authority. At the time, the Chief Minister made the commitment the Development Consent Authority's deliberations and recommendations would be publicly released.

I understand he is the Chief Minister not you, however, can you tell me why, bearing in mind the Chief Minister thought it would be appropriate the DCA recommendations were made public, you have refused to do that?

**Mr McCARTHY:** Member for Fong Lim, I never said I refused anything. I simply gave you a narrative about the process, and unless you have been the minister for Planning, you ...

**Mr TOLLNER:** No I have not. I am telling you the Chief Minister made a commitment those recommendations would be released. He said he had nothing to hide, he could prove he was not tinkering within the system, and by being open and accountable, by releasing those recommendations, he said at the time it would be released in January after the DCA made their recommendations. That has never been released. You may well release it now. Are you intending to release the recommendation the DCA made?

**Mr McCARTHY:** Member for Fong Lim, the case you are talking about, it has been released.

**Mr TOLLNER:** It has been released? The complete recommendation?



**Mr McCARTHY:** The DCA report, yes.

**Mr TOLLNER:** The Gwala Daraniki Association has made several applications over the years. All those applications have been assessed by the DCA, but very few of those recommendations or reports that have been sent to the minister's office, have been publicly released. Why is there inconsistency between one case you assess is okay to release information, as you say you did with the old Bunnings site but, in the vast majority of cases, you will not release that information publicly?

**Mr McCARTHY:** They are your words, member for Fong Lim. As the minister in this portfolio, I have not been asked to release a DCA report. I work ...

**Mr TOLLNER:** Apart from by the Chief Minister with the old Bunnings site.

**Mr McCARTHY:** That is the report that was released. I work in the process and, in that process, there are a lot of components to that. It is not just simply that the DCA report. We have to ...

**Mr TOLLNER:** Minister, there is a portion of land on Nemarluk Drive - I cannot remember the exact address but you will recall it, I am sure. There were a couple of public meetings, a DCA assessment, the developer put in submissions to the DCA, I think there would have been 100 submissions put in by concerned residents and the like. People are still awaiting a decision. It is my understanding the DCA has made their recommendations. When will you announce the decisions? In that case, will you release the DCA recommendations or reports?

**Mr McCARTHY:** Well, in your chronology and the story of my desk, I have not received it yet, member for Fong Lim.

**Mr TOLLNER:** Oh, that is interesting. So, the DCA is still assessing that?

**Mr McCARTHY:** I would say so, yes.

**Mr TOLLNER:** Really? That happened last year, minister. Are you concerned these things could take so long to go through the DCA and into your office?

**Mr McCARTHY:** I am not ...

**Mr TOLLNER:** We are talking almost, I think, somewhere between eight months and a year ago. I am not exactly certain on the dates ...

**Mr McCARTHY:** I was going to say we had better clarify those dates.

**Mr TOLLNER:** Yes, well, I am not exactly sure, but it is a significant period of time - certainly before Christmas ...

**Mr McCARTHY:** The most recent ...

**Mr TOLLNER:** ... that the DCA met and took on submissions and all of that sort of stuff ...

**Mr McCARTHY:** Member for Fong Lim, we have already honed the time frame down to well less than a year.

**Mr TOLLNER:** I said somewhere between eight months and a year. In any case, it is a significant period of time.

**Mr McCARTHY:** I am awaiting that report.

**Mr TOLLNER:** Well, the question was: are you concerned you have not seen the report?

**Mr McCARTHY:** Member for Fong Lim, coming into the portfolio, it was made known from industry stakeholders, the public, that it is a really important piece of work to get these proposals through; to achieve certainty for the public. I have been working to the best of my ability.

**Mr TOLLNER:** All right, no worries. I will leave that there for the time being. I have just one more question. The Chief Minister announced quite some time ago that he believed Bagot Community should be normalised, or turned into a normal suburb. How are plans going in that regard? Where is the government at?

**Mr McCARTHY:** That is a good question. That is another work in progress. When I have some information for you, I will be able to provide it.

**Mr TOLLNER:** Okay. Has it been brought to your attention, minister? Can I ask that much?

**Mr McCARTHY:** In a generic sense, I have talked about lots of the local government issues but, in terms of the general discussion we are having, I have lots of discussions about the concept about normalisation. I sat with great interest and listened to the Estimates Committee question the minister for Indigenous affairs.

This concept is a way forward right across the Territory, right across our regions. I see no difference in our urban centres as well. The Alice Springs Transformational Plan highlights a great step forward in that, and that is something for the Minister for Local Government. However, if the Bagot Community is interested in that, they should be talking to government about that ...

**Mr TOLLNER:** Well, hang on. The Chief Minister made the statement. I am just wondering how far down the track are you in acquiring that special purchase lease that they are sitting on?

**Mr McCARTHY:** As I said, I have not got to that level of the process yet, but I am certainly interested in the concept of what we are discussing.

**Mr TOLLNER:** I do not think you have got to any part of the process, minister. But, anyway, that is enough from me.

**Mr TOLLNER:** Surprise, surprise.

**Mr CHAIRMAN:** That concludes consideration of Output Group 1.4, Development Assessment.

**OUTPUT GROUP 2.0 – PLANNING**  
**Output 2.1 - Planning**

**Mr CHAIRMAN:** We now move to Output 2.0, Planning, Output Group 2.1, Planning.

**Ms PURICK:** Minister, last year, you were asked a question under the Corrections portfolio about the new gaol, and you replied that you could not answer the question as the question is before the Department of Planning and Infrastructure. Well, minister, you now are that minister, responsible for Lands and Planning, and I ask the following: did your department consult formally with the Litchfield Council when you proposed to put the new gaol at Weddell and, over the last 12 months, what new locations has your department looked at for the new gaol?

**Mr McCARTHY:** There are two parts to that question. One is community consultation in terms of the Litchfield Shire Council.

**Ms PURICK:** No, the question was, did your department formally consult with the council before you

announced you were going to put a gaol at Weddell and, over the last 12 months, what new locations has your department looked at for the new gaol?

**Mr McCARTHY:** Two parts to that question. In relation to consultation with the Litchfield Shire Council, and this was before my time in the portfolio, however, I will take advice. In relation to the first part of that question, member for Goyder, there was no specific consultation with the Litchfield Shire Council, and that related to that actual footprint of the proposal in the new area of Weddell. In terms of the other site that is proposed, it is a site out off Taylor Road, and that is the extensive negotiations that have been going on with the Australian Defence Force and, as yet, there has been no finalisation on a decision by the Australian Defence Force in relation to the proposed site on Taylor Road.

**Ms PURICK:** Minister, is it correct then that one of the other sites, and I use the word plural, being considered is on Gunn Point Road before the Howard River Park?

**Mr McCARTHY:** No.

**Ms PURICK:** One, two, three - thank you, minister. Minister, if I turn my attention now to the Berrimah Farm, in your Lands and Planning capacity, because it is a planning issue, I understand the, well I do not understand, I know, because it has been released publicly and in parliament, that the first consultancy as to the extent of the environmental contamination did indicate levels of contamination at several locations, both from herbicides and pesticides, and also polluted carcasses that have been buried on that site. Minister, what did that first consultancy cost, and what were the contaminants and at what levels and how many locations?

**Mr McCARTHY:** Member for Goyder, first can I say that some site contamination does exist at the old Berrimah Farm site, however, it is expected that this contamination can be mitigated. Four major sites of contamination were found in the first stage of the decontamination study. The second stage of the decontamination study is due for completion in August 2010. This phase of the study includes more rigorous water and soil sampling, and determination of the extent and severity of the contamination. Both of those are intertwined in terms of a report, in terms of the investigation, environmental site assessment phase 1, the amount was \$523 000 expended.

**Ms PURICK:** Minister, have the consultants or your departmental people found the exact location of the 44 gallon drum that is buried with arsenic contained materials yet, which would have shown up in the desk top study, if they had interviewed all of the people they were meant to interview?

**Mr McCARTHY:** Member for Goyder, since becoming aware of these reports and this research, there are, as I said, two stages of the decontamination study, and I expect that that legendary drum would come up in that report.

**Ms PURICK:** It is a real drum, minister, and the gentleman knows where it is and he has been interviewed. Minister, moving on, have you or your department had any discussions with the North Australian Safety Centre that provides a vital and important service product to the offshore oil and gas industry, which your Chief Minister continues to promote as our future, so, in your discussions with the North Australian Safety Centre, what support have you offered them to relocate in regards to the site so they can continue to offer these services to industry and government?

**Mr McCARTHY:** The advice, member for Goyder, is that there have been no decisions around that as they, you would note, are currently located in the Berrimah Farm site. The planning and the vision for the oil and gas industry in the Northern Territory is very much in the thinking of government and there will be lots of important planning around it.

**Ms PURICK:** I certainly hope there is, minister.

My next question: recently a constituent of mine had an informal meeting/discussion with the Health minister who told my constituent that a secure care facility could not be located at Berrimah Farm as

she suggested as the site was contaminated and was suitable only for light industrial. Is this a view shared by your department and yourself, that the site is only suitable for light industrial and not any other kind of accommodation?

**Mr McCARTHY:** Member for Goyder, my reading on that is that, first of all, it is very important to get these reports done and look at the extent and the scope of the contamination. The site poses opportunities for light industrial, for commercial and for residential, and when I asked those questions there were other sites in the greater Darwin area that have been rehabilitated that were presented to me as good examples.

I come from Sydney and I remember growing up around the area of the Parramatta River and witnessing the heavy industrial activity there that now accommodates some of the most notable suburbs in the central area of Sydney. So, I think there is potential. As the minister, I believe there is potential. However, it is important that we get the results in and make our decisions.

**Ms PURICK:** Will you make that report public when it is finally done? Sorry, I will rephrase that. Will you make both environmental consultants reports public?

**Mr McCARTHY:** First of all, we have to complete this exercise and then the process is that government takes that on board and we examine that. Then it is a matter of, I suppose, Territorians having confidence. So, we would be in the space of providing that confidence.

**Ms PURICK:** So that is a yes, that you will supply some of the information out of that report so that the public can have confidence that, if you intend to put a residential complex on Berrimah Farm, or parts of Berrimah Farm, that there will be no legacy issues that will affect ...

**Mr McCARTHY:** I believe that to be a good process, member for Goyder.

**Ms PURICK:** The fact that the farm is not suitable is a side issue. Never mind. Minister, as the planning minister, were you consulted by the minister for health before he decided to apply to the Development Consent Authority to place a secure care facility in a residential area on Lowther Road and in a residential area in Cotterill Road in Alice Springs? Were you actually consulted before that department made that decision?

**Mr McCARTHY:** Member for Goyder, through the Cabinet process, it is a robust, lively process and, as a cabinet, we make the most important decisions for the Territory and there are many discussions that go on. I participated in those discussions at a Cabinet level.

**Ms PURICK:** So you supported putting a secure care facility for high risk behaviour people in a residential area in both cities?

**Mr McCARTHY:** My contribution to that debate, member for Goyder, is, I believe, that the secure care facilities need to be located close to services. I was lobbied by a radio journalist to locate it at a prison, for instance, and I debated that and I said my knowledge of these facilities, not only for the community interaction, but also for the staff and also for the services of a facility, we should be looking at sites that are close to services. However, the debate continues and, once again, it is out there in the public arena and there is a lot of comment coming back including the petitions presented to the Legislative Assembly by you as the member for Goyder.

**Ms PURICK:** That is true. You should be aware, no doubt you will be in due course, upwards of 200 submissions have gone in regarding Lowther Road, and not just by residents, by schools as well.

Could you just enlighten me as to the zoning for the current Wongabilla Youth Centre on the corner of Tivendale and Stuart Highway.

**Mr McCARTHY:** We can certainly get that for you.

**Dr RITCHIE:** Member for Goyder, it is zoned Community Purposes.

**Ms PURICK:** On some general planning questions, how long do we have to wait for the promised park on the old hospital site? What is happening with that?

**Mr McCARTHY:** What did you call the park?

**Ms PURICK:** The old Darwin hospital site.

**Mr McCARTHY:** First of all, if I may comment on that site. There has been much discussion and support from the community. Following extensive community consultation, government released a revised master plan in June 2009 to develop the old hospital site. The concept proposes approximately 80% of the 8.7 hectare site be developed as a tropical park, and the remaining 20% will comprise medium density housing and high rise apartments of up to eight stories. It is intended the sale of the proposed residential component will provide funding for the development of the public park. Resolution of land tenure is required to enable the creation of the development parcels required for the construction of a public park, and for residential development.

I have also had some interesting meetings with community organisations such as the Friends of Kahlin. There is a healthy level of history and heritage involved in it.

Coming into the portfolio, I named that area of Darwin the 'Bennelong Point' of Darwin. It has great potential for development. Not only for this park, also as residential development. For any residential development it is the big end of town. There are opportunities for very upmarket residential development. However, with the global situation that market is a watch-and-wait space, and therefore there has been no immediate move on that park development.

**Ms PURICK:** On another topic, given the potential for sea level rises around the Australian coastline, has the government considered - if not why not - making surge zones around the Top End, in particular conservation zones, in the interests of good planning and protection of property and people.

**Mr McCARTHY:** We are doing much work on this at the moment. To get this response to your question, I will hand to the CEO, Mr David Ritchie.

**Dr RITCHIE:** Member for Goyder, at the moment there is much work being done, as the minister says, on determining, with as much precision as is possible, the changes in areas affected by storm surge in Darwin over the next 30 years. The short answer to the question is, where it is within the power of government to ensure areas which are affected are not used for other purposes we will do so, however, it is not as simple as that because there is a range of land tenures likely to be affected.

**Ms PURICK:** Okay. That is fine.

**Mr McCARTHY:** Mr Chair, I have two answers for the member for Goyder, if I could table them - number 6.2 and 6.1.

**Mr CHAIRMAN:** That concludes consideration of Output 2.1 – Planning.

### **OUTPUT GROUP 3.0 – STATUTORY BODY**

#### **Output 3.1 – NT Build**

**Mr CHAIRMAN:** We now move on to consideration of Output Group 3.0, Statutory Body, Output 3.1, NT Build. Do you have questions for Output 3.1?

**Ms PURICK:** Yes, I just had a couple on 3.1. Again, in the interests of time, I have a series of

questions but I will just probably restrict it to two questions in regard to NT Build.

How many fines have been issued for businesses not paying the levy, and how much - the money value? How many interest bills have been paid for late payment of the levy, and how much?

**Mr TSIKOURIS:** If I may?

**Mr McCARTHY:** Yes, you may.

**Mr TSIKOURIS:** The regulatory regime around the late payment of a levy requires the interest penalty component to be paid. That may vary, depending on the amount of the levy that is due. I do not have exact figures on how many of those instances have occurred. I will have to take that on notice, member for Goyder.

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**Question on Notice No 6.3**

**Ms PURICK:** That is fine. Have any fines been paid for not paying the levy and, if so, how much monetary value. Any interest paid for late payment of the levy, how much in monetary value?

**Mr CHAIRMAN:** That is question on notice No 6.3.

**Mr TSIKOURIS:** By way of clarification if I may, is that for this financial year?

**Ms PURICK:** Yes, sorry.

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**Mr CHAIRMAN:** That concludes questions for Output 3.1.

**OUTPUT GROUP 1.0 – LAND DEVELOPMENT**  
**Output 1.1 – Land Development**

**Mr CHAIRMAN:** We now move on to Output Group 1.0, Land Development, Output 1.1, Land Development.

**Ms PURICK:** Minister, I just have a few questions for land development. How many blocks of land have been sold in the past year, and how many tenants are there in the Business Park?

**Mr McCARTHY:** Mr John Coleman has joined us at the table, and I am sure he would be only too happy to reply.

**Mr COLEMAN:** John Coleman, Executive Director, Land Development Corporation. We have finalised sales of four lots in the Business Park in the past year. After 30 April 2010, we finalised one more, and we are currently under negotiation for another four.

**Ms PURICK:** How many tenants are there in the park? Perhaps related to question as to tenants, are there any outstanding rents from the tenants and, if so, how much is outstanding?

**Mr COLEMAN:** I must advise the member for Goyder there are no outstanding rents, but there is, apart from one which is a tenant that was no longer a tenant from two years ago.

**Ms PURICK:** Okay, just legacy?

**Mr COLEMAN:** Yes.

**Ms PURICK:** Okay. In regard to the Defence Support Hub, because it is listed in your area of responsibility, how many expressions of interest have been received to - I use the word 'occupy' - occupy the facility? In other words, business people or businesses. How many expressions of interest have been received to manage the facility since the previous time when there were none in 2008? Have there been (1) expressions of interest from businesses to relocate, and (2) businesses that will actually manage the complex?

**Mr COLEMAN:** Member for Goyder, we have changed tack. The Land Development Corporation is actually going to be managing the complex at this stage. Currently, we are negotiating with three clients. Some of those clients we have actually been approaching ourselves; we have been proactive. Also, it is important to note the Defence contract in relation to the tanks and ASLAVS was only announced by the federal minister on 18 May, and that is quite pivotal in terms of attracting clients into the Defence Hub.

**Ms PURICK:** Right, that is all, thank you.

**Mr CHAIRMAN:** That concludes consideration of Output 1.1. I understand it is now the will of the committee that we move into the Darwin Port Corporation and that we miss the Darwin Bus Service.

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The committee suspended.

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#### **DARWIN PORT CORPORATION**

**Mr CHAIRMAN:** I welcome the minister to the committee again, and ask you to introduce the officials with you, and if you have an opening statement to make.

**Mr McCARTHY:** Mr Chairman, I would like to introduce the Chief Executive Officer of the Darwin Port Corporation, Mr Robert Ritchie; General Manager for Port Development; Dr Michael Nesbit; and, Chief Financial Officer, Mrs Anne Coulter.

The Darwin Port Corporation continues the program of steady growth in bulk and cattle exports, and support to the offshore oil and gas sector. The Henderson government has continued its solid investment strategy in the East Arm Wharf expansion, with \$100m investment over a three year period in 2010-11. Demand for bulk export trade through the Port of Darwin is consistently growing. Each of the port's current customers will increase exports in 2010-11, with the total volume bulk commodities exports to increase by 20% to approximately 3.3 million tonnes.

Coupled with two federally-funded feasibility studies for all tides access, and a land-based study for infrastructure related to future vessels greater than Panamax, the corporation is well positioned to demonstrate to its customers that it understands future demands and is innovatively planning to meet them.

With land reclamation at East Arm under way, and plans for new infrastructure at both East Arm and City Wharfs, the corporation will be best positioned to meet its challenges in 2010-11, which includes improving the safety and efficiency of bulk handling infrastructure through dust control and management in line with its corporate objective in environmental responsiveness; development of a marine management and training centre, equipped with state-of-the-art technology to improve the efficiency and safety in the delivery of vessel traffic services within the Port of Darwin; seeking expressions of interest to establish a marine supply base at East Arm, with tendered studies to determine the anticipated increase in rig tender berth requirements at East Arm Wharf. This will respond to and support the growing number of rig tender vessels servicing the offshore oil and gas industry in the Timor Sea. Improving the service delivery methods and infrastructure management for community service obligations, to maximise government's return on investment and better meet community needs, and continue to manage the commercial pricing methodology to ensure the long-term, commercial viability of the corporation.

Total trade for 2010-11 is projected to exceed 4 million tonnes which is a substantial increase on

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previous years as new trades complete their export strategies, mainly the increases in iron ore and manganese or from the Northern Territory mines and copper concentrate from the Prominent Hill mine in South Australia.

In line with the increases in cargo volumes, the number of commercial shipping vessels is expected to increase to approximately 1935. This is due to the increase in large bulk ore vessels and the continued growth in the port's rig tender and marine supply vessel activity.

The Darwin Port Corporation is well positioned for another year of growth in 2010-11 with OM Manganese, Territory Resources and Oz Minerals continuing to export their commitments.

Mr Chairman, in conclusion, I look forward to any question the committee may have with regard to the Darwin Port Corporation's budget for the coming year.

**Mr CHAIRMAN:** Any questions?

**Mr GILES:** Mr Chairman, this is not put down in output groups on the port, but there are three areas but there is no output line item. So, if you want, I can do ...

**Mr CHAIRMAN:** There is one business line so all questions are okay.

**Mr GILES:** What I was going to say is that I have some questions on East Arm; some on Navigation and Pilotage; and some on City Wharves with just a couple of opening questions. If you like I will do East Arm and then I can hand over to the member for Nelson if you want to do wharves.

**Mr CHAIRMAN:** If your questions will fit in neatly like that then I am comfortable with that.

**Mr WOOD:** I have some general questions about the port itself and then I have some questions about some of the issues in relation to the running of the port.

**Mr GILES:** If there are only the two of us we may as well just go. It does not really matter. Thanks for the tour the other day too of the port.

**Mr RITCHIE:** Happy to do that.

**Mr GILES:** First question. The master plan that was released the other day: when was that sent to the printers in preparation for the rest of the meeting?

**Unknown:** When was it sent to the printers?

**Mr RITCHIE:** I do not know the exact date but I would think it was about a month prior to the release.

**Mr GILES:** Okay. Thanks.

**Mr RITCHIE:** I would need to check that date.

**Mr GILES:** No, that's fine. Minister, in Friday's media release you referred to it as 'a master plan' but in the corporation's website it is described as 'a master plan brochure'. Is this the actual master plan or is this a brochure of the master plan?

**Mr RITCHIE:** That is the master plan that has been released to the public. That is being distributed. There is another thicker document that is available upon request that goes into the detailed analysis behind that document, how we arrived at the land areas and how we arrived at the volumes of business that would go through the port out to 2030.



**Mr GILES:** Thanks, Dr Ritchie. Is that a public document?

**Mr RITCHIE:** No, it is available upon request.

**Mr GILES:** So I can apply for it. Okay. No worries. Thanks very much. How much did it cost to get that master plan developed? Or is the tendered amount in the final amount?

**Mr RITCHIE:** The consultancy for the port master plan and land use strategy was \$552 000.

**Mr GILES:** Did you say that was to land use strategy?

**Mr RITCHIE:** That was both the documents.

**Mr GILES:** For that one and the big one? What was the name of the company?

**Mr RITCHIE:** That was through GHD.

**Mr GILES:** Ah, that was GHD, that is right. Ok. No worries. When was the master plan finished or delivered to the Port Corporation?

**Mr RITCHIE:** There was an original draft delivered to the Port Corporation before the global financial downturn. When that happened we realised that we needed to revisit the master plan. There were substantial changes in regard to mining industries, particularly out of South Australia and the iron ore, so we revisited the master plan, and we had that document produced probably about four months before it was released.

**Mr GILES:** That is the only general question I have.

**Mr WOOD:** Minister, my question is about staff. Could I get a breakdown of, over the last three years, how many staff worked for the Darwin Port Corporation? Could I get a breakdown of their classifications over that time?

**Mr McCARTHY:** Certainly, member for Nelson. The number of full-time equivalent staff was 83 in June 2009; the number of full-time equivalent staff was 92 in April 2010. Staffing increases in the 2008-09 year were due to increases in the operation of workforce to support the growth in trade exports, including five additional cargo staff. Staff increases in the 2009-10 year include increases in the maritime services group to address fatigue and rostering issues, and include additional boat crew and a marine pilot. A number of positions are currently being filled by recruitment processes, including the additional marine pilot.

**Mr WOOD:** My question was if we can go back at least three years, and could we get a breakdown of the classifications? The public service classifications from AO1 - that sort of breakdown. I am willing to take that on notice.

**Mr McCARTHY:** Go back three years.

#### **Question on Notice No 6.4**

**Mr WOOD:** Over the last three years, could the minister tell us how many staff have been, and presently are, working for the Darwin Port Corporation? Could the minister also give us a breakdown of the classifications of those staff?

**Mr CHAIRMAN:** That is question No 6.4.

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**Question on Notice No 6.5**

**Mr WOOD:** Minister, how many people have taken stress leave in 2008-09 and 2009-10, and do you have reasons why they have taken stress leave?

**Mr McCARTHY:** Member for Nelson, details of human resource issues are not in my briefing notes.

**Mr WOOD:** You can put it on notice if you do not have them.

**Mr McCARTHY:** Yes.

**Mr WOOD:** So I save doing double questions, what is the turnover of staff in the corporation in 2008-09, 2009-10, if I add that to the question?

**Mr WOOD:** Minister, how many people have taken stress leave since 2008-09 and 2009-10, why have they taken that leave and what was the turnover of staff in the corporation in 2008-09 and 2009-10,

**Mr CHAIRMAN:** That is question No 6.5. Treat it as one.

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**Mr McCARTHY:** Member for Nelson, the CEO has some details on that question.

**Mr RITCHIE:** The rate of turnover of staff for the department in 2009 - staff turnover is 17%. There were 13 separation and two transfers.

**Mr WOOD:** We heard from the police commissioner yesterday about the number of police that have changed over, and it was a figure somewhere between 4% and 8%. Is there any reason why that figure, compared to the police force, is quite high at a 17% turnover?

**Mr RITCHIE:** We have port workers and we have a turnover there. It is very much based on the award rates being paid at the port, and in other industries, and it is quite a mobile workforce at that level.

**Mr WOOD:** How much money is spent on travel in 2008-09 and 2009-10? Where was that travel to, the reason for the travel, and can I get a list of those people who travelled on those trips?

**Mr McCARTHY:** Travel expenses for 2009-10 to 18 May 2010 totalled \$277 000, domestic travel expenses \$171 000, international travel expenses \$106 000. Detailed information on travel in attachment B, which outlines the purpose of the journey, the passenger travelling, the accommodation cost, the travel cost, other costs, and the dates travelled.

**Mr TOLLNER:** Are you able to table that, minister?

**Mr WOOD:** Is it possible to get the 2008-09 so we have a comparison, please?

**Mr McCARTHY:** I do not have the 2008-09 figures in my briefing folder.

**Mr WOOD:** If I put that in the question is that okay? You can table one if you want.

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**Question on Notice No 6.6**

**Mr CHAIRMAN:** So, you are tabling that and then going to get the rest on notice?

**Mr WOOD:** I will shorten it slightly. How much money was spent on travel in 2008-09 - because you have 2009-10 - where was that travel to, the reason for the travel, and a list of who travelled on those trips?

**Mr McCARTHY:** In 2008-09, the total under those headings was \$95 955 and the year to date 2009-10 as stated was \$277 000.

**Mr CHAIRMAN:** The question number was 6.6.

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**Mr WOOD:** You have the information up to now this year. You can table that but, to make it clear, we would like that information for the previous year.

**Mr CHAIRMAN:** 2008-08?

**Mr WOOD:** Yes, okay

**Mr CHAIRMAN:** Does that conclude the question there, Gerry?

**Mr WOOD:** No, I have a few more. I have a bit of time. I went away so I would not be tempted to ask any questions.

**Mr CHAIRMAN:** You are currently square, Gerry.

**Mr WOOD:** I will go back to the member for Braitling ...

**Mr GILES:** Just a couple.

**Mr WOOD:** No, you are all right.

**Mr GILES:** You asked some of my questions, too, it saves us doubling up. Minister, in this year's budget, you have works on the conveyor belt they announced a couple of years ago I will just find it here so I get the amount: '\$33 771 to construct overland conveyor to improve bulk ship loading operation and environmental and traffic safety'. It is not in here to be done this year, so I can assume it not going to be done this year? It does not have a schedule in here to be undertaken.

**Mr McCARTHY:** In that project, we are talking about the master plan. As the CEO highlighted, we are talking about planning for the customers. It is about – and, on your third visit there, you would have a good understanding that logistics have changed. What the Darwin Port Corporation is doing, in the master plan process, is now in the business simply of attracting customers and demonstrating our planning and our preparation for those customers. The actual construction date of the new overland conveyor relates specifically to the markets and the business that we will attract.

**Mr GILES:** You do not have to sell the port to me. I am impressed by the port and the port does a good thing. I just want to know how you can put it in here as an infrastructure item, but have no intent to build it this year, but you include it in your biggest-ever infrastructure budget? But you do not actually have any plans of building it this year. I do not understand that.

**Mr McCARTHY:** Well, I will hand over to Robert Ritchie to explain this further.

**Mr RITCHIE:** That was budgeted. We commenced design on the conveyor, and that was for manganese product and for iron ore to stockpile up to the ship loader. At the start of that design, we worked with the Department of Construction and Infrastructure on the design. We then had Minemakers surface as another potential customer for the port. The design of the conveyor to take phosphate is entirely different to what would take just manganese and the iron ore. So, we have gone back to the design stage on that. At this point, we still do not know exactly the properties from Minemakers of what their product will be that they will ultimately be exporting. With that process with the department of Construction, we have looked at alternate technologies.

We have moved from a partly opened conveyor to a fully enclosed conveyor, so there will be zero dust emissions in the movement of that cargo. That then required us to look at whether it would be a conventional type of conveyor that was fully enclosed, or we looked at new technology, which was a pipe conveyor. That pipe conveyor technology is not built in Australia at this point in time. The major engineering firms came here, it is a German design. Those alternatives have been viewed, and there is a report that has just been finalised, and a suggestion on how we should move forward.

**Mr GILES:** I appreciate all of those things.

**Mr RITCHIE:** The port was concerned that if it did rush in on a conveyor, it would develop a conveyor that did not meet all of the product needs or the environmental needs.

**Mr GILES:** I appreciate that, and I understand what you have said about the conveyors, you explained it well to me the other day. But my question really is, if you have this record infrastructure budget, you should not really include the \$33.771m in the budget if you have no intention of spending it this year, would that be fair to say?

**Mr McCARTHY:** No, I think it is on our pad and, as the CEO outlined, we plan to spend it. It is how to spend it the best way possible to not only service markets, but encourage markets.

**Mr GILES:** But will it be spent this year?

**Mr RITCHIE:** I cannot answer that in terms of the specific chronology, but it is part of the 2010 budget.

**Mr GILES:** Can I ask a different question then? Where is the money in the Port Corporation, because I cannot see it anywhere? I cannot see it anywhere in any of the budgetary books. I have gone right through the whole budget reports, all papers, I cannot find it anywhere.

**Mr RITCHIE:** Can I refer to Anne Coulter, our CFO?

**Mr GILES:** Yes.

**Ms COULTER:** I think your question is: why is it listed here if we are not intending to spend the full \$33m?

**Mr GILES:** Yes.

**Ms COULTER:** You see, in the last year's budget paper, it will be listed as an approved capital works program for \$35m. This figure here is simply a revoked figure, so any capital works that is not completed within the financial year gets reported, and you see that it is revoked from 2009-10, so the program for the capital works is actually approved in 2008-09, but, obviously, it is going to span over a number of years, and you will see it repeated each year where we have got remaining budget that is carried forward, it will be repeated again. So, yes, the actual budget for capital works, we are not

showing that we are going to spend \$33m. I hope that clarifies that.

**Mr GILES:** I appreciate what you are saying, and I think you understand what I am asking. This is probably more of a question to the minister. But really, you could say, we are going to seal the Outback Highway for \$1.5bn and call it a record budget, then just never do it and call it a record budget every year. But could you tell me where the money is in the budget? Where is the money, the \$33.771m?

**Ms COULTER:** Where is it?

**Mr GILES:** Yes.

**Ms COULTER:** If you go to page 269, it is a cash flow statement, and if you look down to the middle of the page where it says Purchase of Assets, you see a \$28m figure there. That is our total cash expenditure on capital for 2010-11. The \$33m is part of that figure.

**Mr GILES:** Well \$28m would be part of the \$33m, is it?

**Ms COULTER:** Yes.

**Mr GILES:** Or part of the \$33m is in that \$28m?

**Ms COULTER:** Part of the \$33m is in the \$28m. So \$28m is comprising of other capital works projects.

**Mr GILES:** So you plan on spending part of that \$33m this year?

**Ms COULTER:** Yes.

**Mr GILES:** Which part? How much?

**Ms COULTER:** It is \$5m that we have budgeted.

**Mr GILES:** What is the \$5m going to be on?

**Dr RITCHIE:** That will be working on the design of the conveyor, so it will be the design of it.

**Mr GILES:** Thank you, Mr Ritchie. So you are spending \$5m designing the conveyor belt?

**Mr RITCHIE:** Well, the process through the department, we will work with the Department of Construction and Infrastructure on selecting the conveyor and the design of the conveyor, and then the building of the conveyor, and where that cash flow falls due, we will pay that.

**Mr GILES:** So what is the rough, and I mean rough in bald figures, the rough cost of this conveyor, because, if you had \$33m, now it is down to \$28m, if you take \$5m out of that, \$28m in change, so what would be a rough cost of the conveyor belt that we are talking about? I thought the conveyor belt was going to cost \$35m.

**Mr RITCHIE:** That was the original budget, yes.

**Mr GILES:** So you are designing it now for \$5m, how much do you think the conveyor belt will cost? One that will service Minemakers and whatever?

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**Mr RITCHIE:** I do not have an update at this point in time.

**Mr GILES:** \$100m?

**Mr RITCHIE:** I could not estimate.

**Mr GILES:** Do you think it will be more than the balance of the \$28m that should be there?

**Mr RITCHIE:** It will probably be more than that, yes.

**Mr GILES:** Does that mean you have to go back to the government and ask for more money?

**Mr RITCHIE:** If it comes higher than that, yes.

**Mr GILES:** Have you had any indication that government will be willing to support that proposal?

**Mr RITCHIE:** At this point in time we have been working on the design. We are selecting the optimal design. We will then have that cost and, at that point, when we have a clear path forward on that, we will go back to government on that.

**Mr McCARTHY:** Member for Braitling, that is where I come in and our objective is to grow business for this port and so it is a simple supply and demand equation and I have to then go back and do my work and lobby government to prove that this is a worthwhile investment that the design phase has got it right and these are our perspective markets. So it is a process of visioning, it is a process of future planning and it is a process of attracting investments that will deliver returns for government.

**Mr GILES:** I understand that but I am just trying to understand how you say 'We are going to build a \$33m conveyor belt, \$33 771 conveyor belt,' and then I have just found out that, hang on a minute, it is not \$33 771 You are spending \$5m to identify a model for a conveyor belt and you have just said that you will lobby, which I appreciate and understand. So Mr Ritchie and the port corporation will then go to you saying, 'Here is our model that we have paid \$5m for,' and then you will have to go to cabinet. I am assuming that you will not be able to get cabinet approval for whatever that cost may be, whether it is \$50m or \$100m or whatever, so then it will have to go in to next year's budget, I would assume.

**Mr McCARTHY:** When I took on this role, we are talking a generic figure there for an overland conveyor system. However, times have changed, markets have changed and there are more prospective customers out there. I think Mine Makers is a good example of that. So, when we are talking design, we are trying to capture all of those opportunities in terms of a system. The process is what I described and we have a budget figure to conduct the work and if we need more, then we will need to go and determine that.

**Mr GILES:** I understand that and I understand the work that is going in to design the conveyor belt, closing it in a tunnel pipe, conveyor belts I get all that. I understand that you are trying to work with Mine Makers to get them to do the work and attracting customers. It sounds all sensible and reasonable, but it seems to be a bit of a gap in the middle between the plan about this conveyor belt in terms of – it was announced a couple of years ago, still in the design, well it is not even in the design phase yet. You are looking at spending \$5m for design and there are no plans when that will be done.

I will go back to my original question and that was: where is the money to pay for the conveyor belt?

**Mr RITCHIE:** In the term of this government the port has been allocated an amount of \$40m. That has not been allocated so if you go back through the budget papers, you will see this \$40m unallocated. We would be requesting the minister that some of that money is utilised for the conveyor belt.

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**Mr GILES:** Just so I can understand, there is \$40m unallocated, not in the port, in Treasury somewhere?

**Mr RITCHIE:** A borrowing capacity has been allocated to port to borrow that from Treasury, yes.

**Mr GILES:** So it is not on your books yet?

**Mr RITCHIE:** No, we have not got the cash in hand, no.

**Mr GILES:** Minister, has there been any other consideration or investigations for another port in the Darwin region?

**Mr McCARTHY:** Member for Braitling, no, however it is a subject, after doing some research on other ports, I have raised with government at a conversational level. I have learnt so far in the portfolio that we are on a winner; we are going to be a preferred launch point for bulk commodities, and I have discussed, on a conversational level, to grow this business we could possibly be looking at another site specifically for bulk commodities, as I learnt in other jurisdictions.

**Mr GILES:** I thought that was the case. Has government done any studies about suitable locations or possible alternatives for sites for additional ports?

**Mr McCARTHY:** No formal studies yet, no.

**Mr GILES:** What sort of informal studies have been done?

**Mr McCARTHY:** This is captured in the work being done around the 15-year land use strategy.

**Mr GILES:** We will get to the land use strategy in the infrastructure component in an hour or so, would that be about right?

**Mr McCARTHY:** The land use strategy would sit under Lands and Planning, and is a big piece of work being done at the moment.

**Mr GILES:** The port is increasing debt by \$20m this year, is that right? On page 268 of the balance sheet?

**Ms COULTER:** Yes.

**Mr GILES:** How are you increasing assets by \$20m at the same time?

**Ms COULTER:** It is in the \$28m.

**Mr GILES:** I am trying to get an understanding of where this money is. It says here, negative \$20.635m. It is probably more of a question for Richard.

**Mr McCARTHY:** Direct them through me, member for Braitling.

**Mr GILES:** You have an opening balance of \$20.63m moved to \$19.62m negative, but your property, plant and equipment is increasing in its asset value. Is that appreciation?

**Ms COULTER:** Can you clarify which figures you are looking at?

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**Mr GILES:** How is the asset value moving up between \$260m and \$237m in the budget paper?

**Ms COULTER:** Well, the \$28m is going to be capitalised as a work in progress, and that is classified as property, plant and equipment.

**Mr GILES:** You have not got it. You said you would have \$5m this year to pay for the study, and the minister is going to lobby on behalf of the port to get the rest of the money later on, depending on how much you need, because you do not even know if you need the \$28m.

**Mr McCARTHY:** Member for Braintree, you made the scenario it would be more than \$35m.

**Mr GILES:** Yes, but even if it is not.

**Mr McCARTHY:** We are talking about the budget appropriation on the books now.

**Mr GILES:** The \$28.771m?

**Mr McCARTHY:** Right.

**Mr GILES:** Where does it say \$28.771m? Can you please direct me to where it is increasing by \$28.771m?

**Ms COULTER:** I do not know where \$28.771m is.

**Mr GILES:** I will explain. You have \$33.771m in the infrastructure budget announced in Budget Paper 4 on page 46. You said \$5m is going to be utilised to develop a conveyor belt planning system. Presumably that \$5m is going to come from Treasury this year?

**Ms COULTER:** Yes.

**Mr GILES:** The balance of \$33.771m, when you minus \$5m, is \$28.771m.

**Ms COULTER:** That is going to spend in the outer years. If you are simply looking at the increase in the asset value between 2009-2010 and 2010-2011, which is what your earlier question was, that is simply going to be the \$28m in capital, or purchase of assets - that is going to be classified as property, plant and equipment.

**Mr GILES:** What are you purchasing for \$28m?

**Ms COULTER:** I have a breakdown if you would me like to table it. Overlaying conveyor \$5m, eastern reclaimed area.

**Mr GILES:** Sorry, before you go on, can we go a bit slower for my benefit. Overland conveyor, \$5m. That is the research into the type of conveyor, is it?

**Mr RITCHIE:** It is a progressive payment. We estimate \$5m will be outgoings this year in the process, which will be design and moving forward on the development of it.

**Mr GILES:** Mr Ritchie, I am getting pretty confused.

**Mr McCARTHY:** Member for Braintree, if we can go through this list ...

**Mr GILES:** Yes, okay. I understand ...



**Mr McCARTHY:** We will go through it slowly. This will outline the expenditure, yes. So, if we can go through this list.

**Mr RITCHIE:** The capital projects for this year will be in cash outgoings: the overland conveyor, \$5m; the eastern reclaimed area, which is reclamation of land, \$6m; Pond F reclamation, \$11m; rehabilitation at Hornibrook's Wharf, \$1.3m; a new pilot vessel for the port, \$650 000; a port management system which is an IT system, \$1.3m; a pontoon for the pilot vessel to moor alongside which will have a dual use for passengers for cruise ships anchored in the harbour, \$700 000; modifications or upgrades, enhancement to the ship loader and gallery of the conveyor, \$1m; upgrade to the East Arm Wharf water supply, which is to allow greater volumes of water to be put on vessels, \$500 000; and then, we have the minor new works which is a whole group of maintenance-type areas or small capital projects, \$1.198m. That totals \$28.648m, so there is a range of areas there.

**Mr GILES:** Thanks, Mr Ritchie. Those things you have there are probably about 60% different than what is in the budget. Some things are exactly the same, some things are different - unless I have misheard you. Would you be able to table that document so I am able to read that document?

**Mr RITCHIE:** Yes, we will table that.

**Mr GILES:** Thanks very much. I may come back to that after I pass it over to the member for Nelson in a second. But, just for clarification, if I may? You are borrowing money this year to pay for that works? How much are you borrowing?

**Ms COULTER:** \$22m.

**Mr GILES:** And who do you borrow that from?

**Ms COULTER:** Treasury Corp.

**Mr GILES:** Then, your plan is to go back to Treasury Corp and dig into the \$40m that you mentioned before for the conveyor belt?

**Mr RITCHIE:** It would be for the amount in excess of the original allocated amount. The \$35m was the allocated amount. If it is over that, then we would take it out of that \$40m that is unallocated. But, there is capacity to borrow for the conveyor. I think it is \$35m there already, so we would eat into the \$40m for any additional borrowings.

**Mr GILES:** If the conveyor belt cost anything over \$35m, but was less than \$40m, you could borrow that from Treasury? That is right?

**Mr RITCHIE:** Under the existing allocation, yes.

**Mr GILES:** That would mean the \$35m that was originally set aside, you would have in the bank?

**Ms COULTER:** No.

**Mr GILES:** No. Where would that be?

**Mr McCARTHY:** No. That is the bottom line we have to start off. That is not in the bank, this is a Treasury process, and these questions should be directed to the Treasurer.

**Mr GILES:** I could question that, but I will not. That means you then have to go and borrow the \$35m from the Treasury, and up to \$40m on top of that? Is that right?

**Mr RITCHIE:** Yes, that is correct.

**Mr GILES:** We have potentially got to the point where we have \$75m conveyor belt?

**Mr McCARTHY:** Potential is the word, member for Braiting. An allocation is the other concept.

**Mr GILES:** All right. But, we still have no chance of getting it done this year?

**Mr McCARTHY:** I did not say that. We are working on it, and design and development is an integral part of it. The story you would understand after your third visit to the port, about making sure we get it right for the future, is the bottom line.

**Mr GILES:** All right. So, most of the work that is being done this year is coming from debt, borrowed money, debt, okay. I will hand over the member for Nelson for a while.

**Mr WOOD:** Minister, I was just trying to get an explanation, if it is possible, for changes that have occurred between how the port operates in relation to the pilotage and the Harbourmaster. I gather we had a chief pilot, and he has not got that position now. What are the changes that have occurred in the last two years in relation to how we manage the income and outcome of ships in the harbour?

**Mr RITCHIE:** When we looked at the port, we looked at the management of the harbour. I realised there were some areas that appeared to have not, we did not meet international benchmarks or other Australian benchmarks. What we did is, we employed a consultancy firm to come in, an independent consultancy firm, which is the Consultancy Bureau in Brisbane, and they had assisting them the Brisbane Marine Pilots. They reviewed the management of the harbour, and of the pilotage, and they benchmarked Darwin and the existing systems against Australian ports and international ports, and wrote a report on what we needed to do.

Out of that, one of the recommendations was that we move forward, throw open the existing senior jobs in that department, look for new key skills to move it forward with experience, establish what is known as a VCS, a Vessel Control System. We look at having - Darwin had no technology at all in relation to the port and management of the harbour. We looked at putting in, it recommended radar, it recommended AIS systems, which is Australian Identification Systems, onboard vessels, so we could track that. It also looked at the fatigue. There were no fatigue management systems. There was no management of fatigue in the port, particularly of the pilots. It looked at the rostering and the numbers of staff that we needed based on the number of vessels that would transit Darwin and, from that, we have restructured to get the fatigue management we needed in that division to go from 18 to 25 staff in one go to make sure we could operate 24 hours a day without having major fatigue issues which develop high risk for the port.

That is basically a background of what we did, and out of that, there were some changes in responsibilities of staff. No staff, they may have had responsibility changes, there were no retrenchments and there was no loss of conditions.

**Mr WOOD:** When you say that you compared yourself to other ports, was there some consideration given that Darwin is a fairly small port, it is not, I would not compare it with Melbourne or Brisbane or Sydney, so when they were doing their study of the port, did they take into consideration, for instance, what is the total number of ships per year that require a pilot, so were there considerations taken in, or was it just they decided to compare apples with apples, or did they say, look, there will be some adjustments because we are a small port.

**Mr RITCHIE:** The systems just vary in size. In pilots, the number of pilots is directly related to the number of vessels, and as an example, Brisbane has around 32 to 35 pilots. They were not coming back on that. What they were doing was benchmarking, did we have a system to manage pilot fatigue, yes or no. Did we have the technology to see what was happening in the harbour, yes or no.

So there were those benchmarks. When it came to, particularly the pilots, I know that we benchmarked against ports like Geraldton, and similar size ports, and also similar diversity of ports. It did not look at the large ports, it looked at the more similar ports to Darwin. And there is a fairly clear ratio when you put a good fatigue management system for the number of vessels that call at a port. You could understand the fatigue and the number of pilots you need. So that was looked at.

**Mr WOOD:** In relation to the technology, is it true that you are looking at a control power for the port?

**Dr RITCHIE:** Not in the sense that the other ports have, like Sydney with a very large control tower or Melbourne. What we would envisage, and at this stage it is in a conceptual area, is that the current cruise terminal, a second floor be put on that which is where the peak of the existing roof line is and an office there, or at the control tower, or the staff that would normally sit in a control tower, will give visibility through the entrance out past the naval base, right through to where ConocoPhillips, down to the new INPEX site down to East Arm. So, we would look at developing a marine control centre there on that port land which would give good visibility and the technology would be relayed into there.

**Mr WOOD:** Again, considering the number of ships that come into our port, and I gather ships have also got systems which they can basically load in their course out of the harbour and into the harbour, they can be pre-set with computer programs. You can set a course for a ship and it will follow that into the harbour. Is that correct?

**Mr RITCHIE:** Look, yes that is correct, but vessels coming into Darwin port, unless they have an exempt master, require a pilot to be on board.

**Mr WOOD:** I suppose, what I am saying is, is it a bit premature to be looking at a control tower? I can imagine one for Darwin airport where the planes come in much faster than ships and there are many of them at one time but Darwin harbour is a big piece of water and I do not know whether there has been any record of two ships running into one another. That would be the only reason you would be putting in a control tower, you presume that there is a need for it from a safety point of view. Trying to keep things in perspective because these things all cost money, it is not a big harbour in the sense of movement of big ships, so what sort of statistics or on what sort of basis did you think that we needed a control tower?

**Mr RITCHIE:** I think the figures show, let me just check that, we provided piloted vessels this year, up to date, about 1 400 vessels have had pilots but we estimate the number of vessels that are transited in and out of Darwin is around 5 000 vessels. So, we are actually putting a control centre in to control 5 000 vessels in and out of Darwin harbour.

It is controlling the fishing vessels. It is ensuring that we can see other vessels; fishing vessels, that may impact, or go into the channel where the main ships are. One of the key things for us is, with the INPEX project and the growth of LNG, we need to have a very safe harbour and the only way to do that is to bring in technology and understand what is happening in the harbour. We need that technology. We have had a recent case where vessels enter and exit Darwin harbour unknown to the port because the technology is not up to standard. Hence, that is why we are putting in new technology.

**Mr WOOD:** The vessels you are talking about are not little tinnies running around the harbour. They are not the issue. It is a reasonable size vessel. It would have radar?

**Mr RITCHIE:** The issue is that we, as the regulator, or the controller of Darwin harbour, need to exercise a duty of care and make sure that there is safety in Darwin harbour. We cannot rely on other vessels just staying within the channel. We have a duty of care to ensure that it is safe for everyone in Darwin, particularly with LNG coming. We take that very seriously and we need that technology.

**Mr GILES:** Minister, or Dr Ritchie, in last year's federal budget the federal government committed \$50m for the port through Infrastructure Australia. I know that you applied for, off the top of my head, between \$293-\$350m. I cannot remember the exact figure. You got allocated \$50m. I cannot see that

money in the budget either. Where is that money in the budget and what has that been used on?

**Mr McCARTHY:** All up we are talking \$150m, and that is the Northern Territory government's component as well. I will hand over to Mr Ritchie, the CEO, to talk about the Infrastructure Australia submission, and where those funds sit.

**Mr RITCHIE:** In November 2008, we made an initial submission to Infrastructure Australia covering all the Territory's infrastructure projects, met the requirements, and that included, in the second round submission to Infrastructure Australia, a proposal for \$290m to \$360m was made for upgrade to East Arm port facilities. The variation between the \$290m and the \$360m was in relation to the capability we wanted to develop in Darwin, where the \$290m allowed for what is called a Panamax vessel to come alongside, which is the largest vessel that can go through the Panama Canal.

The \$360m, was in relation to cape size vessels, which are substantially larger.

**Mr GILES:** Are they the flat-bottomed ones, or the deep dish ones?

**Mr RITCHIE:** They are all pretty flat bottomed. The difference is ...

**Mr GILES:** One question and you can keep going. Which one requires the most dredging in Darwin Harbour?

**Mr RITCHIE:** The cape size. The handing down of the federal budget announced a contribution of \$50m would be made to the Darwin port for a rail interchange facility, and a further \$10m for the development of that facility was also to be provided by the Darwin Port Corporation.

Infrastructure Australia has constantly stated the NT submission of a \$50m grant is not seem a part of the nation building program, and therefore does not have to comply with all aspects of that process. Since that time, Northern Territory government officials have met with Infrastructure Australia to answer a whole range of questions. The latest update is in January 2010, a further set of new queries was issued by Infrastructure Australia. These have been addressed with a final response forwarded to Infrastructure Australia on 10 May 2010. We are now waiting advice from Infrastructure Australia.

**Mr GILES:** The federal government announced \$50m in last year's budget. As I understand it, they recognised the strategic importance of the expansion of Darwin port for North Australia had made the final list of 28. They announced \$50m, they said Darwin Port Corporation is going to put \$10m on top, but you do not have any money in the bank so it would be hard anyway. They have not given you the money, so now that you have answered those questions, what is the next step?

**Mr RITCHIE:** We are waiting for a response from Infrastructure Australia on our last submission.

**Mr GILES:** It sounds like the feds probably should not have announced the money in the budget if they have not given it to you. They said they were going to give it to you, and then they do not give it to you.

Was that \$60m supposed to be for the development of the additional rail spur?

**Mr RITCHIE:** In the infrastructure submission we called it a rail balloon loop with a bottom railed up facility. When we go into that design process, we will look at the optimum design. It may be a rail spur, but we put it in as a balloon loop.

**Mr GILES:** Minister you said \$150m, how does that fit?

**Mr McCARTHY:** We have committed - and once again, it is committed, it is not in the bank - we have committed \$100m to the overall port development. When we talk figures - and I know you are not

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happy because I do not have a balance sheet to show you the bank account, but we are talking \$150m investment in the port.

**Mr GILES:** I need to break that down. That is the \$50m the feds originally said?

**Mr McCARTHY:** Yes.

**Mr GILES:** Does that include the \$10m the port corporation has to put in?

**Mr McCARTHY:** I am talking generic figures here.

**Mr GILES:** No, no, no, I appreciate that. I just wanted know if you have new money or old money, or does that include the \$35m plus the borrowing \$40m, plus the other \$20m that we are borrowing, plus the \$10m, plus the \$50m?

**Mr RITCHIE:** It covers the money for the conveyor. It covers the reclamation of Pond F, which is the area behind the bulk loader. It covers the reclamation of eastern reclaimed area. It covers those three areas and the blue loop.

**Mr GILES:** Okay. Just to ensure I have this. Up to \$40m can be borrowed from the Treasury; you have \$35m for the original conveyor; you have \$50m from the feds; you have \$10m that you have got throw in yourselves - which equals \$135m, plus you are borrowing \$20m this year, which is \$155m, and it is \$150m equipment. I get it. I have that. Right. Can you tell me if there was ...

**Mr McCARTHY:** Member for Braitling, can you tell me whether you think it is a good idea.

**Mr GILES:** Expanding the port? Absolutely.

**Mr McCARTHY:** Great! That is good. Thanks. We agree on that.

**Mr GILES:** No, no, I just have to make sure we know where the money is. The \$150m - is it a play on figures, or play on words, or is it real extra money? That is what I want to know. I have no problem expanding the port. It is fantastic chasing Minemakers, fantastic putting longer port access, more pilotage - all these things are great. But, I just want to know is that \$150m is a play on words because, when I go through the figures - and it sounded all a bit confusing before, I thought everything was solid. Then, I find the \$35m is not there, you have to get it off government; you have already spent a bit of it; you have to borrow another \$40m; you borrowed \$20m this year; you now need to borrow another \$10m; the feds have not put the money in. Which all comes to more than \$150m that you are talking about - there is \$150m planned. It does not sound right. That is what I wanted to know.

**Mr McCARTHY:** Member for Braitling, if you consider the Treasury and a working organisation; that is how the business is done. As I said, I do not have an ANZ bank statement to show you that balance, but that is how the business is done. What we are talking about is all about future projections. It is about us demonstrating we have the business. It is how you do business. It is a very challenging way to do business but, I tell you what, there is plenty of excitement in it as well.

**Mr GILES:** Minister, this is not a dig at you. I just want to understand how it all works. It is with the Treasury. I am happy to stick on it because I understand that this Territory government is in so much debt already and, if we start adding these other figures into that debt, all of a sudden, we get into more hundreds of millions of dollars. However, I will move on because I have other important areas.

Mr Ritchie, can you tell me if there was inclusion of mooring basins in the East Arm master plan and, if not, why not?

**Mr RITCHIE:** A mooring basin similar to Frances Bay or ...

**Mr GILES:** No, East Arm.

**Mr RITCHIE:** Yes. Sorry, something similar to Frances Bay mooring? At this point, the East Arm Wharf is a commercial wharf. It is designed and, under the master plan, we see that out to 2030 and beyond that, as a commercial activity. As a port - and once again, going back to our risk management in the port - we would be cautious about putting pleasure craft, super yachts, and fishing trawlers down there close to where the large ships are coming in and out.

There are others parts the Northern Territory government is looking at, and there is the Frances Bay strategic plan for that area, that talks about - and that is a public document where there has been consultation - expanding the Frances Bay mooring basin by 50%. We would see that area being expanded before we looked at putting any pleasure craft out at East Arm.

**Mr GILES:** Okay, thank you. You just mentioned Frances Bay. I was going to go navigation pilotage; I just have a quick question there. What is the status of the Frances Bay master plan? You may have just answered it.

**Mr RITCHIE:** That is not our area.

**Mr GILES:** Where is that one at the moment?

**Mr McCARTHY:** That is with Lands and Planning.

**Mr GILES:** What will be delivered under the \$20m equipment for funding for Stokes Hill Wharf?

**Mr RITCHIE:** Yes. The \$20m-odd Stokes Hill Wharf is a project under the control of the Darwin Waterfront Corporation. Can I say, the Darwin Port Corporation at Stokes Hills Wharf is currently spending \$1.5m on the facility in relation to refurbishment of toilets, repainting of all the eatery, repainting of the old terminal building, and improving the fencing there. We have repairs completed on refurbishment of the pontoons for the harbour tours, that is completed, and also, we have completed refurbishing of the small boat landing. So we have spent substantial money there on maintenance. But for the \$20m you asked about, I would like to hand over to Terry O'Neill from the Waterfront Corporation, who can give an update on that.

**Mr O'NEILL:** I am actually representing the Department of Construction and Infrastructure, so I really need to manage the upgrading of the wharf, not the Darwin Waterfront Corporation.

**Mr RITCHIE:** Would you like to repeat the question?

**Mr GILES:** Yes. Mr Ritchie just asked if you could answer about the \$20m equivalent to the funding of Stokes Hill Wharf.

**Mr O'NEILL:** Yes, there is an amount of \$20.5m in Budget Paper No 4, on page 40, which allows for a refurbishment of the structural aspects of the wharf, which need considerable structural upgrading, both in terms of the structural steel work, and protection and repairs, and also areas of concrete deck on the wharf itself.

**Mr GILES:** Are all the Stokes Hill Wharf upgrades investments, are they borrowings as well, between (inaudible) borrowings?

**Mr O'NEILL:** You would have to ask Darwin Port Corporation that. Our remit is simply to use that money to have the works undertaken.

**Mr WOOD:** Member for Brainting, can I ask just a little question?

**Mr GILES:** Yes, jump in any time.

**Mr WOOD:** When these repairs are finished, can the public bus service go down to the wharf and turn around?

**Mr O'NEILL:** Yes, indeed they will be able to.

**Mr WOOD:** So they will not have to stop at the convention centre?

**Mr O'NEILL:** No, the load limits that apply at presently will be lifted, and what the criteria for loading will be to be able to take a coach out there, and also be able to enable emergency vehicles, like a fire truck to use it.

**Mr WOOD:** Yes, that is good news.

**Mr GILES:** This is a question for Mr Ritchie, or the minister. What is the asset value of Stokes Hill Wharf, the depreciated asset value of Stokes Hill Wharf?

**Mr RITCHIE:** We would have to take the question on notice, we do not have that here.

**Mr GILES:** It might be in the annual report. I just have not read it.

**Mr RITCHIE:** Yes.

**Mr GILES:** I might have to check it, okay. I am happy to put that on notice.

**Mr CHAIRMAN:** If you could just repeat the question.

#### **Question on Notice No 6.7**

**Mr GILES:** What is the depreciated asset value of Stokes Hill Wharf?

**Mr CHAIRMAN:** And that is question No 6.7.

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**Mr GILES:** On that Navigational and Pilotage, I will do a couple of questions in one, minister.

Can you please advise if pilotage activities are undertaken on a commercial basis and, if so, what profit and loss is generated from this area, and just to throw one in, what are some of the key expenses?

**Mr RITCHIE:** Currently in the budget processes budget for next year, the Pilotage and Navigation shows a loss of \$1m. We did the Port pricing recently, looked at Port pricing. The Pilotage and Navigation. we believe, is at a level that can be charged. We are cautious in charging high costs. and allocation of costs to vessels. When we do that, we want to ensure that the total cost of calling Darwin equates to the values of the cargo that is taken off the vessels so we go into a commercial basis of establishing it and then we will look at what the line or, in a broad base, what can be borne in Darwin. It is also the apportionment of the total port costs against that, as well. What we do not want to do is, to give you an example, if we put that pilotage on to the other vessels on a basis we might see some of the vessels say Darwin is too high a cost. So we do not want to do that.

**Mr GILES:** Are we a high cost port based on the fixed cost component within our charges? Does that

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question make sense? Do we have a lot of fixed costs thrown into our charges, whereas if we were able to reduce some of those prices, we would be more competitive?

**Mr RITCHIE:** Certainly, if we had greater utilisation we could lower the cost, yes. But we have to provide a pilot boat and as a service we are looking at a second one. We need to have that to cater for the shipping that we have. If we had a substantial increase in the number of vessels that fixed cost we would need a third vessel. We would be able to manage.

**Mr GILES:** If we are breaking at 7 pm. We can break a few minutes earlier or I could throw in a few more questions.

**Mr CHAIRMAN:** No, Gerry actually has a question. Gerry, now is the right time to ask.

**Mr WOOD:** Question on the roll on roll off wharf. Minister, what is the situation in regards to that roll on roll off wharf? Is it going to be maintained? Will it be suitable for army requirements or defence requirements and what is the future of the roll on roll off wharf?

**Mr RITCHIE:** The roll on roll off wharf has had, we have seen, accelerated corrosion in it. The pontoon itself has a life but the ramp to it is beyond useful life. The cost to repair that is too high so we have closed that facility. We will soon be going to tender to remove that from Darwin. We want to have that removed before the next wet season. We deem it possibly a risk in the harbour if there was a cyclone.

We have reached agreement with defence for an alternate facility. Defence has a new capability requirement moving forward so they will be replacing or we will be replacing the ro-ro with what we would call a barge ramp at East Arm. That barge ramp will be utilised by defence on a priority basis but will be available for commercial business as well. We are in principal agreement with defence on that development and we are currently working through a deed of agreement with them.

**Mr WOOD:** Is that in your budget and how much will it cost?

**Mr RITCHIE:** No, that is not in our budget. That in the agreement will be 100% funded by the defence department. There will be no cost to us in that development. Sorry, I will correct that. We will provide the land for that and we will manage it and we will derive income from it. There are some commercial negotiations that we have reached on the early termination of the ro-ro pontoon. Those will be offset by us managing the design and build of the barge ramp for defence.

**Mr WOOD:** Thank you.

**Mr CHAIRMAN:** Member for Fong Lim, you had one question.

**Mr TOLLNER:** Yes, I have a question. Minister, for a number of years some unions in Australia have been pushing for employees of foreign ships that operate in Australia be paid the same wages as Australian employees. I understand that is now a part of law. Can you explain how that will impact on the Northern Territory's economy? Will there be any increase in shipping prices because foreign ships are now paying their foreign employees Australian wages?

**Mr McCARTHY:** That is a good question, member for Fong Lim. I have not delved into that level of detail with the issue. However, I have delved into the welfare and support services we provide through the Darwin Port Corporation. As a person in industry, I think Robert would be probably more qualified to comment on that. Robert would you like to comment on that?

**Mr TOLLNER:** Maybe I can add more. Some of the scuttlebutt I have heard is this will hurt in relation to the price of a carton of beer. It is going to add \$5 to a carton of beer. The suggestion was that containers had come up from Queensland with the beer, and it had gone from 23 - these are the figures I have been quoted - gone from \$2300 to \$2900, which when you boil it all down, comes to



about a \$5 price increase per carton of beer.

The world does not start and end with the price of a carton of beer; however is that a fair assessment of the way prices will increase because of the impacts of these new laws?

**Mr RITCHIE:** I could not answer that - I have heard that story. I cannot verify what it is. The differential is really depending on where the vessels are accruing from. If you have some of the Norwegian or Swedish owners you have very high costs. There will not be a change if they call here.

Where you have lower salaries, and maybe if you are flagged out of the Philippines or other parts of Asia where you do have lower costs, there would be increased costs. It will be a case by case on each of the shipping lines to understand where the accruing is, what is their flag state where they registered and their crew are from, what level they have been paid in relation to an Australian seafarer.

Generally, Australian seafarers are well paid, so in a broad base, you would expect there may be an increase in the cost to the shipping line. I would also

**Mr TOLLNER:** Are you aware of any studies or modelling which might have been done prior to the introduction of this law?

**Mr RITCHIE:** No, I am not.

**Mr TOLLNER:** I take it from that answer you would not be able to give an assessment on what impact it might have to the commercial realities for shipping services in the Northern Territory from - in the case of the beer, it is a Northern Territory company that transports it here, but it is brought in from another country on a foreign ship into Brisbane, and we take a portion of what is brought in. I take it you could not give an indication on the impact it might have?

**Mr RITCHIE:** No, we would not have access to the detail of their vessel costings, and also how they set their freight rates. That is critical. It may be set by commercial basis too.

**Mr TOLLNER:** The *Northern Territory News* might follow that one up, based on the price of a carton of beer. That is it for me.

**Mr CHAIRMAN:** That concludes consideration of the Darwin Port Corporation. We will break now for dinner and return at 7.35pm and we will be returning to Transport.

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The committee suspended

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**DEPARTMENT OF LANDS AND PLANNING  
Northern Territory Transport Group**

**Mr CHAIRMAN:** We are starting with the Transport portfolio. Could you please introduce the officials that are with you, and give an opening statement on behalf of the portfolio if you care to make it.

**Mr McCARTHY:** Mr Chairman, I introduced the whole of the staff, so we are ready to start.

**OUTPUT GROUP 1.0 – TRANSPORT  
Output 1.1 – Public Transport**

**Mr CHAIRMAN:** In that case, are there any questions?

**Mr GILES:** Before we do, if we can just do a bit of clarification on some issues?

**Mr CHAIRMAN:** Yes, that is no problem.

**Mr GILES:** This one is not a Transport one, this is an Infrastructure one. I will do a clarification now, is that right, or do you want me to do that in Infrastructure?

**Mr CHAIRMAN:** No, Infrastructure is a whole separate output group.

**Mr GILES:** So I will do a clarification then?

**Mr CHAIRMAN:** Yes.

**Mr GILES:** All right. Well, I do not have any questions on Public Transport.

**Mr WOOD:** Just the one. Minister, have seat belts been fitted in all school buses as promised?

**Mr McCARTHY:** Member for Nelson, there are management regulations around this. If I can throw it through the CEO....

**Mr PAPANDONAKIS:** Thirty one school buses contracted to the Department of Lands and Planning are equipped with seat belts being 20 in Darwin and 11 in Katherine. This meets with the guidelines that the Australian Transport Council established using a risk based assessment for the provision of seat belts on school buses and the guidelines really provide for seat belts on services which are travelling over long distances or on rural or unsealed roads or on roads which have a high speed limit environment. So the 11 school bus services operating out of Katherine all have seat belts and 20 services out of Darwin.

**Mr WOOD:** Thank you, that is all.

**Mr CHAIRMAN:** That concludes Output 1.1.

### **Output 1.2 – Road Transport**

**Mr CHAIRMAN:** We now move to Output 1.2 , Road Transport.

**Mr GILES:** Which one was that?

**Mr CHAIRMAN:** Road Transport.

**Mr GILES:** I thought it was Darwin Bus Service.

**Mr CHAIRMAN:** We have gone past that.

**Mr GILES:** I am sorry, I do have road transport. Missed that one. Minister, when was the last time taxi fares were increased and what are the plans for future increases in fares?

**Mr McCARTHY:** Member for Braitling, the basket of costs in relation to taxi fares have seen a recent increase and I think we could start with that and if we go through the department we will give you the details.

**Mr PAPANDONAKIS:** On 24 March 2010, taxi fares increased by 2.86% in Darwin and by 5.87% in all other taxi areas. They were based on the basket of costs and the increased costs were based on vehicle parts and panels which are a significant contributor. As a result of the review, the fare for a 10 kilometre daytime journey in Darwin has increased from \$17.67 cents to \$18.06 cents, an increase of 39 cents and a 10 kilometre daytime journey in Alice Springs has increased from \$20.29 cents to

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\$21.26 cents, an increase of 97 cents.

**Mr GILES:** Thanks very much, Nick. There were too many numbers to understand exactly what you said but it sounds like it is going to cost 20 cents more to drive 10 km in Alice Springs. Was that about right?

**Mr PAPANDONAKIS:** No, a dollar, 97 cents.

**Mr GILES:** Ninety seven cents. All right, thank you.

The next question is: when will CCTVs be introduced in taxis, how much will it cost and who will pay and will it up the cost of taxi fares?

**Mr McCARTHY:** Member for Braitling, first of all, the Department of Lands and Planning is currently considering available technology, the technical specifications, the operating protocols, the regulatory requirements and funding issues for the installation of security cameras in taxis and mini buses. It is intended that all options will be investigated in consultation with the key stakeholders which is what I have been doing and considering a full range of issues relating to image retrieval handling protocols, chain of evidence, signage, complaints management and privacy issues. So you can see it is a complex business.

It is proposed that security cameras will be required in Darwin, Katherine, Alice Springs, Tennant Creek and Nhulunbuy. The total cost to install security cameras in 193 standard and multiple purpose taxis, 34 mini buses and 10 peak period taxis is expected to be around \$711 000 based on about \$3000 per camera. There is a variance in that depending on how the camera that is chosen will be paid for. That is what I have in the process to go to cabinet for the final sign off and that will be a cabinet decision between my colleagues and it will be announced shortly.

**Mr GILES:** Thank you. That is roughly the same position that you had last year. A slightly different cost, and you did not mention Cabinet submission last year. Who would envisage paying for this? Will government pay for the installation of the cameras?

**Mr McCARTHY:** That is part of the ongoing work, and I have been meeting with the taxi council. I meet with them quarterly, and there has been much debate around how we fund that, and a number of proposals have come up, which are up for Cabinet consideration.

**Mr GILES:** Is one of those proposals fares go up to pay for it?

**Mr McCARTHY:** No, we want to stay away from fares, but there certainly has been much robust debate around what industry want, and what I want, and we have now have a Cabinet proposal.

**Mr GILES:** How many formal complaints have been made about taxi drivers across the Territory, in what regional locations, what have the complaints been about, what has been the outcome of those complaints, and have any criminal charges been laid?

**Mr McCARTHY:** Complaints against taxi drivers, I will ask for advice if we have that material available now, and then the break down in jurisdictions and complaints.

**Mr PAPANDONAKIS:** We undertake CPB enforcement, and that enforcement is undertaken by a CPB enforcement officer, and also our authorised inspectors. It occurs throughout the Territory. In the last year we checked 2309 vehicles, 1655 of those being taxis. We issued cautions to 336 of those taxi drivers. Defect issues 39; we issued 133 infringement notices, and 10 breaches, which we prosecuted.

I do not have details in respect of each of the individual ones, however in respect of the complaints

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received for taxis, 109 in Darwin, 25 in Alice Springs, Katherine had two and Gove had three.

**Mr GILES:** What are people complaining about, generally?

**Mr PAPANDONAKIS:** There are a number of mechanisms in respect of how they can complain. We have a general customer feedback regime in Transport, and the feedback we are getting in respect of taxi drivers is they are rude, abrupt, smoking, level of dress sense, over-charging.

**Mr GILES:** Do you get many complaints about people not showing their licence or incorrect drivers - the person does not match the picture on their licence?

**Mr PAPANDONAKIS:** No. There may be though, because people have the ability to make complaints to the taxi council as well.

**Mr GILES:** You do not have those complaints there?

**Mr PAPANDONAKIS:** No.

**Mr GILES:** Do you get complaints about sexual favours for fares?

**Mr PAPANDONAKIS:** No, certainly no formal complaints.

**Mr GILES:** The reason I asked that is because I have been approached in Alice Springs about that matter occurring. I witness taxi drivers who are not the correct person driving. I have also received a phone call from Gove about taxi drivers doing the same thing. I have referred that on; the minister has provided correspondence back. It is a concern which is being raised more and more that sexual favours are being demanded from people who do not the fare to pay. While you do not have any complaints, I would encourage you to be mindful of that.

**Mr McCARTHY:** A comment on that is, in the regions I have also had a number of people, and instructed them that is a serious offence and they should report that immediately. It has never gone beyond that; it has always been an allegation or an insinuation. However, it is important we reflect back on instructing people to report any evidence they have immediately.

**Mr GILES:** I have no doubt that it is a real concern. I am not sure how in-depth it is, and I encourage people to report both to police and to yourself.

How many heavy vehicle enforcement breaches by truck drivers have there been? What have been the situations in which those breaches have occurred? How many specific drug and alcohol incidents have incurred with heavy vehicle drivers?

**Mr McCARTHY:** I have a brief here, and we have some statistics on that, Once again, if Nick could handle that?

**Mr GILES:** Minister, for you to respond or table the statistical chart.

**Mr PAPANDONAKIS:** It is a very quick response. Similar to CPV enforcement, we undertake heavy vehicle enforcement throughout the Territory. We do monthly visits to Yulara, Nhulunbuy, Jabiru, and Tennant Creek. We have programmed quarterly visits to Borroloola, and we do regional centres as part of a strategic enforcement activity - mobile patrols to Avon Downs, Adelaide River, Batchelor, and Pine Creek. We also have the weighbridges at Katherine and Alice Springs.

The total vehicles checked in Katherine for last year was 10 597 at the weighbridge, and 1231 on-road, with a total of 296 breaches being detected. Total checked in Alice Springs was 2821 at the weighbridge and 887 on the road, with a total of 107 infringements breaches. In Darwin, on the road

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720 vehicles checked with 58 breaches. Total of 16 256 vehicles checked for the year with 461 breaches. In respect of drug and alcohol, that is an enforcement issue for police.

**Mr CHAIRMAN:** At that point, minister, I received an answer to a question on notice from the Tabled Papers office: Greg Inglis has scored the first try.

**Mr McCARTHY:** Thank you, Mr Chairman. Thank you that ...

**Ms SCRYMGOUR:** And it has been converted too, minister, so 6:0.

**Mr McCARTHY:** Thank you. That is not as bad as I expected, and I am not going to look at the clock. Let us carry on.

**Mr GILES:** What is the average waiting times in MVRs in each location, and what is the longest recorded wait time? How have staffing issues impacted on service in MVRs?

**Mr McCARTHY:** There is a lot of data in that answer. We will have a look through what we have here.

**Mr PAPANDONAKIS:** Over the last year, we have implemented the Q-Flow System into MVR centres. The Q-Flow System allows for people to punch their required transaction and take a number. It allows them to sit rather than wait in a queue. That Q-Flow System allows both for the prioritisation of and the direction of work, more complex work to more trained staff, and basic work to new staff.

In the Q-Flow System, the average waiting time to be served at an MVR front counter at Goyder Road is 11.49 minutes ...

**Mr GILES:** Gee, that is luxury.

**Mr PAPANDONAKIS:** ... in Palmerston 9.05 minutes, and at Casuarina 9.07 minutes. We also have average processing times, and they are around the 9 minutes in Alice Springs, 6 minutes at Casuarina, 7 minutes in Darwin, 13 minutes in Nhulunbuy, 7.48 minutes in Katherine, 5.57 minutes in Palmerston, 3.59 minutes; 2.15 in Yulara; and 9.16 in Alice Springs.

**Mr GILES:** Have you got staffing issues in the MVR?

**Mr PAPANDONAKIS:** Can you define staffing?

**Mr GILES:** Are you short of staff?

**Mr PAPANDONAKIS:** No.

**Mr GILES:** Okay. When I was there the other day, I took a photo of the front window, I just got to check my eye sight here, it says, 'Due to staff shortage, we apologise for any time delays this may cause. Thanks for your patience', as I waited there for 45 minutes, so I was just wondering if there were any time delays in the MVR in Alice Springs.

**Ms CARNEY:** It was there when I was there.

**Mr GILES:** No, no, no, it is a permanent sign in Alice Springs MVR. Anyway, I will let you chase that one up. The people in the Alice Springs MVR were not happy.

Can you tell me why vehicle registration stickers are becoming unstuck on everyone's car? Are you trying to save glue?

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**Mr McCARTHY:** Member for Braitling, I can relate to that. There are two elements to that, number one, a bad batch; and number two, the instructions about how to get a replacement registration label, but Nick, you might want to comment on that further?

**Mr PAPANDONAKIS:** It is an international issue, believe it or not.

**Mr GILES:** I just want to understand, the greatest moral challenge of the globe is the glue on stickers for registration right around the world.

**Mr PAPANDONAKIS:** Yes. There is one provider of these things, and the ink they are using to print is working against the glue. All jurisdictions that use them are having problems. It is not just Australia, it is everywhere.

**Mr GILES:** Has anyone told the company there is a problem?

**Mr PAPANDONAKIS:** Oh yes, every jurisdiction.

**Mr GILES:** Is there another company where we can get registration stickers that do not fall off windows?

**Mr PAPANDONAKIS:** It certainly has been raised with the provider. We have had a good batch come in, and we have used them, and then we have had another bad batch. So I think that it is being rectified, but it is ...

**Mr GILES:** Has anyone been fined for the rego sticker not being on their cars?

**Mr PAPANDONAKIS:** No, certainly not, we are replacing them, mine is just about to come off.

**Mr GILES:** So we are all in the same boat. It is a global problem, this rego sticker thing. What about driver licences, and people with driver licences cracking, is that an issue as well?

**Mr PAPANDONAKIS:** I have never heard of it.

**Mr GILES:** No. I might just ask this question to Nick, minister. Have you got any data that talks about people replacing their licences on a regular basis - Darwin, Alice, Katherine?

**Mr PAPANDONAKIS:** No, I do not have the data on replacements. We certainly have not had any complaints in respect of cracking, but I am happy to look into it.

**Mr GILES:** It would be good if you could look into it. Mine has broken in half three times, but that is all right, that is my personal one, but I just did not know if it was an issue like the stickers, or if it is a regional issue or not?

**Mr McCARTHY:** Environmental - do you keep it in a wallet?

**Mr GILES:** No. It could be another reason but I won't say why. In Alice Springs you do need to use your licence to buy beer, so a lot of people in Alice Springs, their licences are cracked.

**Mr Wood:** Over-use of your wallet, that is why.

**Mr GILES:** Seriously, you have to use your licence in Alice and Katherine to buy grog, not that I buy grog every day, so that is not the story, but a lot of people, their licences are breaking in half because they have to use them a lot. I did not know if that was related to the stickers incident. We might leave it there.

**Mr CHAIRMAN:** We are at Output 1.2, Road Transport. No?

**Output 1.3 – Transport Safety**

**Mr CHAIRMAN:** Moving on then to Output 1.3, Transport Safety.

**Mr GILES:** Recognising the 1973 International Convention for the Prevention of Pollution from Ships, has the Northern Territory Oil Spill Contingency Plan been put into use this financial year and if so, what action has the NT Spill Commander taken?

**Mr McCARTHY:** Member for Braiiting, the purpose of the NT *Marine Pollution Act* is to protect the Northern Territory's marine and coastal environment by creating penalties for discharges of ship sourced pollutants into coastal waters. The act is part of the Transport portfolio which is consistent with arrangements in other states. Oil spill response procedures in Australian waters are outlined in a national plan which is an agreement between the Commonwealth, the states, the Northern Territory and industry and is administered by the Australian Maritime Safety Authority. The plan ...

**Mr GILES:** Conforms to (inaudible). I have the same briefing.

**Mr McCARTHY:** Very good, it is a good brief. So, do you want to read the rest of it or should I? The Northern Territory Oil Spill Contingency Plan sets out arrangements for maintaining spill preparedness in Northern Territory waters and identifies a number of agencies and stakeholders with responsibilities in the event of a spill. The Department of Lands and Planning has a primary role in administering the NT plan, the Director of Transport Services is the NT Spill Commander.

**Mr GILES:** Minister, as I said, I have all this information. I just wanted to know what action the NT Spill Commander has taken.

**Mr PAPANDONAKIS:** We have had a number of small tier one incidents throughout the year. On 4 November 2009, in Port Keats, there was an unknown substance found on a small area of coast and the vicinity of Wadeye. It was subsequently confirmed that the substance was not oil based and our involvement finished there.

On 16 April 2009, there was a collision between a bulk carrier, *F & K Hong Kong* and the fishing vessel, *Jolly Roger*, five nautical miles west of Groote Eylandt. An amount of diesel spilled from the drifting vessel until it was recovered by police. The Marine Safety Branch and I were involved in liaising with both police and Gemco in respect of that response.

In Ramingining ramp at Milingimbi, on 3 March 2009, approximately 50 litres of diesel was spilt overboard from a Perkins vessel and Perkins Shipping responded to that spill on the site.

On 13 June 2009, the FSPO *Front Puffin*, 70 nm east of Ashmore Reef: during pressure testing of the cargo line, the vessel experienced a clamp on the cargo line and it caused a spill of about 50 litres of puffin crude overboard. The company involved took action to clean up the spill.

There was an incident at Fisherman's Wharf on 28 April 2010, where a spill of approximately 20 litres of Jet1A fuel occurred whilst refuelling and the Darwin Port Corporation responded to that incident.

We have also been involved in the response off the West Australian coast, Montara, the national response team was brought together and we assisted with the logistics of transferring response equipment from Darwin and, being the point of contact in Darwin, to transfer stuff through to Western Australia.

**Mr GILES:** Thanks, Nick. The stuff that was found at Wadeye you said was tier one. Could you explain to me, first of all, what tier 1 and any other tiers that there may be? Then can you go on to

show me the links between Wadeye and Montara? We will start with tiers first.

**Mr PAPANONAKIS:** Under all the national response arrangements, there are three tiers of response. The first tier is tier 1 and that is a spill of anywhere up to 10 tonnes. It is defined as a small spill requiring a local response and the combat agency will usually generally be able to respond to and clean up the spill utilising local resources.

Tier 2 under the national plan is between 10 tonnes and 1000 tonnes, and it is defined as a medium spill requiring regional and or national assistance. Tier 3 is above 1000 tonnes, and is defined as a large spill requiring national assistance.

**Mr GILES:** What was the link to Montara? Did they not think the Wadeye spill was related to Montara?

**Mr McCARTHY:** Member for Braitling, it was confirmed the substance at Wadeye was not oil-based.

**Mr GILES:** In relation to Montara, can you relay to me the role of the spill commander, who I assume was you, is that right, Nick?

**Mr PAPANONAKIS:** Yes.

**Mr GILES:** How you then worked with other agencies, both Territory and federal, as part of the response process.

**Mr PAPANONAKIS:** The Montara oil spill was off a platform. The response agency is therefore the department of Mines and Energy, however, it was in Commonwealth waters. Because it was in Commonwealth waters, the plans have also a jurisdictional boundary. Three nautical miles, and inward of three nautical miles, is the jurisdiction's role and responsibility. Within a port, it is the port corporation's role to the first response. Seaward of the three nautical miles, it is the responsibility of the AMSA. AMSA was the response agency; they took over.

The first response was the company because it was a company-based spill. The company very quickly gave control to AMSA. AMSA immediately instigated the national response team, and all jurisdictions have people who are trained to be on the national response team. We assisted the response by providing both Darwin Port Corporation and the Department of Lands and Planning staff to the national response team. The spill controller was AMSA, the Australian Maritime Safety Authority.

**Mr GILES:** I understand this is a separate portfolio but I will bring it back. The NT government was contracted by the feds to monitor such incidents as Montara, under contract. You are not aware of that? I thought there might have been some relationship between what you do as spill commander and what happened with the other program. Nothing at all?

**Mr PAPANONAKIS:** Not in terms of oil spill.

**Mr GILES:** I will move on to the next area.

**Mr CHAIRMAN:** Gerry, do you have any questions in relation to Output 1.3, Transport Safety?

**Mr WOOD:** No.

#### **Output 1.4 – Road Network Management**

**Mr CHAIRMAN:** We are now at Output 1.4, Road Network Management.

**Mr GILES:** I will really disappoint you and say there are no questions.



**Mr CHAIRMAN:** Gerry, do you have questions for Output 1.4?

**Mr WOOD:** Minister, can you give us the cost of repairing the flood damage on the Barkly Highway near the Rankin River. It was damaged, then it was repaired, and the second part that was repaired just before Christmas?

**Mr McCARTHY:** I am looking in a comprehensive brief to see if we can itemise the Barkly Highway. I have more generic totals in ...

**Mr WOOD:** Minister, I would have thought they might be specific because I presumed you would have received some Commonwealth assistance?

**Mr McCARTHY:** Yes, we will see if we can provide that specific detail.

**Mr WANKA:** Ernie Wanka, Acting Executive Director, Transport. The exact dollars, I would have to chase that up and find out. We do have it quantified. I cannot recall it off the top of my head. The funding is recoverable under the national relief funding from the federal government, which is a Territory-wide submission that applies to national highways.

**Mr WOOD:** Are you going to put that one question on notice?

**Mr CHAIRMAN:** Yes, thank you.

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#### Question on Notice No 6.8

**Mr WOOD:** Could you supply me with the cost of repairing the Barkly Highway near the Rankin River in 2008, and the subsequent repairs in 2009? Did you recover all costs from the Commonwealth?

**Mr CHAIRMAN:** For the purposes of Hansard, I allocate that question No 6.8.

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**Mr McCARTHY:** Member for Nelson, in relation to that last question, we will get this information. I have been advised we never recover all costs.

**Mr WOOD:** Okay, if you can let us know how much.

**Mr CHAIRMAN:** That concludes questions then to Road Network Management.

#### Output 1.5 – Transport Assets

**Mr CHAIRMAN:** We now move on to Output 1.5, Transport Assets.

**Mr GILES:** Can you please provide me with an update on the Mandorah Jetty? I suppose a bit of a condition report on the Mandorah Jetty? I know there are some issues there. I was just wondering how it is.

**Mr McCARTHY:** In relation to the Mandorah Jetty, in April 2010, GHD carried out inspection and limited diagnostic testing on the reinforced concrete deck, along the approach deck slab and the jetty head of Mandorah Jetty. The main purpose of the inspection was to establish the extent and cause of the deterioration in order to recommend appropriate strategies for repair and future maintenance.

GHD found there were four main areas of concrete deterioration, which were of concern: the top surface of the jetty walkway, mainly towards the seaward end of the walkway, and the jetty head;

major cracks in the jetty head which penetrated into the deck slab; the soffltt of the four sections in the walkway from the abutment that were replaced in 2002; and the soffltt and lower edges of the viaduct walkway between the drainage scrippers, mainly toward the seaward end of the viaduct and walkway.

GHD has provided a specification for the repair of the concrete. A commission is currently being negotiated with GHD to provide an estimate for the repair.

**Mr GILES:** As I understand it, the OHS issues about that jetty are a concern to the public. Is that right? When do you think the rectification work might be done on the jetty?

**Mr McCARTHY:** First of all, having visited that area and used the ferry a number of times, the only concerns raised with me have been in relation to boarding and departing the ferry. That relates purely to weather conditions, so that is where all the concerns have been raised. I have tested that out and there are real challenges getting on and off that ferry in rougher weather.

In relation to the costing, \$50 000 was spent in 2009-10 on a structural assessment as part of the program maintenance work. \$500 000 has been allocated in 2010-11 for repair works associated with the assessment.

**Mr GILES:** Will that be enough to bring it up to public safety levels? Are there any concern that between now and that point when that work is done, there could be structural collapse of the jetty?

**Mr McCARTHY:** Once again, we are talking about a report that has provided specification for repair of certain areas to that jetty. We are looking at an allocation for repair works associated with it. I do not think I would be saying it is structurally unsound; it is a major piece of marine infrastructure that we need to maintain and that is what we are doing. David can comment further.

**Mr RITCHIE:** Just to reassure the report sets out immediate repairs, which we are doing. As part of that process, we then continue to test structural issues as part of the ongoing repair of the things which are immediately apparent and need fixing for the safety of the use of the wharf. We are doing a structural assessment at the same time. If, at any point, that determined there was an issue, then we would then take action.

**Mr GILES:** Thanks for that, no more questions.

**Mr McCARTHY:** Mr Chairman, I have a response to a previous question from the member for Goyder in relation to widening of the Arnhem Highway.

**Mr RITCHIE:** I think we just undertook to give it back.

**Mr CHAIRMAN:** You undertook to give it back, I think, yes, I do not think we actually had a number.

**Mr RITHCIE:** We can table it.

**Mr CHAIRMAN:** Table it, yes?

**Mr McCARTHY:** Even better. Thank you, Mr Chairman.

**Mr CHAIRMAN:** You are correct. There was no actual written question; that was just an undertaking.

That concludes Output 1.5, Transport Assets.

#### **Output 1.6 – Transport Policy**

**Mr CHAIRMAN:** No questions? That concludes consideration of the Output Group Transport.

**DEPARTMENT OF CONSTRUCTION AND INFRASTRUCTURE**

**Mr WOOD:** Can we get, are you going to get a ruling on whether we ...

**Mr CHAIRMAN:** This is where we get the ruling.

**Mr WOOD:** Okay.

**Mr CHAIRMAN:** Minister, can you please seek advice about where certain questions get asked on Construction and about Construction Division, and where questions go between the two? I think what the member for Nelson wants to do is ask more than one. I am not quite sure if that would work. We will discuss it with your CEO.

Welcome back, minister. Would you care to introduce the officials accompanying you if you have and a statutory statement to make if you wish.

**Mr McCARTHY:** Thank you, Mr Chairman. I would like to introduce the Chief Executive, Department of Construction and Infrastructure, Richard Galton; Deputy Chief Executive Officer, Mike Chiodo; Senior Director, Infrastructure Services, Cate Lawrence; General Manager, Construction Division, Fiona Williams; Executive Director, Corporate Services, Lisa Watson; Director of Financial Services, Vicki Highland. I will be joined at the table by other departmental officers as appropriate as we move through the appropriation for the department.

In December last year, the Chief Minister announced that his focus for 2010 was managing the growth of the Territory which has been generated through strong economic performance. To give effect to the focus, one change was the separation of the former Department of Planning and Infrastructure, DPI, into two separate departments, the Department of Lands and Planning, and the Department of Construction and Infrastructure.

The new Department of Construction and Infrastructure, or DCI, encompasses Infrastructure, Planning and Development, Asset and Program Management, and Project Management Services. Through the Northern Territory government, DCI plays a vital role in the economic and social future of the Territory through the development and delivery of major infrastructure projects. Budget 2010 sees the Territory government investing an unprecedented \$1.8bn in Construction and Infrastructure. This is twice the budget of 2008-09. The department performance in 2009-10 is a testament to its capacity to successfully deliver high standard projects that will cater for the Territory's population growth, and will stimulate an even greater economic activity.

To date, its expenditure on capital works is some 35% above record levels it achieved in the 2008-09 financial year. Part of the agency's successes over the last few years can be directly attributed to the efforts of the department to work hand in hand with other government agencies to design and deliver vital infrastructure that will meet the needs of Territorians for a long time to come.

This agency will continue driving the development and implementation of best practice infrastructure programming, procurement and construction approaches. It is getting work out the door to local industry and keeping Territorians employed. An example is the Building Education Revolution Program which has provided over \$200m of funding benefiting students, teachers and communities across the Territory. On completion 134 Territory schools will have received new library or classroom facilities and eight schools will have new science and language centres. To date 58 construction contracts for 131 schools projects have been let with a total value of \$147.3m.

The Department of Construction and Infrastructure is responsible for planning, constructing and maintaining government infrastructure across the Territory including public and government employee housing on behalf of the Department of Housing, Local Government and Regional Services.

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The agency provides strategic advice and policy on a whole-of-government basis for infrastructure, planning and development with an emphasis on best practice infrastructure programming, procurement and construction approaches and creation of sustained training and job opportunities. The agency is also responsible for administering the construction division, a government business division within the agency that is responsible for delivering government's capital works, minor new works and repairs and maintenance programs. DCI will be responsible in 2010-11 for the management and delivery of the Northern Territory \$799.6m capital works program, including public and government employee housing. This also includes housing projects under the commonwealth's nation building and jobs plan stimulus program.

The delivery of new whole-of-government asset management system in 2010-11 will significantly improve asset planning, management and recording capabilities. The department will continue to develop and implement best practice activities to achieve government infrastructure outcomes that meet the communities' needs and expectations.

Some of the major projects to be delivered in 2010-11 include: the completion of construction works on the Rosebery primary and middle schools; the commencement of construction of the Palmerston water park; completion of stage 2 East Arm Port access route, being the Tiger Brennan Drive extension; the continued delivery of building the Education Revolution schools infrastructure program across the Territory; continuation of head works for the new Palmerston east suburbs including road infrastructure, power, sewerage and street lighting; the ongoing upgrade of various remote schools, including Lajamanu, Angurugu, Gapuwiyak and Gunbalanya schools; continued upgrade of Tanami and Litchfield roads and the Plenty Highway to improve road users' safety and access; commencement of construction of three police stations and associated accommodation at Yarralin, Gapuwiyak and Ramingining; and the continued delivery of the government employee housing, capital works and repairs and maintenance programs.

Following on from their success in 2009-10, the construction division will deliver an expanded infrastructure program, ensuring the resource requirements and models are in place to enable effective program delivery for the Territory government. DCI is well placed to effectively manage and deliver the substantial Northern Territory infrastructure program and support projects such as Territory 2030, Greening the Territory, 20 Growth Towns and *A Working Future*.

Mr Chairman, I look forward to any questions the committee may have with regard to the appropriation for this year.

**Mr CHAIRMAN:** Are there any questions for the opening statement?

**Mr GILES:** Minister, I would like to ask a question about the McMinn Street works. Whereabouts should I ask that, in assets and program management or in construction and development?

**Mr WOOD:** Can I just ask the Chair: is it possible to just combine all of that?

**Mr CHAIRMAN:** I will take some advice on this. Minister, are you comfortable with a merging of outputs for questions and, I believe, the member for Nelson would like that to also go to Construction Division? Are you comfortable with that?

**Mr McCARTHY:** Yes.

**Mr CHAIRMAN:** Thank you. We appreciate your flexibility.

**Mr GILES:** Thank you. It will make it easy for us. So can I just ask just a couple of broad questions? As I understand it, the Construction and Infrastructure department has 35 staff, or thereabouts, minister?

**Mr McCARTHY:** Member for Brainting, if we are talking staffing, full-time equivalents in the number of

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executive staff nine, the number of staff 37, and in the Construction Division as of 30 April, 396.

**Mr GILES:** I have a hard time understanding the relationship between the two departments. The bigger department, by name, has 37 staff and the smaller department, by name, has 396 staff. As I understand it, if an agency wants to contract the Construction Division to do something, for example education school stimulus, it comes through Education, through the Construction and Infrastructure and then to Construction Division for the works to be undertaken.

Is that how things work?

**Mr McCARTHY:** I would like Mr Richard Galton, the CEO, to explain that for the Estimates Committee.

**Mr GALTON:** Yes, broadly that is correct.

**Mr GILES:** Does the Department of Construction and Infrastructure take a fee when it passes through that agency under the construction division?

**Mr GALTON:** The Department of Construction and Infrastructure holds the project management fees for the Construction Division. It releases those fees to the Construction Division on the completion of the project.

**Mr GILES:** Can you explain to me, Richard, the appropriation amounts within the budget for the Construction and Infrastructure Department, and how that money comes about? Is that through other departments or straight to you, or how that comes about? I know it is a broad question.

**Mr GALTON:** This is a complex transaction. I want to make sure you understand exactly how it works.

**Ms LAWRENCE:** Cate Lawrence, Acting Director Road Network. The department has a relatively small budget and a small number of people, as you rightly pointed out. It also has a capital budget for other agencies, not for all of them, but for the department of Education, Health, Police, Legislative Assembly and the general government type agencies. It has that capital and is the purchaser of the activities of the construction division, which is part of the Department of Construction and Infrastructure. There is that purchaser-provider relationship, and that is how that is completed.

**Mr GILES:** I am trying to understand and comprehend what you said. The construction division manages projects and pays consultants, such as designers, architects, legal, or auditors, or whoever that may be for a particular project - and I can see how much they have received in income, how much they have expended, and their employee expenses. How do they get the money into the construction division to then pay out? Does that make sense? Does construction and infrastructure then pay the construction division, who acts as a project manager, and pays bills?

**Ms LAWRENCE:** That is correct, and in Budget Paper 4 there is about \$30m for program delivery, and that amount of money mostly goes to construction division as the project manager.

**Mr GILES:** I will grab that while you are talking.

**Ms LAWRENCE:** Yes.

**Mr GILES:** I am sure I have read it before.

**Ms LAWRENCE:** Page 11, I think.

**Mr GILES:** Page 11 okay, thank you.

**Mr GALTON:** Page 12.

**Ms LAWRENCE:** Page 12, sorry.

**Mr GILES:** Oh okay that is that page, yes.

**Ms LAWRENCE:** If you look at the Department of Construction and Infrastructure managed money, you will see under Program Delivery \$22m.

**Mr GALTON:** That is on page 14.

**Ms LAWRENCE:** Sorry.

**Mr GALTON:** Sorry, 13.

**Ms LAWRENCE:** Quite a way down the page, the Department has ...

**Mr GILES:** Department of Infrastructure, Infrastructure Managed Projects \$799.6m this financial year.

**Ms LAWRENCE:** Okay, the top of that is Infrastructure Development, and that is the money the Department of Construction and Infrastructure holds and pays the Construction Division as Project Manager. That is only part of their revenue. They also have revenue from all agencies for the repairs and maintenance contribution.

**Mr GILES:** Right. Could I just ask a quick question then? If Infrastructure Development, \$653m on page 13 of that budget - and I am not looking for exact figures, just an understanding - how come it does not come anywhere near \$653m on page 271 of Budget Paper No 3, in the capital output of \$180.992m?

**Ms LAWRENCE:** The next column is the cash column - the \$312.7m.

**Mr GILES:** Ah, right, okay. That has been already revoted. You are going to have \$40m in revote?

**Mr GALTON:** That is correct.

**Ms LAWRENCE:** Yes. So, the \$312m equates to ...

**Mr GILES:** Of the \$312m, only \$180m or thereabouts is going through Department of Construction and Infrastructure?

**Ms LAWRENCE:** The \$312m?

**Mr GILES:** Yes.

**Ms LAWRENCE:** Mostly goes through the Department of Infrastructure –it all goes through the department and most of it goes through the Construction Division, so, \$312m less the \$22m is for Construction.

**Mr GILES:** Yes.

**Ms LAWRENCE:** The rest of it is for the Program Management.

**Mr GILES:** Right.

**Mr GALTON:** Which is, essentially, the staff costs within the Construction Division and consultants.

**Mr GILES:** And consultants. That is fine, I understand that. Okay, I can move on to someone else. Thank you very much for that; I appreciate that.

**Ms LAWRENCE:** Thank you.

**Mr GILES:** I just wanted to get a better understanding. Okay. How does the Department of Construction and Infrastructure earn an income? I ask the minister.

**Mr McCARTHY:** I will hand over to Mr Galton.

**Mr GALTON:** The department's revenue - you will have to help me with this one, Vicki. It is all output appropriation so that is directly from government Treasury.

**Mr GILES:** Right. So, it does not ...

**Mr GALTON:** It does not earn revenue in its own right.

**Mr GILES:** So it does not take a fee for service?

**Mr GALTON:** Not the department.

**Mr GILES:** The Construction Division does, though?

**Mr GALTON:** Yes.

**Mr GILES:** So, if the Construction Division sales of goods and services, current financial year as at 30 March when the papers were done, \$78.8m ...

**Mr GALTON:** Yes.

**Mr GILES:** Paid out \$46.4m. Is that all in consultancy?

**Mr GALTON:** No.

**Mr GILES:** Can you please provide some sort of a breakdown - not exactly dollar-for-dollar unless you have it in the table that you can table. I just want to understand what we are paying for out of that money.

**Mr GALTON:** Sorry, member for Braintree, would you mind just referring back to the page you are looking at?

**Mr GILES:** Sorry, 279 of Budget Paper No 3, under Expenses, it has an item there called Sales of Goods and Services.

**Mr GALTON:** Sales of Good and Services?

**Mr GILES:** Yes.

**Mr GALTON:** That includes Project Delivery or Program Delivery and includes consultant's fees.

**Mr GILES:** What is the total for the consultant's fees?

**Mr GALTON:** In the order of \$25m per annum.

**Mr GILES:** Right. Program Delivery. Can I just ask about that before you go on?

**Mr GALTON:** Program Delivery is that previous figure we were referring to, which is in the order of \$22m.

**Mr GILES:** And that is paying a Program Manager?

**Mr GALTON:** I am happy to table the detail of those revenue sources for the Construction Division. If that is happening, work your way through this?

**Mr GILES:** Yes, that would be appreciated, thank you very much, and that would answer the questions that I have just asked you?

**Mr GALTON:** Yes.

**Mr GILES:** Okay. Of the 396 staff you said you have got in the Construction Division, the minister has been kind enough to provide some answers to questions on notice for us, prior to the shadow for Lands and Planning, I think it was, in relation to the types of staff that you have got in the department, and a fair amount of technical staff?

**Mr GALTON:** Yes.

**Mr GILES:** Can you just give me a rough overview of the types of technical staff you have got? I mean, do you have auditors, designers, planners, architects? Do you have those people in the department?

**Mr GALTON:** Yes, we do. We have got draughtsmen within the department, we have got supervisors that supervise contracts, they are both classified as technical staff. I would say they would be the two greatest groups of technical staff that we have. We do not include auditors in there, they would probably be administrative, and the other group that you mentioned was?

**Mr GILES:** Designers.

**Mr GALTON:** Designers are a combination of draughtsmen and engineers.

**Mr GILES:** You have engineers?

**Mr GALTON:** We have engineers, we have architects, we have quantity surveyors.

**Mr GILES:** All right. In the projects that you run within the Construction Division, I understand that you outsource for a lot of design work, for planning work, for architectural work. Why do you outsource for those things when you have got those skilled staff internally?

**Mr GALTON:** Okay, this is the \$64m question, which is about understanding what sort of capital works program you have got into the future, how much work is going to come in in following years, and resourcing an organisation for the trough amount of work, but maintaining ability to work with a whole industry out there of consultants and designers and people that are making a living in the



Territory. So, it is a matter of striking the balance between what we have internally and the external industries.

**Mr GILES:** Okay. How does the division determine value for money? Like, if you go out to tender, and someone comes back and says, this is going to cost x dollars, how do you know that x dollars is the right amount?

**Mr GALTON:** It is, I will not say it is more of an art than a science, because there is certainly some science applied to unit rates for doing certain sorts of work. There is order of cost estimates done on what a project is worth within the organisation prior to going to tender, so we have ballpark figures, and then we test the market.

**Mr GILES:** The Construction Division is running all the building the school education revolution stuff for the public schools, except for Laynhupuy Homelands and Robinson River, as I understand it. Now, with the science and language centres, they have a clear budget, and they are all estimated at exactly to cost, I think it is \$1.97m for each one. Project management costs of \$43 340 for each project, \$100 000 for estimated fit-out, some of those are in Alice Springs, Gapuwiyak, Gunbalanya, Katherine, Maningrida, Tennant Creek, Milingimbi and Shepherdson College. Are they all the same designed building for the science and language centres for the 21st Century?

**Mr CHIODO:** Mike Chiodo, Deputy CEO. The simple answer is yes. There is a specific requirement from the federal government that needed to be met, therefore, the designers were employed to ensure that the designs were identical in the delivery of the science and language centres.

**Mr GILES:** That sounds pretty exciting. You only had to make one design and only charge one project.

**Mr CHIODO:** No. The design issues associated with the initial design needed to be met and then any specific regional requirements are dealt with once that allocation is made.

**Mr GILES:** Thanks, Mike. Minister, if I direct the next question to Mike, is that okay?

**Mr McCARTHY:** Certainly.

**Mr GILES:** Mike, and I hope you don't mind me calling you, Mike, can you please give me the design costs for each of those eight projects, for the science and language centres for 21st century secondary schools.

**Mr CHIODO:** We can supply those but I do not have those figures on me, minister, so you can take that on notice?

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#### Question on Notice No 6.9

**Mr GILES:** Minister, can you please provide me with a copy of the design costs for each individual project within the science and language centre for 21st century secondary schools program?

**Mr CHAIRMAN:** That is question No 6.9.

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**Mr GILES:** Mike, I will ask another one of you if that is all right, thanks. What other costs are associated with the science and language centres apart from design. What other criteria do we have to pay for?

**Mr DOWLING:** If I can just repeat the question. What are the other costs apart from design for the

delivery of the science and language centres? Apart from design there is project management and other costs associated with that such as accommodation - oncosts really – and our fee - departmental fee - and that is pretty much it.

**Mr GILES:** Okay, thanks for that. With the departmental fee and the project management fee, you are outsourcing to a project manager but you are program managing it so you get paid as a program manager. The project manager gets paid as a project manager. Does the project manager then outsource it to the designer or does the construction division, as the program manager, outsource it to the designer?

**Mr DOWLING:** There has been a combination along the P21 and the science and language centres. On occasion we have engaged the designers directly but our external project managers manage them on our behalf.

**Mr GILES:** Can you please give me the project management fee, the departmental fee and the accommodation oncost fee, as well as explain to me what that actually is, for each of the science and language centres and the primary schools for the 21st century projects, please?

**Mr DOWLING:** We would have to take that question on notice. There are 144 of them.

**Mr GILES:** I am happy to take that on notice.

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**Question on Notice No 6.10**

**Mr CHAIRMAN:** Just repeat it one more time.

**Mr GILES:** Minister, would you please provide me with a copy of the departmental fee, the accommodation oncost fee, the project management fee and any other fees associated with the delivery of the science and language centres for the 21st century schools and the primary schools for the 21st century projects?

**Mr CHAIRMAN:** That is question No 6.10.

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**Mr McCARTHY:** Mr Chairman, I have a question here that we took on notice, No 6.8. If I could table that for the member for Nelson?

**Mr CHAIRMAN:** While you are doing that, minister, it is 16 to Queensland, nil to New South Wales.

**A member:** It is getting more and more miserable the longer this goes on.

**Mr WOOD:** Can you table that document please, Mr Chairman? Thank you.

**Mr GILES:** When we talk about value for money - and I will go back to you, minister, and it might go back to someone else - for projects, how can a private school deliver a building project cheaper than a public school can in terms of what you actually receive in bricks and mortar than a public school through the Construction Division?

**Mr McCARTHY:** As a lay person, if I take that on board there is a heap of information around that, but we have some experts in this room. I will start with Richard, who might like to refer that question on for some good advice, because you really need to take on board the logistics around design and construction, and we could probably throw a bit more light on that.

**Mr GALTON:** Projects which are procured through the government system - and the rules and

regulations with the government procurement framework would naturally incur higher costs than a private school - and I am unsure whether the private school is working through the government process as well - I am assuming that is quite independent of government - have a much greater flexibility to arrange a lower cost contract. That is the broad comment I would make, and much applies in private industry as well.

**Mr CHIODO:** I would be interested in knowing which private school it was, and its location, and which of our schools you are comparing it to. Logistically and logically, if the private school was in an urban area and the public school you are making the comparison with is in a remote area, there is a distinct and obvious difference in the costs which are going to be associated with it, above and beyond what our CEO has responded to. The generic quality of the question makes it difficult to be specific.

**Mr GILES:** Maybe I could make it a little bit easier, Mike. I am not sure if the Robinson River school work is coming through Construction and Infrastructure or Construction Division. I know it is going through the department of Education, but I am not sure how it is going through you. I understand Robinson River was offered a certain amount of product as part of the PE 21 program, Primary Schools for 21st Century Program, and they said they wanted to run it on their own. After they run it on their own they have a whole lot more bricks and mortar. They still had to comply with the regulations proposed by the federal government through this program. How can that be?

**Mr McCARTHY:** If I can start that story, member for Braitling, having started the Robinson River school and knowing that community well, and knowing the work going on, a heap of efficiencies are being delivered there in having a building program on the ground operating in a remote area. Under the direction of Bill South, their CE, he has the technical staff, he has the labourers, he has the production components on site in that remote area, and he went through the procurement process and was successful in winning that contract.

That is from a lay perspective knowing that area very well, and knowing that community, however let us ramp it up and have a comment from the experts as to how that can happen.

**Mr CHIODO:** I will allow Don to add some more to it as well, but in fact the Robinson River project is still being administered by the Construction Division and DCI, and the work was given to the group the minister was speaking of as part of a Certificate of Exemption to allow them to get on with that work.

We have a question, or a query, as to the veracity of the statement which says they are in fact getting more than they were originally offered. Our argument would be they are getting exactly what we were capable of supplying for that specific school, but we work in conjunction with the local community, which has been part of the stimulus exercise.

**Mr GILES:** I would be happy to get that information for you. Can you provide me, minister, with an update of what is happening with the McMinn Street duplication?

**Mr McCARTHY:** In a major roads project - you will be referring to some of the difficulties in completing that project?

**Mr GILES:** Yes. Do you have technical concerns or something?

**Mr McCARTHY:** There is more than that. There are even heritage issues in this. I will refer that through Richard to give you a brief on those.

**Mr PEMBLE:** There has been a range of issues relating to design issues, including some geotechnical issues that have required some additional works in stabilising some of the batters on the main cutting near the Gable's property. Primarily, the details have been associated with unknown services that have been uncovered. We are also dealing with a potential bomb crater site there as well.

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**Mr GILES:** Gee, it is worse than the rego stickers around the world. Just to get an understanding of what you just said there. It has been dug out. I do not want to put words in your mouth; I will say something and you correct me when I am wrong. It has been dug out; it looks pretty steep; people are wondering if the thing is going to fall in. That sounds like a bit of an issue with the security, from what you are saying. Then, you found a bomb crater as well.

**Mr PEMBLE:** No. In the stability cutting, that was investigated by geotechnical engineers. The main issue there is some loose rock. In recent times, we have actually put some rock fall netting on that cutting. The potential bomb crater is still being investigated by NRETAS, and I understand they will be on-site in the next week or so to determine whether, in fact, it is a crater. If it is, then we will look at some interpretative signage to retain that heritage value.

**Mr GILES:** If you work in the Magistrates Court, or you are in one of the units along Harry Chan Avenue, you can feel fairly safe it is not going to fall in on you?

**Mr PEMBLE:** Absolutely.

**Mr GILES:** All right, no worries.

**Mr McCARTHY:** Member for Braintree, can I ask, did you feel the tremor this morning? Did the earth move for any of you guys?

**Mr GILES:** Not me, no.

**Mr WOOD:** Estimates does not do that, no.

**Mr McCARTHY:** There were certainly some earth movements. When you talk about feeling safe, it was great to be on the fifth floor and experience an earth tremor. I claim to be some sort of an expert on this, coming from Tennant Creek and having experienced 6.8 on the Richter Scale.

In relation to the bomb crater ...

**Mr GILES:** Where is it?

**Mr McCARTHY:** We will describe that. It is a heritage issue, it is not in relation to a geotechnical issue. It is a heritage issue, with possibility for acknowledgement as a heritage site. The location and the specifications?

**Mr PEMBLE:** The location is towards the McMinn Street intersection. You will see an indentation in the rock which is probably 1.5 metre to 2 metres.

**Mr GILES:** I am going to finish with this, Gerry. Can you just walk me through the geotechnical aspects? What exactly does that mean? Does that mean you have struck pipes below, or that you forgot to dial before you dug? Or there are electrical cables? Just in laymen's terms, so I can understand it.

**Mr PEMBLE:** The geotechnical issues relate to the stability of the rock cutting. The services that were encountered there that were not known include things from high voltage cables through to some unknown stormwater - just about every service that is possible was uncovered. Unfortunately, records do not always go back well on some of the projects that were built in the past. Even though we do a range of investigations, with the design, you do not always uncover those services.

**Mr GILES:** So, there are problems with cabling and pipes and so forth but, also, with rock? That is what I heard. Right?

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**Mr PEMBLE:** Yes. What I am saying is there is some loose rock on the face of the cutting that we are controlling using rock netting.

**Mr GILES:** You can be as sure, as sure can be, that the earth will not give way?

**Mr PEMBLE:** Within all factors associated with the operation, yes.

**Mr GILES:** I know you cannot do the 100% that is why I said as sure, as sure can be?

**Mr McCARTHY:** In terms of seismic activity, member for Braitling, as I was saying, it started this morning.

**Mr GILES:** That was because the minister for Education was here and the earth was moving.

**Mr MILLS:** The earth did not move.

**Mr GILES:** I will leave that and hand over to Gerry. Member for Nelson, I think the member for Araluen said she is quite happy to run a little bit over.

**Mr WOOD:** A little bit over, yes, okay, I will do my best. I will just about heritage before I forget, minister. I have been trying, through the DCA, through your department, and through Palmerston Council, to find out a set of foundations, in Johnston, next to the main road that comes out of Johnston on to Lambrick Avenue on the left-hand side, it has now been damaged by contractors, I have had no one come back to me and say, is there or is there not heritage value in those foundations. I have sent photographs, did a media release on the weekend. I do not mind if they get destroyed if they are not worth saving, but cannot some one at least go down there and check they did not turn up in the Planning Authority meetings when we had discussions about the first Johnston subdivision. Track, the company that did all of the surveys, had not noticed them, yet they are still sitting there. There is I think a septic tank, a slab, and a smaller slab there, and it is obviously something, some human habitation, but I have not been able to get an answer about whether they are heritage or worth saving.

**Mr McCARTHY:** Certainly, member for Nelson, I will take that on board, and also, I have just been advised that the minister for Heritage is on tomorrow.

**Mr WOOD:** I realise that, but it is the Department of Infrastructure that is doing the roads, I am presuming, in Johnston, and they have just been damaged. They were not damaged, I think, about two weeks ago. I went down there on Sunday, and there has been a grader go through them and knock, what I think is the septic tank, in, and I just think it is a pity that, before any more damage occurs, someone at least does not identify whether it is worth saving, so I would ask you, minister, if you hold the bulldozers off for the time being.

Minister, my questions are in relation to the Construction Snapshot, and I just should say, I find a funny little thing in small print here, this is government document. 'Copyright is observed. However, no part of this bulletin may be reproduced without the express written permission of the Department of Planning and Infrastructure, Northern Territory of Australia'. Minister, will you mind if I copy this.

**Mr McCARTHY:** No.

**Mr WOOD:** Thank you, it is copied. Why would you have a copyright on a document like this, I do not know. Is there anything in here that - but I digress. Under here, you have got the project fact sheets, and there is a range of major questions here, major construction projects, I would like to ask about. I do not know which way is the best way to deal with this, but what I am going to do is go through, one by one, I have got a set of questions for each one, and I have had concerns about one of those particular matters, and it was the Rosebery School, I do not know if you remember, we asked a lit of issues about it.

First of all, I would like to start of with the Alan Walker Oncology Centre. What I am after is the department's original estimate of what the cost would be; the actual tender price, the one that won; the actual final price on completion; were there any extras added asked for by the contractor; who approves those extras, or were they approved and who approves them; and, was the project finished on time. I will go through those again if you want?

**Mr McCARTHY:** We will need to take that on notice, member for Nelson. If we could just document the question.

**Mr WOOD:** Well, what I might do then, I am relating it to five projects, and the last one is Tiger Brennan stage 2, and the only change I will have is, will the project be finished on time, so I will ask a question in relation to the Alan Walker Oncology Centre.

**Mr CHAIRMAN:** Could you repeat the question for Hansard, please?

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**Question on Notice No 6.11**

**Mr WOOD:** The question will be: In relation to the Alan Walker Oncology Centre; Rosebery Middle and Primary School; Girraween/Henning Road realignment; and, Tiger Brennan Stage 1. Could the department give us the original estimate? Could it give us the final tender price? Could it give us the actual final completed price? Could it tell us whether any extras were claimed in each one of these tenders? Were they approved, and who approved those extra costs? And, was the project finished on time?

**Mr CHAIRMAN:** That is question No 6.11.

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**Mr WOOD:** In relation to Tiger Brennan stage 2, could the department give us the original estimate; the tender price; an estimate of the actual final price; what extras have been claimed by the contractors; were they approved and who approved any extra costs; and, do you think the project will be finished on time?

They are the questions.

In relation to Tiger Brennan Stage 3, when do you expect to call tenders for that, minister? I probably should ask you, what is actually the details of that tender? When do you expect to call those tenders? How much do you expect the project to cost and do you have an expected start and finish date?

**Mr CHIODO:** Member for Nelson, the situation in relation to the calling of tenders for Stage 3 of Tiger Brennan is actually a Department of Lands and Planning query. That is not as an avoidance but they are the client in this matter and we were speaking earlier of the client provider methodology. We are the provider of the service so the decision to run the tender will be a Department of Lands and Planning tender.

**Mr WOOD:** That is a pity. I think we have seen the minister in regards to lands and planning. We do not know those things sometimes.

**Mr CHIODO:** I think we need to get you a briefing, member for Nelson.

**Mr WOOD:** All right. Are any of my other previous questions not available to be answered because of that same reasoning?

**A person unknown:** These are completed projects or near completed projects.

**Mr CHIODO:** The questions that you were asking in relation to the Alan Walker Oncology Centre, Rosebery and Tiger Brennan, the Department of Construction and Infrastructure is placed to supply those responses.

**Mr WOOD:** I mentioned Girraween/Henning Road didn't I, in that?

**Mr CHIODO:** No.

**Mr WOOD:** I should have had Girraween/Henning Road in that query. Okay, hopefully that was in there. All right so I will have to wait for those answers.

**Mr CHIODO:** In relation to Tiger Brennan, member for Nelson, Stage 2 is expected to be completed on time and in relation to Rosebery, it is 80% complete now and we have every confidence that that will be completed on time as well.

**Mr WOOD:** I wanted to ask a question about Stage 2 of Tiger Brennan, because I travel home that way at night time. The issue that, I believe, a number of rural people have is, one, we have turned two lanes into one lane and I know why that is, because you are expecting the road to eventually go through. But, in relation to movement of traffic, was any allowance taken to the fact that there is now a period of time where traffic from Holtze or Pinelands is now contracted into one lane? I know it is not for a long distance, and has that caused any traffic hold ups?

**Mr HOYNE:** The one lane off take has been modelled and the traffic flow is predicted for the eventual interchange that suggests that the single lane is adequate for the traffic flows required for that off take. The recent queuing of traffic experienced after the opening of that lane was caused by construction traffic which further constrained the flow through. So it was not so much that two were going to one lane, it was actually asphalt plant equipment, meaning that the speed limit, rather than the 80 kilometres an hour, was pulled back to 40 kilometres an hour which was a temporary constraint and once that was cleared, the traffic seems to be moving okay.

**Mr WOOD:** There was a letter in the paper the other day, I think, from a road train driver that had concerns about the bend. It is the second bend, I suppose, as we get closer to the main part of Tiger Brennan Road. Does the department believe that there are any problems with that bend in relation road trains or are they going to ban road trains from coming out of Pinelands?

**Mr HOYNE:** No, the radius of the bend there is designed for 80 km/h per hour and consultants have complied with the Australian standards and it is adequate for that speed.

**Mr WOOD:** You built the bicycle path, and some people call it the spear grass fence. Is that designed to reduce the chances - I know it might have an architectural value - but is it designed to reduce the chances of people throwing rocks from that bicycle path onto the track.

**Mr HOYNE:** Fair comment. No, it serves primarily a function of providing a safety barrier, and a dual aesthetic benefit of as you say mirroring, in theory, spear grass.

**Mr WOOD:** It does that.

**Mr HOYNE:** It must be working.

**Mr WOOD:** I am not against public art. I know fish and chips you see on the freeway from Tullamarine to Melbourne - just the chips I thought.

In regard to a project like Tiger Brennan, obviously the Commonwealth government is the main provider of money for that, minister. What happens if the project comes under budget? Is there an

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arrangement you keep the money? If a company and the department can come under the original allocation of funds, what happens to the money then?

**Mr CHIODO:** Again, this component is managed through Road Network Division which sits within the Department of Lands and Planning. Our experience, and our advice, is regularly premised on the basis of any savings, in particular if federal monies - the Road Network Division would be speaking to the federal government to seek permission to use those monies on other projects within the Northern Territory. We have a long list we need to work through.

**Mr WOOD:** The company does not receive a bonus if it comes under the original price?

**Mr CHIODO:** It depends on the model we are working on. The model we are utilising for the delivery of Tiger Brennan is called an early contractual involvement model, and within the ECI model there is a gain share-pain share arrangement at the end of the exercise, where any appropriate savings which are made by the contractor and the government is shared equally as a result of the process we are going through.

**Mr WOOD:** I recall an alliance – it is getting off the subject, the SIHIP program runs on an alliance model which, in theory, runs on the same process.

**Mr CHIODO:** I can respond to that. Early contractual involvement models were in fact the precursors to alliance, and they have been used in a number of states for the last 45 years.

**Mr CHAIRMAN:** At this point the member for Nhulunbuy is taking the Chair.

**Mr WOOD:** This is a much lower level type question in relation to road inspectors, probably because I have to travel to Channel Point on the weekend; do you have full-time road inspectors? When I first came to the Territory there would be always someone with a ute full of red triangles who was obviously a road inspector. He would be giving fairly up-to-date assessments of road conditions. Does anyone do that? How do you get up to date road reporting services?

**Mr McCARTHY:** I still see those red triangles and ...

**Mr WOOD:** They are made of cardboard now because people keep pinching them.

**Mr McCARTHY:** ... and the CEO, Richard Galton, will respond.

**Mr GALTON:** Yes, that is another typical example of some technical staff we do have. They work with road maintenance crews and they are out there assessing all the functions of road networks.

**Mr WOOD:** That is all the questions I have, thank you Deputy Madam Chair.

**Madam DEPUTY CHAIR:** Any further questions?

**Mr GILES:** Minister, can you please tell me what the total cost of the 10-year infrastructure plan consultancy was, including variations and when that report will be released?

**Mr McCARTHY:** That response should come from the Department of Lands and Planning.

**Mr GILES:** They are doing the infrastructure planning? Right. Are they also doing the land use plan?

**Mr McCARTHY:** Yes.

**Mr GILES:** Was that tender put out by the Construction Division? Right. I will have to go back on BER



then. How is that in the BER projects, which are run by the Construction Division, that project management costs vary so much as a percentage term across different projects? Sometimes, being larger for small projects and, sometimes, smaller for large projects, if that sounds ...

**Mr DOWLING:** Don Dowling. On a number of the projects, we use template designs which means we have off-the-shelf designs that we are able to use with some changes, or a few changes with some of them. The design costs on those were much lower than full design projects.

The project management fees vary across the different project managers, because they were all tendered. But, they only range from about from less than 2% to just over 2%, as the project management fees specifically manage the project.

**Mr GILES:** Thanks very much for that. I will just direct my next question to [inaudible], if that is all right. The project manager does not administer the design or architecture of any of these structures, though, do they?

**Mr DOWLING:** Yes, the project manager is responsible for the entire project management, so they actually manage the architects, the engineers, and get the project to a state where it can go out to tender. They, then, assess the tenders and manage the delivery of the project.

**Mr GILES:** All right. Maybe it is some terminology. Thanks for that, Don. Maybe it is some terminology. I thought the program manager which was the Construction Division, did that?

**Mr DOWLING:** On the stimulus package I am the only - me and four girls - are the only ones within the Construction Division involved in the stimulus, involved in the delivery. Part of the brief from the federal government was to outsource the delivery, and that is what we have done. All of our project managers, designers, deliverers, etcetera, are external to government.

**Mr GILES:** All right, thanks, Don, I will move on. I understand the cost structure for BER is 1.5% admin, 4% project management, 9% consultants, 2% furniture and fit-out, 8% contingency, and 5% precinct reserve, which was provided to me by the department of Education.

Can you please give us an upgrade of what is happening with the Alice Springs CBD mall upgrade?

**Mr McCARTHY:** Once again, member for Braitling, that is a Lands and Planning portfolio area.

**Mr GILES:** Was it not being run under the Infrastructure department last budget statement? Last year's budget statement was run under infrastructure?

**Mr McCARTHY:** I have been advised, with the creation of the new department and, therefore, the two departments, it has stayed with the Department of Lands and Planning.

**Mr GILES:** All right. Can you advise us what is happening with the upgrade of the Alice Springs Police Station or the Greatorex Building in Alice Springs?

**Ms SWAN:** Lorraine Swan, Director Buildings. The project is in design, in early concept stage at the moment.

**Mr GILES:** Is that the Greatorex Building?

**Ms SWAN:** It is the police station relocation to the Greatorex Building.

**Mr GILES:** Oh, okay. With that relocation, will that include tunnels underneath Parsons Street to the court house?

**Ms SWAN:** We have not advanced it that far.

**Mr GILES:** Minister, the original budget was \$6m for the upgrade of Alice Springs Police Station. Is that still within budget to upgrade the Greatorex Building, or will you have to go back and seek more money?

**Ms SWAN:** There was an allocation within the budget to allow for the relocation of staff out of the Greatorex Building.

**Mr GILES:** Sorry, I actually meant, and I might have asked it wrong, to refit the Greatorex Building, and take into account all the additional works that will need to be undertaken, will that fit within \$6m?

**Ms SWAN:** There was an increase in the funding to relocate. The original \$6m was allocated to a redesign and upgrade on the current site of the police station, and there was extra funding allocated to a design to relocate it to the Greatorex Building.

**Mr GILES:** So, is that correct in saying that the extra money has gone to the design, and the \$6m will go to the work?

**Ms SWAN:** No, it is a total program of about \$10m, and I will confirm that amount. Out of that, there was \$1.4m to relocate the people that are already in the Greatorex Building. The greater amount of it is to the design of the new police station within Greatorex.

**Mr GILES:** So it is \$10m to design and reconstruct the Greatorex Building to become a police station?

**Ms SWAN:** Yes.

**Mr CHIODO:** If I can, member for Braitling, the \$10m is not on program as of yet, but it is in design and an estimate will be conducted. The original \$6m was for the refurbishment of the old police station. When a decision was made to move the police, because of the condition of the police station itself, over to the Greatorex Building, then a submission has been made for additional funds to be made available to allow that to take place.

**Mr GILES:** Thanks, Mike. Minister, is that police station – who owns the police station, who is it an asset of? Is it an asset of the Police, or Infrastructure or?

**Mr McCARTHY:** Northern Territory Police, Fire and Emergency Services.

**Mr GILES:** It is an asset of theirs, right. Was that building certified? When you took out an original lease, did that have a Certificate of Occupancy, that old police station?

**Mr CHIODO:** We would have to take that question on notice. I could not answer directly.

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**Question on Notice No 6.13**

**Madam DEPUTY CHAIR:** For the purposes of Hansard, will you please restate your question?

**Mr GILES:** Does the current Alice Springs Police Station have a Certificate of Occupancy? For that instance, does the Greatorex Building have a Certificate of Occupancy too?

**Madam DEPUTY CHAIR:** For the benefit of Hansard, I allocate that question No 6.13.

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**Mr GILES:** Can I say thanks very much minister and all the staff for coming along.

**Madam DEPUTY CHAIR:** There being no further questions, that then concludes consideration of the outputs associated with the Department of Construction and Infrastructure.

On behalf of the committee, I thank the minister for attending, and the officers who provided advice to the minister, and given the intense interest in everything to do with figures in this room, I will just say one thing, 34 – nil.

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The committee suspended.

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### DEPARTMENT OF JUSTICE NORTHERN TERRITORY CORRECTIONAL SERVICES

**Madam DEPUTY CHAIR:** The Committee will now proceed to consider the estimates of proposed expenditure in Appropriation Bill 2010-2011 as they relate to the Department of Justice.

Minister, I invite you to introduce the officials accompanying you and if you wish to make an opening statement on behalf of the Department of Justice.

**Mr McCARTHY:** Thank you, Madam Deputy Chair and I would like to introduce those at the table with me: the Chief Executive Officer of the Department of Justice, Mr Greg Shanahan; the Deputy Chief Executive Business Strategy and Performance, Mrs Anne Bradford and the Executive Director, NT Correctional Services, Mr Ken Middlebrook.

As members will be aware, the Department of Justice reports to the Attorney-General and Minister for Justice, the Hon. Delia Lawrie, MLA, and to myself as the Minister for Correctional Services. As minister Lawrie outlined last Friday I will be answering questions relating to the operational aspects of the Correctional Services output group. Issues around the corporate services functions of the Northern Territory Correctional Services Division have been dealt with by the whole of department questions posed to the Justice minister last week.

Questions relating to the provision of secure mental health facilities should be directed to the Minister for Health as members of the committee would be aware, responsibility for youth diversion under the *Youth Justice Act* rests with the Northern Territory police.

The Northern Territory Correctional Service works to deliver a safe, secure and humane correctional service for the Territory. The Northern Territory has the highest imprisonment rate in the country; about 82% of prisoners are Indigenous and almost half will reoffend within two years. These stark figures are the driving force behind the government's new era in corrections. This government does not retreat from a tough stance on crime, however we recognise the need to address the rate of reoffending if we are to reduce prisoner numbers. The new era in corrections will establish a stronger emphasis on breaking the cycle of reoffending with a renewed focus on rehabilitation and training. Given the proportion of Indigenous prisoners, efforts in this new area must be cross-cultural if they are to succeed.

We will work to positively change offender behaviour, including improving work readiness and employability, with a focus on literacy, numeracy and job skills; investing in culturally appropriate programs; partnering with the community, including businesses, training organisations and non-government agencies for better post release options to reduce the change of reoffending.

Significant steps have been taken to commence the new era of corrections over the last 12 months. We need a new prison, and consultation has continued to finalise the site of a new purpose built correctional centre to be named the Doug Owston Correctional Facility. The innovative facility will

allow for the delivery of improved literacy, numeracy and training programs to support the rehabilitation of prisoners and reduce the rate of reoffending. I look forward to the announcement of the site in the near future.

Work is continuing to set up the Territory's first low security prisoner work camp outside Tennant Creek. A further \$2.55m in additional operational funding, and \$5.072m in capital funding has been allocated to get building works under way as soon as possible on the 50-bed facility. It is expected to be ready to take prisoners in the first quarter of 2011, helping break the cycle of reoffending with improved rehabilitation and reintegration outcomes.

Reducing imprisonment numbers and reoffending rates is about more than bricks and mortar. This new era in corrections is delivering a cultural shift to put the focus on reducing reoffending rather than the processing of prisoners through a system. The integrated offender management system has strengthened the focus on release planning for offenders. Releasing prisoners without a clear pathway often sees a swift return to the same behaviours that led them into the correction system in the first place. Reintegration officers are based in each prison to help link prisoners to services and support upon their release, but there is more to do. The elders visiting program provides an opportunity for Indigenous inmates to maintain links with community and culture. Communities such as Groote Eylandt and Hermannsburg have specific elders conducting visits, while other communities draw from a pool of elders. The elders provide cultural support, and discuss with inmates their opportunities for reintegration into the community.

The NT Correctional Service continues to investigate ways to improve the design and delivery of rehabilitation programs for areas including alcohol and drugs, sexual offences, and family violence.

To support this work in 2010-11, an additional \$200 000 has been allocated for sex offender rehabilitation programs to a total of \$1.145m per annum, and an additional \$0.3m to expand Indigenous family violence family program, bringing it to a total of \$1.3m per annum - \$5.2m since 2007-08.

In 2010-11, government approved additional funding of \$7.5m to manage increasing numbers, including prisoner rehabilitation and education programs. An additional \$2m has been allocated in 2010-11 to manage juvenile detention, including the management of increased female detainees, and transition from a casual to a permanent staffing model.

There is much work under way as we continue to roll out the new era of corrections. I would like to take this opportunity to pay tribute to the willingness of prison officers and correctional services staff to embrace the changes being delivered.

I look forward answering any questions the committee may have with regard to this year's appropriation.

**Madam DEPUTY CHAIR:** Are there any questions on the minister statement?

**Ms CARNEY:** No.

**OUTPUT GROUP 1.0 – CORRECTIONAL SERVICES**  
**Output 1.1 – Custodial Services**

**Madam DEPUTY CHAIR:** We will move on to Output Group 1.0 – Correctional Services, Output 1.1 – Custodial Services. Are there questions?

**Ms CARNEY:** Minister, the budgetary allocation for custodial services this year is \$78.8m. The budget in 2009-10 was \$71m, so we have an increase of new money of \$7.7m. I note from your budget speech and media release, \$5.1m was for the construction of the work camp at Tennant, and \$2.5m was for the operation of that. I want to ask about what is left over in terms of the new money. There is an additional funding, from your budget response, of \$245 000 for sex offender programs. Can you

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tell me how much of that additional \$245 000 will be for those programs at Darwin and Alice Springs? In other words, what is the split of that new money?

**Mr McCARTHY:** We are talking about sex offender programs in particular ...

**Ms CARNEY:** Yes.

**Mr McCARTHY:** ... as there are a number of increases in the budget allocation for the managing of increasing numbers; the first major new era initiative being the work camp, which is ...

**Ms CARNEY:** I am asking about the sex offender. So, the \$245 000, as per your budget speech. What is the split of that new money? How much will be for Darwin and how much will be for Alice Springs?

**Mr McCARTHY:** Sure, okay. If I can start - and I know your interest in this area and we discussed this at length at last estimates. We have renewed the focus on this area as a very important area in the rehabilitation program delivery.

Before we get into the numbers, I would like to say we have been looking at it holistically as well. The thinking has been about how to do it better, and that thinking has led to us exploring new ways, not only in a custodial environment, but also in a community corrections capacity, and within the community. We are pushing the boundaries of this, and it is all designed to deliver better. Let us go to the numbers, though, and I will start with the CEO, if we want to talk about the split in output terms.

**Mr SHANAHAN:** Greg Shanahan, CEO. At the moment, the money we have is just an allocation; that is, \$1.145m for 2010-11.

**Ms CARNEY:** \$1.145m, did you say? That is for 2009-10 for sex offender treatment programs Territory-wide?

**Mr SHANAHAN:** 2010-11.

**Ms CARNEY:** Sorry, 2010-11. What was it for 2009-10?

**Mr SHANAHAN:** For 2009-11, the figure was \$911 000.

**Ms CARNEY:** 2009-10 was \$911 000. Okay, thank you. I will ...

**Mr McCARTHY:** Did you want to respond, Ken?

**Mr MIDDLEBROOK:** What I just wanted to answer to that was it is very difficult in trying to maintain a split between the two institutions. It is based on the number of offenders who go to sex offenders at the time, the sentence they are doing, and the numbers that are assessed for those particular programs. So, it is not as simple as just saying X amount will be for Darwin, X amount to Alice Springs.

**Ms CARNEY:** I do have some more questions a little later about specific programs, including sex offender treatment programs so, we can, no doubt, talk about that as well. Something else from your budget reply speech, minister. You said there was \$300 000 on expanding the Indigenous Family Violence Offender Program. I guess you will not be able to tell me what the split is for Darwin and Alice Springs. You may have said it, I think, in your opening statement. How much of the overall budget in this year's budget will be spent on the Indigenous Family Violence Offender Program and how much was it last year?

**Mr McCARTHY:** Certainly, we have these numbers and we can break these down.

**Ms CARNEY:** Also, I am happy to take notes but, if you have got stuff to table, that would speed things up. I indicate to you, minister, and to your ministerial officers, I think we are aiming to finish at about 10.30 pm, give or take. Obviously, in the interests of time, tabling would be good.

**Mr SHANAHAN:** The Indigenous Family Violence Offenders Program is actually the Minister for Corrections' output group.

**Ms CARNEY:** Well, he has also delivered the gaols, I understand, In fact, in a letter to me in January 2010, the minister advised that one had been delivered in the Darwin Correctional Centre in 2008-09, and one in Alice Springs, so yes, I know that they are in the community, but I am talking specifically about custodial services.

**Mr SHANAHAN:** I think it is the same people that deliver it in the prison that deliver it in the community.

**Ms CARNEY:** So, is it delivered in the gaol or not?

**Mr SHANAHAN:** Yes, the people that deliver it are the people that are in their.

**Ms CARNEY:** Whatever, so it exists in the gaol?

**Mr SHANAHAN:** Yes.

**Ms CARNEY:** Okay, thank you. How much of the allocation for the Indigenous Family Violence Offender Program is allocated this year for Territory gaols, and what was it last year?

**Mr McCARTHY:** This is a Territory-wide initiative, member for Araluen, as you know, and the Territory government has committed an additional \$5.23m over five years to the program through the *Closing the Gap* initiative; \$1m in 2009-10, boosted to \$1.3m in 2010-11. As of 31 March 2010, 30 programs have been delivered, compared to nine for 2008-09.

**Ms CARNEY:** Sorry, I do not mean to cut you off, but you are straying a bit, so I just want to know what the allocation is for the delivery of that program in the gaols this year, and what it was last year?

**Mr SHANAHAN:** We will have to take that on notice. We do not actually split the figures, we actually have them in one bucket.

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**Question on Notice No 6.14**

**Madam DEPUTY CHAIR:** could you just repeat that question, member for Araluen?

**Ms CARNEY:** What is the budgetary allocation for 2010-11 for Indigenous Family Violence Offender programs to be delivered at Territory gaols, and how much was the allocation last financial year?

**Madam DEPUTY CHAIR:** Minister, are you happy to take that question on notice. For *Hansard*, that is question No 6.14.

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**Ms CARNEY:** How much was allocated and spent on all rehabilitation and education programs at the two gaols in 2009-10, and what is the expected spend for 2010-11?

**Mr McCARTHY:** Thank you, member for Araluen. We will get those figures for you.

**Ms CARNEY:** And if you can split it between the two facilities, that would be good, and if you have got it in tabled form, that would be even better.

**Mr SHANAHAN:** We will have to take it on notice. We need to aggregate the figures.

**Madam DEPUTY CHAIR:** Member for Araluen, can you just repeat that question for Hansard please?

**Ms CARNEY:** Sorry, just to be clear, so you do not know, let us take away the split, so you would presumably have the figure for how much was spent on rehabilitation and education programs in 2009-10 at least?

**Mr SHANAHAN:** Yes, we can give you the breakdown, but not the overall.

**Ms CARNEY:** Why can you not give me the overall figure?

**Mr SHANAHAN:** We can if we had it up there.

**Ms CARNEY:** Well, can you indicate what it is?

**Mr McCARTHY:** Yes.

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**Question on Notice No 6.15**

**Ms CARNEY:** Just so that I am very clear, because I am a little surprised, so at Estimates, you do not have, you are unable to provide, how much was spent on rehabilitation programs in 2009-10? Okay, I will ask the question on notice.

How much was spent in 2009-10 on all rehabilitation and education programs at the Territory's gaols, and what is the allocation for 2010-11?

**Madam DEPUTY CHAIR:** Minister, are you happy to take that question on notice?

**Mr McCARTHY:** Yes, Madam Deputy Chair.

**Madam DEPUTY CHAIR:** That is fine. For the Hansard, that is question No 6.15.

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**Ms CARNEY:** Do you know how much was spent on rehabilitation/treatment programs in 2009-10 for Territory gaols?

**Mr McCARTHY:** Member for Araluen, I am advised that we have the program numbers, we do not have the dollar attachment to those numbers.

**Ms CARNEY:** Then that is a question on notice, but, I am not having a go, I am genuinely surprised, you talked in your opening statement of it being a new era of addressing re-offending, breaking the cycle of violence, and having a cultural shift, and here I am asking how much was spent on rehabilitation programs and you cannot give me a figure, so I am a little troubled. Let us do it on notice.

**Question on Notice No 6.16**

**Madam DEPUTY CHAIR:** For the purposes of Hansard, will you please restate your question.

**Ms CARNEY** How much was spent on rehabilitation programs in Territory gaols in 2009-10 and what is it estimated to be in 2010-11?

**Madam DEPUTY CHAIR:** For the purposes of Hansard, I allocate that question No 6.16.

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**Mr McCARTHY:** In terms of status of prisoner education in adult correctional centres...

**Ms CARNEY:** Sorry, Gerry, I was on rehab. I am going to come to education. So, just so that we are clear for *Hansard* that question was on notice re rehabilitation. So we might come back to that.

**Madam DEPUTY CHAIR:** That is question No 6.16.

**Ms CARNEY:** Thank you. Page 97 of the 2008-09 annual report, which is the most recent one available, provides participation in education. It is listed as a performance measure, but not participation in rehabilitation programs. Why is that?

**Mr MIDDLEBROOK:** Can you repeat that?

**Ms CARNEY:** In the last annual report participation in education is listed as a performance measure and you would expect that to be the case, but participation in rehabilitation programs is not listed as a performance measure, so why is that?

**Mr MIDDLEBROOK:** Participation in a program whether that be education or employment, I guess, is something we need to spell out a little better. No, it is not listed as a performance measure; it is just a participation of education.

**Ms CARNEY:** Here is page 97 of the annual report. It has columns as you can see. Under the heading *Performance Measures*, there are two sub-headings, same column, *Quantity* and *Quality*. Participation in education is listed as a performance measure on this page of the annual report. There are other performance measures and I do not want to go in to them yet, but why do you not have participation in rehabilitation programs as a performance measure? I think you should. There must be a logical explanation.

**Mr MIDDLEBROOK:** These are lined up with the report on government services which is like a national recording indicator and I have no real answer on it. I do not disagree with you that we should have that as a reporting measure and it is something, I guess, we should take on notice to look at.

**Ms CARNEY:** Thank you. I would like to ask some questions about alcohol rehabilitation programs and I am hopeful that you can answer this. Of the entire custodial services budget 2009-10, how much was allocated and spent on alcohol rehabilitation treatment programs? How does it compare with 2008-09? Can you give an estimate of what it is likely to be in 2010-11?

**Mr McCARTHY:** Once again, member for Araluen, we have program numbers, but we do not have attached dollar figures to those numbers.

**Ms CARNEY:** Again, I am compelled to say, I am surprised given what you have said in parliament, minister, what you said in your opening statement about addressing reoffending, breaking the cycle of offending. You said in parliament on 20 October, quote: 'We are increasing the rehabilitation of our prisoners,' and no one can get how much we have spent on alcohol rehabilitation programs. So I will ask it on notice with the heads up that, obviously, I will be asking next year.



**Mr McCARTHY:** As we said, we take this on board. We have numbers, program numbers and I believe the Executive Director, Mr Ken Middlebrook, would like to respond as well.

**Mr MIDDLEBROOK:** Business services operate in both institutions and they provide reintegration, sentence and management education treatment services. The budget for those areas covers all those areas. It is not broken into individual service requirements. It may vary on the way we deliver that and the need for those programs.

There are two distinct alcohol programs that operate within the prisons. There are alcohol programs conducted by Corrections through the Department of Justice, and there are alcohol programs conducted by the Department of Health and Families and staff, which is our Outreach Program. Whilst we do not allocate a specific amount of money for that, the budget for Prisoner Services covers all those treatment programs and is based on the need of those offenders.

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**Question on Notice No 6.17**

**Ms CARNEY:** We should put that question on notice and one day I will get the answer to it. Of the entire Custodial Services budget for 2009-10, how much was allocated and spent on alcohol rehabilitation programs in Territory gaols, and how does it compare with 2008-09, and what are the estimates for 2010-11.

**Madam DEPUTY CHAIR:** For Hansard, that is question 6.17.

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**Ms CARNEY:** I feel certain you will be able to answer this. At Darwin Correctional Centre an alcohol program was conducted in February-March. How many prisoners participated in that program, and how many completed it?

**Mr MIDDLEBROOK:** There were 18 participants in the Alcohol Awareness Treatment Program. That is a total of 28. That was the one conducted by Corrections.

**Ms CARNEY:** You said 18 participants.

**Mr MIDDLEBROOK:** 18 in the one for March.

**Ms CARNEY:** A second alcohol program is due to commence late June this year. I understand there are only 12 places available. Counting the one to be held in June, why have only two alcohol rehabilitation programs been operated at Darwin gaol this year?

**Mr MIDDLEBROOK:** Mainly because of the work of the Outreach Program, the one run by Department of Health and Families, which has seen somewhere close to 500 prisoners through that program in 12 months, and it is catering for the shorter term sentences. The number of programs we were running at Darwin - Outreach was covering the alcohol programs, and the resources in Darwin were used for other treatment programs.

**Ms CARNEY:** The one conducted at the gaol is for prisoners serving less than six months, is that right?

**Mr MIDDLEBROOK:** The one at the prison is run for sentences greater than six months, whilst Outreach looks after the remainder.

**Ms CARNEY:** In prison is ...

**Mr MIDDLEBROOK:** Six months or greater.

**Ms CARNEY:** Six months plus, and Outreach is six months or less?

**Mr MIDDLEBROOK:** Yes, and remandees.

**Ms CARNEY:** Last year at estimates in 08-09 only 100 - the answer one of you provided was 111 prisoners participated in a total of 13 rehabilitation programs. In the financial year 2009-10, how many prisoners have participated in and completed alcohol rehabilitation programs?

**Mr MIDDLEBROOK:** The ones run by the department, or the total?

**Ms CARNEY:** The ones run by Corrections. I think last year you tabled something as well.

**Mr MIDDLEBROOK:** In total for ...

**Ms CARNEY:** Sorry, Ken, I think there is a document to be tabled which might save us. I will look at that document I may come back to it. That includes the number of prisoners who participated. Does it include completion? I see Anne Bradford nodding. Does it also include the total number of programs were which run? I also see Anne Bradford nodding. Thanks, Anne. Does it also include a breakdown between Darwin and Alice Springs?

**Ms BRADFORD:** Yes, it does.

**Ms CARNEY:** Thank you. How many prisoners were waitlisted for alcohol rehabilitation programs. I am only referring to the rehabilitation programs run in the gaol? How many were waitlisted for alcohol rehabilitation programs in 2009-10, and how does it compare with the preceding year?

**Mr McCARTHY:** We will have to take that question on notice, member for Araluen.

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**Question on Notice No 6.18**

**Ms CARNEY:** How many prisoners were waitlisted for alcohol rehabilitation programs run in the Territory gaols in 2009-010, and how does it compare with the preceding year? I am referring to both gaols.

**Madam DEPUTY CHAIR:** That is question No 6.18.

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**Ms CARNEY:** Are you able to indicate whether there are fewer alcohol treatment programs and fewer prisoners completing them in 2009-10 than there were in 2008-09?

**Mr McCARTHY:** We will go to Mr Ken Middlebrook. Member for Araluen, I just want to ask for a clarification when we are talking about rehabilitation. Are you just interested in the treatment program or are you interested in the holistic support services that go around the rehabilitation as a case management exercise? The actual numbers in dollar figures that you are asking for, is just purely focused on attendance at a program in the prison.

**Ms CARNEY:** Yes, thank you.

**Mr McCARTHY:** Okay. We are not able to capture this as you highlighted, but that is important that we understand that it is just purely honing in on those people. Then, the last question, if you could repeat it, sorry.

**Ms CARNEY:** That was the one on notice?

**Mr McCARTHY:** No, no. The last question you just gave to me.

**Ms CARNEY:** Are there fewer alcohol treatment programs and fewer prisoners completing them in 2009-10 than in 2008-09?

**Mr MIDDLEBROOK:** With the prison in-reach program, there has been a greater number of programmes delivered and a greater number of prisoner offenders getting treatment through that than what there was in the previous year.

**Ms CARNEY:** Sorry, can I just clarify. When you say prisoner in-reach ...

**Mr MIDDLEBROOK:** This is the program run by Health with us in the prisons.

**Ms CARNEY:** I will say it again. I am not interested in the Health ones. If we have time, I can get to that, but my questions are deliberately specific. They are about what is operated by Corrections in the gaols.

**Mr MIDDLEBROOK:** In 2008-09, there were five programs with 41 participants, and in 2009-10 - this is in Darwin only - there were two programs with 28 participants. In Alice Springs in 2008-09, there were five programs with 58 participants. In 2009-10, there were two programs with 19 participants but, then, that is supported with the services provided by the in-reach program.

**Ms CARNEY:** Yes, okay. So, the answer to the question is, yes, there are fewer programs and fewer prisoners completing them in 2009-10 than in 2008-09. Thank you.

So, 41, 58, 28 and 19 for two years. Last year, you told us that in 2008-09, there were 111 prisoners who participated in the alcohol program. So, for 2009-10, it is significantly less, which is unfortunate, obviously, given the government's increasing focus and discussion about the link between alcohol and violence, is it not?

**Mr McCARTHY:** The line of questioning you are drawing is interesting. It is purely focusing in on what I call the traditional delivery in terms of a program area. What we are unable to demonstrate for you with this line of questioning is the holistic services that go around our new era and the way we have been moving, and that includes the cultural sensitivities that we are looking at as well and how to deliver programs better and more effective. There is a good story to tell, but we are unable to get much of the good news out there, and you have highlighted this with a very empirical view of the statistics, and you are certainly providing me with some great challenges as well with your investigation into this issue.

**Ms CARNEY:** Well, I am pleased you are challenged, I guess you should be as minister for this area, but it is important, I think, given the increasing discussion by your government about alcohol and so on, and here are just some of the media releases I have printed off for the last 12 months, in which you and your colleagues with, as it were, collective hand on heart, talking about increasing rehabilitation and how important it is. So it is disappointing that there are fewer programs and, yes, if we have got the time, we can talk about the additional things, but clearly, I was just after that information, because we also got it last year too, so it is a good way for you and I to compare how we are tracking just in this area.

**Mr MIDDLEBROOK:** Can I just add, look, you cannot lose sight of the fact that there are a number of programs being run in the prisons, and the support of the prison inmates program, this program provides comprehensive alcohol and other drug assessments. This has provided this service to over 500 prisoners since it started in early 2008. It runs a number of these with a short-term, plus the remandees, which was not there before. This has allowed us to free up other spaces for education ...

**Ms CARNEY:** And just so that I am clear, Inreach includes the Department of Health?

**Mr MIDDLEBROOK:** Yes it does, but it is a service in to the prison.

**Ms CARNEY:** Yes, understood. I would like to talk about sex offender treatment programs. Last year, I asked you about it, it was a question on notice, and we received a response. The response was that, in 2008-09, two prisoners in Darwin, five in Alice Springs, and two in Don Dale, had participated in sex offender treatment programs. Can you provide the figures for 2009-10?

**Mr McCARTHY:** Sex offender rehabilitation programs have been delivered to 68 offenders to date in 2009-10, an increase of nine against last year. As at May 2010 ...

**Ms CARNEY:** Sorry, can I just stop you there. You said an increase of nine? My notes show that there were significantly fewer than 68 last year in gaol? You have probably got the figure in front of you, how many do you say participated in sex offender treatment programs last year? In gaol, I am not talking about community stuff, just gaol.

**Mr McCARTHY:** In 2009-10, there were 68. As at May 2010, there were 171 sexual offenders, by most serious offence, or who have committed a child sexual offence, in Darwin and Alice Springs Correctional Centres. Of these, 42, or approximately 24%, have completed, or are completing sex offender treatment. Ten, or approximately 6%, failed to complete a treatment program; and 20, or approximately 12%, refused to participate, or were assessed as unsuitable for a treatment program. This may be as a result of brain injury or other factors which prevent effective group participation. Of the remaining 99 offenders, 33 have less than 12 months, and 66 have more than 12 months left to serve. Prior to their release, these offenders will be assessed for participation in a sex offender treatment.

Significant work has been undertaken to improve the provision of sex offender treatment programs. In April 2010, closed groups were replaced with rolling group programs allowing offenders to join at any stage, subject to their assessment outcomes and it minimises the delays for offenders to start the program. Delivery of programs and individual services within community corrections and juvenile detention has increased. Program development work has resulted in a new sex offender treatment program that can be adapted to varying levels of risk and specific offender groups.

In April 2010, a new group program for young adult offenders commenced in the Darwin Correctional Centre with four participants and an additional two offenders have received individual treatment. A sex offender treatment program for medium to low risk sex offenders commenced at Darwin Correctional with four participants.

Delivery of sex offender treatment programs is within the Darwin and Alice Springs correctional centres in 2009-10 has been affected by a number of factors and they relate to the decision to cease delivery of a program developed interstate and found to be ineffective in addressing sex offending behaviour; of course increasing prisoners numbers; and the challenges to space for program delivery; and, member for Araluen, particularly challenging, the inability to recruit or change clinical staff. The Alice Springs Correctional Centre currently has one clinical staff member against a staffing complement of nine.

**Ms CARNEY:** Thanks for that. I will ask you some more specific questions about some of the things you have raised. Can you answer, of the entire custodial services budget for 2009-10, how much was allocated and spent on sex offender treatment programs and what is the allocation for 2010-11?

**Mr McCARTHY:** Member for Araluen, we have this information

**Ms CARNEY:** If you have got it in tabled form.

**Mr McCARTHY:** Yes, we can table this.

**Ms CARNEY:** This will cover some of the things you mentioned in the answer you have just given. A sexual offender treatment program for young offenders was run at Darwin in April and, I understand, there was five participants. One was run in May for moderate risk offenders and there were five participants. There is one scheduled for eight high risk offenders in December. That is a total of three programs and a maximum of 18 prisoners. My question is: is that correct and are there any others scheduled for 2010 at Darwin?

**Mr MIDDLEBROOK:** We are looking at additional programs for Alice Springs and the difference will be that these are rolling programs that they do not end so, once they start, prisoners can join and keep going. Traditionally what we used to have was the sex offenders program which would run for a set time and if somebody was assessed, once that started, they would have to wait to a new program started. The way that we are now starting to run these is that they can join at any time and roll in and roll out.

**Ms CARNEY:** So what I put to you was correct and there were a total of three programs and no others are scheduled for 2010. Correct?

**Mr MIDDLEBROOK:** They are scheduled but it will be a rolling program. It will be on going.

**Ms CARNEY:** Okay. Do the rolling groups replace the specific programs or are they run in conjunction?

**Mr MIDDLEBROOK:** No, they have replaced that.

**Ms CARNEY:** So, of the rolling group when did that start at Darwin?

**Mr MIDDLEBROOK:** In April.

**Ms CARNEY:** How many prisoners are in the rolling group?

**Mr MIDDLEBROOK:** Eight at this stage.

**Ms CARNEY:** We know 18 prisoners in Darwin this year have done the program, plus there is another eight in and out of the rolling program, correct?

**Mr MIDDLEBROOK:** Correct.

**Ms CARNEY:** There is a rolling program in Alice Springs as well?

**Mr MIDDLEBROOK:** We are looking at that. One of the problems for Alice Springs is getting the clinical staff to manage those programs. As the minister said, we have had some difficulty in recruiting and retaining psychologists for those programs.

**Ms CARNEY:** The program in Alice Springs stopped in August 2009, correct?

**Mr MIDDLEBROOK:** I cannot confirm that at the moment.

**Ms CARNEY:** The program was operating in Alice Springs last year, and it ended.

**Mr MIDDLEBROOK:** It was. We lost treatment staff and without them - we tried to engage services of external providers as well, but sometimes it is very difficult to engage those.

**Ms CARNEY:** Are there any prisoners wait-listed to attend sexual offender treatment programs?

**Mr MIDDLEBROOK:** They would be assessed. As was pointed out, there were 171 sex offenders of the most serious offence as at May 2010, and of those 99 offenders, 33 of less than 12 months, and 66 have more than twelve months left to serve. Prior to their release, these offenders will be assessed for participation in the program.

**Ms CARNEY:** In 2009-2010 there were a total of 68 offenders who completed a sexual offender treatment program. I think that is what the minister said before, and then there was a further breakdown provided. So are we clear on that, 68?

**Mr MIDDLEBROOK:** Forty two had completed, or were completing, a sex offender treatment program as at May 2010.

**Ms CARNEY:** Sixty eight participated, is that right? Sixty eight participated and 42 completed, correct?

**Mr MIDDLEBROOK:** Ten failed, so there would have been 52 started, and 20 refused to participate.

**Ms CARNEY:** Perhaps I can ask the question better. How many prisoners participated in, and completed, a sexual offender treatment program in the Northern Territory in 2009-2010?

**Mr MIDDLEBROOK:** As of May 2010, there were 171 offenders, 42 of these had completed or were completing sex offender treatment; 10 had failed to complete the treatment, and 20 refused to undertake the treatment.

**Ms CARNEY:** Thanks, forty two. Comparing the figure from the year before, it is a surprisingly small increase from last year. You could say that is partly because of the difficulty in Alice Springs, although relatively few prisoners were ever participating in the program there. Would you expect a greater number of participants in sexual offender treatment programs in 2010-2011?

**Mr McCARTHY:** Member for Araluen, if I can start, and then we will go to the expert advice. It is in what we are challenging now about the delivery of these programs, and about capturing the cohort of offenders we are aiming to rehabilitate. This relates to many different factors in educational abilities, cognitive delays, prisoners assessed as inappropriate - we are looking at trying to do this better. This is the change, one of the new initiatives we are looking at. The rolling program is one initiative. The assessment process to introduce more numbers into these programs, and also culturally sensitive, more appropriate programs, and then that move, to put it bluntly, we really want to look at how the offender program can be delivered within a community context in a holistic rehabilitation initiative. If Ken wants, he can add a bit more to that. This is outside of the pure numbers that we are looking at.

**Ms CARNEY:** No, I do not require it, thank you. Estimates is pretty much about numbers, so thanks, but we will move on in the interests of time.

Minister, are you familiar with the publication called *Review of Primary Health Care, Mental Health, Disability and Related Services for Prisoners and Juvenile Detainees in the Northern Territory*, a report authored by the Office of the Inspector of Custodial Services published in 2007?

**Mr McCARTHY:** No, I have not seen that report.

**Ms CARNEY:** Okay. On page 22 - and I will be brief – it says:

*Given the reported prevalence of sexual offenders within the convicted prison population, and the recent Commonwealth intervention to deal with child abuse, we were disappointed to find*

*that, as with alcohol programs, sex offender treatment programs were few in number, poorly evaluated, and not integrated with other health and reducing re-offending agendas.*

They went of to say there was clear evidence that the sex offender programs were not prioritised.

Has anything changed apart from coming up with rolling programs? I understand the department of Health has an increasing involvement, but can you reassure Territorians those programs are a priority of government, or at least have been re-prioritised from where they were in 2007?

**Mr McCARTHY:** Not only in terms of the program, but how the program delivery and the effectiveness of the program is where we have been exploring. The challenges with getting clinically trained people is quite obvious. The programs I have looked into that have been run by clinically-trained people, I challenge the effectiveness of those in a traditional sense in program delivery and in all the cross-cultural nature of our Corrections cohort in the Northern Territory.

This is why I am trying to tell the story of how, whilst I take that on board and that is a very good assessment of what needs to be done and what is not being done, we are taking that a bit further and looking at how we can do that better. But, I am not able to deliver that in the numbers that you require in this process here. I must say we do value this as part of a holistic rehabilitation initiative within Correction.

**Ms CARNEY:** Perhaps next year.

**Mr MIDDLEBROOK:** I just wanted to confirm that we are taking this and we do prioritise this. In fact, the Department of Justice has created Clinic Services Branch for this very reason; to look at the best practice and working with Indigenous people to find something that is relevant to treating sex offenders.

It is all well and good to talk about best practice and world's best practice in some of these things, but we are not dealing with the norm or the type of prisoners they have in some other southern states or others. We are dealing with a difficult group, and we are working with community input, our elders, and we are doing a lot with the Clinical Services Branch and outside providers to come up with programs that are relevant to the client group that we serve. Now, each year it is a struggle ...

**Ms CARNEY:** Understood. It does have difficulties, but this is my ninth estimates, and Peter Toyne started to talk about sex offender treatment programs. I do not, for a minute doubt, nor should I doubt, the commitment of the department. What I have grave misgivings about is the commitment of government. I have heard lots of words, not only at nine estimates, but in parliament, and out of parliament as well.

The client group has not changed; the problems have not changed. We are not seeing the significant outcomes that I am sure even government would have expected to have seen with various programs. I remember Peter Toyne talking about getting the right people in the right place, and getting the research done, and so on - and here we are again. So let us hope that next estimates we can have some better results.

**Mr MIDDLEBROOK:** Can I just clarify, that the sex offender treatment program in Alice Springs commenced in November 2009 and it was not August 2009.

**Ms CARNEY:** So it ceased in, did not commence, but it ceased in November 2009, correct? You said commenced.

**Mr MIDDLEBROOK:** Yes, sorry, it ended in November 2009 and how many on the wait list, we will have to provide that to you.

**Ms CARNEY:** We have that on notice I think. Thank you.

Minister, have you read, it is a very recent report and one that people like me were hanging out for, the report of the National Child Sexual Assault Reform Committee? It was released only a couple of months ago. Are you aware of that report?

**Mr McCARTHY:** No, I have not read that report.

**Ms CARNEY:** I commend it to you. There was a very august group of experts and others from around the country doing a whole lot of very valuable work on child sexual assault law reform. It is a big document, but well worth the read. In it, one of the recommendations, although there was one dissenter, but one of the recommendations from the report was that there be mandatory treatment programs for all child sex offenders. Would the Northern Territory consider taking on board that recommendation and making it compulsory for child sex offenders to attend treatment programs?

**Mr McCARTHY:** If I could start with that and we can get some more comment. What I have learned in terms of the rehabilitation delivery in Corrections is that there are sex offenders who are assessed as being inappropriate to participate in programs for all sorts of reasons. When we look at our cohort in Northern Territory Corrections, it seems even more challenging the nature of the problems that we face. So, I think, Mr Middlebrook has pointed to a fact that, in some respects, we are not the same. However, the offence is the same. So we are looking at how we can do this in terms of better delivery and better outcomes.

We can get some comment from the table, but, while we are discussing and whilst on the public record, I would really like to say that one of the areas that I have researched and taught in and instructed, if we are really going to make a difference, we must concentrate on child protective behaviours. I just want to put that out as well. Whilst I am trying to deal now with the offenders and with all the challenges around that, I would like to make you aware that my position, as a Territorian and something I am lobbying strongly with government, is that we should be putting a lot of our resources into child protective behaviours and teaching our children good child protective behaviour.

**Ms CARNEY:** I am happy to move on to another area and the question about asking whether you had read that report, I feel certain that some of the people behind you will read that report. It is a very good read. It covers all sorts of areas of law reform. I would make it compulsory. That is just my philosophical view which has perhaps changed over the years, but these days I am wedded to that view. We will see how you go for 12 months and I will probably ask you this question again next year.

I would like to move to domestic violence programs. I understand that there will only be one Indigenous family violence treatment program run this year in Darwin and it will be in November and it will have 12 places available. Is that correct? I am assuming you will say yes. The second part of the question is: how many domestic violence, often called family violence, but family and/or domestic violence programs have been run in 2009-10 in Darwin at the gaol?

**Mr McCARTHY:** We are going to table a document.

**Ms CARNEY:** It will include I am anticipating Alice Springs, it will include participant numbers?

**Ms BRADFORD:** Yes.

**Ms CARNEY:** ...completion numbers?

**Ms BRADFORD:** Yes.

**Ms CARNEY:** Thank you, Anne. Will that document also include a comparison with 2008-09?

**Ms BRADFORD:** Yes.



**Ms CARNEY:** Thank you, Anne. While I am waiting for it, was there an increase in the number of programs available and in the increase of prisoner completion of programs?

**Mr McCARTHY:** Member for Araluen, I do not think I have that comparison in terms of, you asked for Darwin?

**Ms CARNEY:** Yes, so was there an increase? I thought the document that Anne tabled had the comparison. So I will be getting that document shortly. I am just wondering if you can tell me if there was an increase in the number of programs and prisoners who completed it?

**Mr SHANAHAN:** The table you are about to see, Table Three says that the figure for 2008-09 in Darwin was 44. In Alice Springs there were 17 so that is a total of 61. Up to the 31st March in 2009-10, it was 33 in Darwin and 28 in Alice. That is up to March so there is a (inaudible).

**Ms CARNEY:** Okay.

**Mr SHANAHAN:** There is a slight increase.

**Ms CARNEY:** Well, it is 61, 2008-09 and 61, 2009-10.

**Mr SHANAHAN:** But, as of March.

**Ms CARNEY:** So you will be counting the additional 12 places available for the one to be run in November in Darwin. So you would expect there to be more.

**Mr SHANAHAN:** To be more, yes.

**Ms CARNEY:** More. Not much though. The reason I ask is, as with alcohol, government is providing increasing commentary about the link between domestic violence and other crime. This government is talking increasingly about its commitment to tackling domestic violence. So, I would expect, and I think many other people would expect, to see a corresponding increase in the domestic violence rehabilitation programs offered in our gaols. What I see is, and we do not have the figures, but, up to March, the same number. So, my question, minister, is, given your new era, are you satisfied with what amounts to a bugger all increase of prisoners who complete domestic violence offender programs?

**Mr McCARTHY:** Member for Araluen, no, absolutely not. You have raised another very strong valid point. I suppose, to answer it, once again in a holistic sense, I have been directing the department and corrections down a line of rehabilitation in terms of making people feel worthwhile; developing people's self esteem; developing work ready skills; participating in education and training; and conducting accredited training. So, whilst the traditional program delivery is important, once again, we have been broadening the net and trying to deliver the holistic rehabilitation around addressing that offending behaviour by a whole measure of initiatives. If I could talk about one, Certificate III in Construction for instance and having 15 prisoners returning to the community into employment and then revisiting that and finding out that after six months there were only five who had returned. That was a move forward. That meant there were 10 still out there with jobs, and hopefully not engaging in offending behaviour.

To go back to your original question, it is not satisfactory, and it is certainly an area where we have much work to do.

**Ms CARNEY:** Last year's budget paper provided \$200 000 to expand the Indigenous Family Violence Offender program. On page 79 of this year's Budget Paper No. 3, \$300 000 is provided to expend. Given the numbers are relatively low, and thank you for that honest concession because it is the only

thing to say - we would all like to see bigger numbers participating in these program and completing them - given last year's allocation was an extra \$200 000, this year it is \$300 000, is that enough do you think?

**Mr McCARTHY:** It is hard to quantify dollar figures on the outcome we are talking about here. For a budget appropriation, I am happy to see an increase in the appropriation, and I take on board the challenge you have thrown out directly, that is how to deliver that effectively. So far the numbers are not showing we have completely got a grasp on that. I take that on board.

**Ms CARNEY:** We talked about sexual offender treatment programs and making them compulsory. I would like to ask you whether you believe prisoners who are in gaol for bashing women should be compelled to attend a domestic violence treatment program?

**Mr McCARTHY:** Certainly, I think a domestic violence treatment program plays a very important part in their rehabilitation, and in addressing their offending behaviour. We are attempting to capture more elements of that offending behaviour for the prisoner re-entering the community.

So, the challenge is out there. You have outlined well that program participation is one part, but also we are doing much work about creating an environment of education and awareness, of hands on experience to build self- esteem, to offer people better outcomes on the outside through work readiness preparation, through employment opportunities, and through the cultural inferences like the Visiting Elders Program, like re-integration support back into the community, like working with the family.

That is the road we are travelling down. Whilst I support your comment, and it is imperative that a domestic violence offender engages in a formal program element, there are many other areas that need to be developed as well to limit that offending behaviour when they return to the community. In many respects, the community they are returning to presents a whole heap of challenges which reinforce that offending behaviour.

**Ms CARNEY:** I take it from your answer you would support compelling violent offenders who bash women to make it a condition of their release that they participate in a domestic violence program while they are in gaol?

**Mr McCARTHY:** Member for Araluen, I do support that. I am thinking as well it would be good to have that conducted in relation to a family environment. I think if we can push that further, translating those learnings from a custodial environment back into the community - I think it is pretty safe to say we are not having much success. So, we are working now with pushing that boundary and looking at how we can involve the family and the community. I throw to Mr Middlebrook, who will make an informed comment on that.

**Mr MIDDLEBROOK:** Again, I repeat that one of the things we have done is created this Clinical Services Branch. It is the intention that, with the systems we are putting in place now, when offenders come in and they are assessed, their sentence management plan will be based around their offending behaviour. If, in fact, they have to be referred or directed to those sorts of programs, their progression through the classification system and down into minimum security will depend on them actually completing those programs. So, there will be a fair bit of pressure put on the offender themselves; it will not be optional for them to do some of these programs.

Yes, it is a work in progress. There is a lot of work left to do, but we have made a lot of gains with it. I like to say that every step, each year we come before you, member for Araluen, we can hope to improve. Certainly, it has been a great step forward with the establishment of the Clinical Services Branch; that we can actually put a lot of emphasis on these types of programs.

**Ms CARNEY:** There was a certain irony - wasn't there? - that some offenders would be ordered by magistrates upon their release to attend Indigenous family violence offender programs delivered in the community. They were compelled; it was part of their release, they had to go. Yet, hitherto, they

were not compelled to attend such programs in gaol,

I am very pleased that you, minister, have said that is about to change, and thank you for that. I was going to ask how you could possibly reconcile having offenders being forced to participate in programs out of gaol, with not compelling them to do that in gaol. So, this is very significant, thank you.

I would like to move to Education. In the last Department of Justice Annual Report, page 97, the estimate for participation in education programs was 26% in 2008-09, and the estimate for 2009-10 is 30%. Minister, you will remember writing to my colleague, the member for Braintree, on 19 March this year. At that time, you told him there were 185 enrolments in the courses, and the total prisoner population was 1129. Expressed as a percentage, that was about 16% of the prisoner population.

Why, in the annual report, is the estimate for participation in education programs 26% to 30%, yet, in a letter to my colleague, clearly, the figures indicate it was 16%? What should we believe - your letter to Adam Giles, or what is in the Department of Justice Annual Report, because it is a significant difference?

**Mr McCARTHY:** First of all, to respond to that, I share with you the main challenge I was dealt when I came into the portfolio is education is not compulsory. I wanted to challenge that immediately, and we have been working down that road. The difference in figures, to me, is an anomaly, and I will take that on board. There has been some good news in the status in prisoner education in our adult Correctional centres, not only in additional funding, but also in the annual hours curriculum or the ASH hours - a significant improvement from 2007 through to 2010. The estimated participation in education in 2010 now is 40% we are working at.

Part of that is looking for meaningful educational and realistic educational opportunities for our prisoner cohort. When we talk about a prisoner cohort, 82% Indigenous presents lots of challenges. We have a document that we will table once again for your reference, member for Araluen.

**Ms CARNEY:** What is that document?

**Mr SHANAHAN:** It is prisoner education. It is a summary of courses and participation rates.

**Ms CARNEY:** Excellent, thank you.

**Mr SHANAHAN:** And the numbers.

**Ms CARNEY:** I am being pressed by my colleague the member for Drysdale - he is very keen to get to arts. I see the member for Nelson, who previously indicated he would not ask any question in this area, is that still the case, member for Nelson?

**Mr WOOD:** Only in relation to juvenile detention.

**Ms CARNEY:** You did not indicate that to me before, how unusual.

**Mr WOOD:** I am happy to leave it.

**Ms CARNEY:** Thank you very much. On that basis, I will have one more question on this area.

**Mr GILES:** You can go. Go on. This is important stuff.

**Ms CARNEY:** So are the arts. Mind you, give me latitude like that and okay. At estimates last year - and this document I look forward to seeing - I asked if you could provide a list of the education programs that operated in correctional facilities in the Territory in 2008-09. You took it on notice, and

## ESTIMATES COMMITTEE PROCEEDINGS – 16 JUNE 2010

your subsequent answer was provided was this document. I counted them up, there were 41 certificate and non-certificate courses offered in the Territory's two gaols, however in a letter to my colleague, the member for Braitling, on 19 March this year to the same question which was: 'What educational programs are operating at both correctional facilities', you listed only 18.

Once again I have information from estimates, and a letter from you to my colleague, and the numbers are considerably different, particularly 41 to 18. Has there been a reduction in education courses in the Territory's gaols in the last 12 months?

**Mr McCARTHY:** Member for Araluen, I will start answering that as my stamp on the portfolio was to look at what I term meaningful and realistic educational outcomes. Whilst we had an offering of 41 programs, I have certainly managed to put my stamp on education within our correctional facilities, and we now have a different number we are focusing on. That explains the serious editing, and the direction we are heading in.

I am pleased to say the annual hours of curriculum delivered increased during 2009 to 99 220, up from 56 715 in 2008, and 32 271 in 2007. We are on the increase, and not only are we on the increase in enrolment and engagement, we are also focusing on what I refer to as meaningful programs that will deliver the work-ready, the occupational health and safety awareness, the communication, the understanding about employment, and about engagement back in the community.

**Ms CARNEY:** A pre-training assessment-vocational literacy course was one of the items that did not disappear from the tabled document last year and your letter to the member for Braitling. Are you able to tell us how many prisoners completed the pre-training assessment-vocational literacy course in 2009-10?

**Mr McCARTHY:** I am not sure if we are going to have them.

**Ms CARNEY:** I have a number of other questions about other courses, so if you have them in tabled form.

**Mr McCARTHY:** I think we will need to refer that back to our prisoner services section.

**Mr MIDDLEBROOK:** Has that been tabled?

**Ms CARNEY:** Which one is that one?

**Mr MIDDLEBROOK:** Table 4 has the number of enrolments.

**Ms CARNEY:** That is the old one. I think it is coming.

**Mr McCARTHY:** We need to cross check. Does it have the pre-employment literacy number on it?

**Ms CARNEY:** Okay, so that is the document that we are talking about that has not been circulated?

**Mr McCARTHY:** We have a number here, member for Araluen. If I could hand over to Mr Ken Middlebrook.

**Mr MIDDLEBROOK:** That would be covered under literacy and numeracy courses and there were 448 enrolments in there.

**Ms CARNEY:** Have I been given a copy of that? I will do the comparison on that later, obviously. Are you able to say, in 2009-2010 to date, how many prisoners completed Years 7, 8, 9, 10, 11 and 12 in Territory gaols?

**Mr McCARTHY:** No, I do not have that number to supply. That is a very good question. In my time in the portfolio, I would say if we can produce that number, it will not be a big number because, as I said, my stamp on this has been actually stepping outside of a traditional educational stream. However, there would be prisoners in there that would be enrolled in traditional Years 7 to 10.

**A person unknown:** Is that on notice?

**Ms CARNEY:** Yes, and I will. You are quite right. I am sorry, but, I am very surprised you do not have that number, given the importance of education and I hear what you are saying about expanding and so on, but, the fact is, in previous years, you and your predecessors have said, both in Estimates and elsewhere, that yes, secondary education is offered to Territory prisoners. At Estimates surely you would have expected someone to ask you that question so, with those comments, very happy to put it on notice and I think we will both be interested to see the response.

**Mr MIDDLEBROOK:** Can I just make a comment? The majority of people in prison have limited education and employment experience and 50% of the sentenced population that we receive are doing three months or less. Another 28% are doing six months or less and they come in with extremely low literacy and numeracy skills. So, these factors really limit the ability to undertake and complete a certificate level course and it is very difficult for us. I have never seen an occasion where a prisoner will come in on a Friday and get up to education on Monday, ready to start a course. Most of the receptions we receive come in in very poor physical state and it is very unlikely they would participate in much education if they are only doing three months by the time we get through assessments and take care of most of their health requirements. So, the numbers would be very low on those prisoners that would go through and complete those other particular courses.

**Mr McCARTHY:** That is a good assessment of just some of the challenges that we face in Northern Territory correctional services but, Mr Chairman, if I could hone in on that question. Member for Araluen, it will be interesting to get that answer and is the question: how many Northern Territory correctional services prisoners are enrolled in the Northern Territory Certificate of Education, which the mainstream offering in terms of educational?

**Ms CARNEY:** The question was: in 2009-2010, how many prisoners completed Year 7, 8, 9, 10, 11 and 12?

**Mr McCARTHY:** Of the Northern Territory Certificate of Education?

**Mr CHAIRMAN:** That is question number 6.19.

**Mr McCARTHY:** As long as we attach that to it. It would be interesting to get a number round that because there is a vast difference between what Mr Middlebrook has outlined and the Northern Territory Certificate of Education for Northern Territory.

**Ms CARNEY:** But as you would recall, minister, in the letter you spent a long time on, no doubt, writing to the member for Braitling, dated 19 March 2010, you gave details of the prisoner numbers in 2008-09. You wrote that for that period, and you would not have expected it to change much in 2009-10, there were 207 prisoners serving two to five years and there were 247 prisoners serving five years plus.

Ken Middlebrook has said that is a relatively small number. With respect, I disagree. Over 500 prisoners from our overall prison population are serving two years plus. There is, for government, a challenge, but a necessity to provide certificate courses, and an opportunity to get these people completing education for the period they are in prison. Do you agree?

**Mr MIDDLEBROOK:** Yes, I agree, but there are other things that are very, very successful. You would be aware of the recent publicity around the umpires that were trained in Alice Springs prison. It

is not just a matter of these guys getting an umpires certificate, there are some basic education which goes behind that as well. It is about building esteem and a whole range of things to get these guys to that level. I think that is very successful, and you might have also seen recently where one of the inmates of Darwin prison won the literary prize through Dymocks Aboriginal and Torres Straits Short Story category through the work through education.

Whilst I do not have those numbers here, we can certainly supply you, and I would not be surprised out of those longer term prisoners, there are a number that are going on to do courses. Our issue is the bulk of prisoners in the system come in with a very low literacy and numeracy skills, and we are focusing on vocational training, education, and practical skills they can take back to their communities.

**Ms CARNEY:** Yes, I know, and umpiring the footy is really good, and getting an award for writing a short story is really good, however providing sufficient educational opportunities for over 500 prisoners is even better. Thank you, minister, for your indication that you will get back to us on that one. That is appreciated. It will be very interesting to see the figures.

I could sit here all night as I know you could, however my colleague will want to ask some questions for the arts, and I will let him do that. Thank you, very much. Same time, same place next year.

**Mr CHAIRMAN:** That concludes consideration for the Justice agency, Correctional Services. Thank you very much for your time.

**DEPARTMENT OF NATURAL RESOURCES, ENVIRONMENT, THE ARTS AND SPORT**

**Mr CHAIRMAN:** Welcome. Would you mind introducing the officials accompanying you?

**Mr McCARTHY:** Thank you Mr Chair, I would like to introduce those at the table with me, the Chief Executive Officer of the Department of Natural Resources, Environment, The Arts and Sport, Mr Jim Grant, Executive Director Arts and Culture Mr Hugo Leschen, and the Director Arts NT, Ms Harni Iradivan.

The arts and cultural division brings together culture and collective institutions from across the Territory, as well as the film office and its arts funding and development agency. The division includes the following: Museum and Galleries of the NT; Defence of Darwin Project; Araluen Arts Centre; NT Film Office; Arts NT, NT Library and NT Archive Services.

Some of the key issues facing this agency are the delivery of the Living Arts Policy, the development of a vision and strategy for cultural institutions and collections by delivering and building our Museums and Galleries sector initiative, and the further development of key capital projects including the World War II facility at East Point, and the Katherine Regional Cultural Precinct.

The department supports the arts and screen activities being central to the Territory life by actively promoting and supporting a healthy, engaged and creative community that engages all Territorians in diverse art forms. The department, through the Arts and Cultural Division, offers programs that support engagement in the arts and screen culture, including pathways for employment, relevant and quality experiences for participants and audiences, and retaining and developing skilled professionals able to develop and deliver experiences in all art forms, and grow the market and audiences for telling Territory stories. The outcomes help the community make best use of its natural, cultural, and artistic assets, to create cultural, educational and recreational opportunities right across the Territory.

Issues around the Corporate Service functions of the division will be dealt with by the Minister for Natural Resources, Environment and Heritage. I take this opportunity to pay tribute, to thank the department staff for attending this late hearing. It has been the first time in some years that this portfolio has been considered by the Estimates Committee. We are all looking forward to answering questions that the committee may have, and I welcome everybody on board.

**Mr CHAIRMAN:** Any questions to the opening statement?

**Mr BOHLIN:** Yes, good evening everyone. Thank you for coming along. We will keep it fairly short if we can. We did consider this last year, minister, so thank you very much, and I know the industry is very happy it was considered last year in estimates as well. No further comment, thank you.

**Mr CHAIRMAN:** Any questions for the opening statement, member for Nelson?

**Mr WOOD:** No, no.

**OUTPUT GROUP 1.0 – SCIENTIFIC AND CULTURAL COLLECTIONS**  
**Output 1.1 – Museums and Art Galleries of the NT**

**Mr CHAIRMAN:** Moving on to Output Group 1.0, Scientific and Cultural Collections, Output 1.1, Museums and Art Galleries of the NT.

**Mr BOHLIN:** I draw your focus back to 2005-06, and the Annual Report for the Department of Natural Resources, Environment and The Arts. Within the Output, Museums and Art Galleries of the NT, there was a Key Achievement in 2005-06. One of those is to 'complete a collection storage review, and a collection audit to ensure the Territory's natural and cultural assets are maintained to an international standard'.

Minister, we come forward some time, all your time, to where, under this year with the Museum and Arts Gallery of the NT, we have gone down from \$11.8m investment into that area to \$11.267m. Why is it now repeated government policy to underfund the museum? Each year, this Output Group sees a reduced budget; this year a reduction of more than \$0.5m, yet, your visitor numbers stay stale and LGANT is very highly regarded. You continually take money from this sector.

**Mr McCARTHY:** I thank you for the question. To address the question, we probably need to delve into the variations. I will hand over to the CEO, Jim Grant, who can pass this on to share this information.

**Mr GRANT:** Jim Grant, CEO, NRETAS. I refer that to Susan Kirkman, who is our Executive Director of Finance and Governance.

**Ms KIRKMAN:** Susan Kirkman. The variation between the budget for 2010-11 and the budget for 2009-10 is \$533 000. That is made up of new grant funding received in 2010-11 of \$116 000. The 2009-10 budget had \$237 000 for the Touring Indigenous Art Project. That is not reflected in 2010-11 because it was just for that one year. There was one-off grant funding in 2009-10, external funding of \$362 000. There was external funding that was carried over from 2008-09 into 2009-10 of \$153 000. There was a transfer in 2009-10 of \$300 000 from the repairs and maintenance program into the capital program for a fire suppression system at the museum. There was an agency re-prioritisation target set for 2010-11 of \$193 000, so there is a reduction there. There is a \$24 000 increase being the nett of the EBA and Prometa and efficiency dividend adjustments.

**Mr BOHLIN:** Would you mind tabling that document, or not?

**Ms KIRKMAN:** Certainly.

**Mr BOHLIN:** Thank you.

Minister, it still evades the basic principle that your Government has done for continuous years: We go to 2007-08 budget. You had \$12.45m so, you had nearly \$12.5m. In the 2008-09 budget, you had just short of \$12m again, but there was a nett difference of \$690 000. The 2009-10 budget, \$11.8m. You had a marginal increase of less than \$100 000. The 2010-11 budget, as previously mentioned,

you are down over \$0.5m.

There is a consistent trend that you devalue your input into the arts sector, and it is going to have an outcome somewhere. What is the government's response to the fact that lack of administrative funds for staff recruitment and replacement at all levels has led to positions not being filled within the Museum and Art Galleries of the Northern Territory?

**Mr McCARTHY:** First of all, when we tabled this document for you, to outline the variations, that gives a very self-explanatory look at variations. In staffing, recruitment, and those issues, I will hand over to the CEO, Mr Jim Grant.

**Mr GRANT:** Member for Drysdale, I might make a comment on the budget generally. The budgets each year do not reflect the external funding, and we have been through that.

**Mr BOHLIN:** Yes, we know that.

**Mr GRANT:** The other one is, in terms of staffing. The staffing is done generally from the department, so there is a fair bit of support from the department. I would like to get a bit more information about that.

**Mr BOHLIN:** May I interrupt there. You are down on numbers in the museum. Your staffing levels are not at maximum capacity as to what they should be. What is the response from government to that? Why is that?

**Mr GRANT:** Can we get back to you on that, because it does not quite ring exactly true to me? I will certainly take that on notice.

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**Question on Notice No 6.20**

**Mr CHAIRMAN:** Would you mind repeating the question then.

**Mr BOHLIN:** What is the government's response to the fact that the lack of administrative funds for staff recruitment and replacement at all levels has led to positions not being filled?

**Mr CHAIRMAN:** For the purposes of *Hansard*, I allocate that question No 6.20.

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**Mr BOHLIN:** What delivery and quality effect has that caused on research and programs including curatorial matters, research, and programs that are vital to the survival of the museum's unique identity in the Northern Territory? It is your legal responsibility under the act to adequately protect the museum's assets. Does the failure to replace staff and appropriately fund the museum, not fly in the face of your legal responsibilities?

**Mr McCARTHY:** In my time in this portfolio, I have seen some incredible work done by the department. I have met some incredible people in the department and, I believe, in the concept of building our museum sectors, we are building from strength to strength. I am not aware of the staffing issues that you are alleging. However, we have taken that question on notice and we will look at exactly that: what positions are vacant. We will get back to you on that, but I can say it is building our museum sector, not anything other than that.

**Mr BOHLIN:** What is building your museum sector? The fact that you are not, perhaps, properly funding it, or every time you seem to withdraw funds? It is your legal responsibility under the act to ensure that all possible avenues are taken to ensure the protection of our assets in that museum. Do you understand that?



**Mr McCARTHY:** That is correct and that is my position. However, you are basing these claims on an alleged lack of staff and we are going to address that and that is just one example. I think we could go through program delivery and show you what we are doing in terms of building this sector.

**Mr BOHLIN:** Good stuff, minister, thank you very much for that. Talking about program delivery, what is the current status of the plan to extend the museum in Darwin as there still appears to be no new 20 year plan as previously promised. Why have you not delivered that plan either in part or in full?

**Mr McCARTHY:** I have a big plan. I have that many plans, these guys run at the sight of me. This is exciting stuff and I have big plans. It is how to fuse those plans with reality and that is what this department does for me. It continues to bring me back to reality, but, in terms of a department response, the CEO Mr Jim Grant might also like to add to this discussion.

**Mr GRANT:** Member for Drysdale, we have been working on the Building our Museums sector for the last little while. We have had several meetings with staff and we have had a meeting with stakeholders and we have a series of meetings planned for the next year with the Building our Museums sector groups which has just been approved and we will have a 20 year plan by the end of this year. In the mean time, we are working on the World War II museum which is a considerable growth of the museum sector. We have just put \$1.5m into the aviation museum and I am hoping that we will have some new art gallery space to announce in the next few weeks as well. So, we are growing the sector.

**Mr BOHLIN:** It all sounds great, thank you minister. Just be careful we do not run out of that 20 year gap before we actually get the plan, because it is an important part of our tourism to the Northern Territory and our position in standing. You did just talk about the military museum, Jim. So, where is that military museum plan? It has been on the books for a while. Surely, we have seen this government come out, not in your sector by the way, Jim, so I appreciate that, but, we have seen this government come out, minister, with a lot of crayon drawings for various things around the place and fun aspects. This, I believe, is potentially one of many significant beneficial arms to increasing significantly the tourism to the Northern Territory. We should be seeing stuff on the table now and starting to progress that now. So, where is that plan?

**Mr McCARTHY:** There is a lot of work going on with this project and the Chief Minister has a personal interest in this project

**Mr BOHLIN:** So do I.

**Mr McCARTHY:** and, as you say, I agree, it has wonderful potential and benefits for the Northern Territory. We have set up a working group around it. We have appointed an executive member of staff to oversee this project. I will hand over to the CEO, Mr Jim Grant. However, I will say that I have hit a bit of a snag with the Darwin City Council, but, we hope to be able to get over that hurdle. That is a major point of good negotiation and diplomacy needed on our way forward with (inaudible) project. Jim?

**Mr GRANT:** Member for Drysdale, we have been asked to deliver the project in time for the 70th anniversary, so, there is a deadline on this and we are working to that deadline and we are on schedule to deliver it.

**Mr BOHLIN:** Unfortunately, due to time, is there any possibility that we could skip right through if there are no objections to the arts and screen sector?

Minister, what is the total cost of the hospital film production studio and what is the quantity output from that studio? Why was this studio built and not left as an outsource area, which would substantially support the film sector industry to become more self reliant and, to that, why is this government still insisting on contracting small to medium projects to interstate market places instead

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of supporting Northern Territory film industry? It is a double whammy that one.

**Mr McCARTHY:** Member for Drysdale, our government is supporting Territory grown product, and there has been a very active move towards that. I am not sure of the start of the question, the film production area?

**Mr BOHLIN:** There is a hospital film production unit at the Royal Darwin Hospital which takes away the opportunity for the Northern Territory private film sector to gainfully be employed in developing products for the hospital.

**Mr McCARTHY:** I have met with stakeholders, I have met with industry groups, I am not aware of the hospital film production unit.

**Mr BOHLIN:** They may have a different name, but there are three people employed, plus all the studio and editing gear at considerable expense.

**Mr CHAIRMAN:** If I can make a suggestion, if it is based in the Royal Darwin Hospital, it might be ...

**Mr BOHLIN:** Thank you Mr Chair, I appreciate your interjection there, but this is relevant to the arts and screen sector.

**Mr McCARTHY:** Sure.

**Mr BOHLIN:** You are about protecting and supporting the arts and screen sector, yet we have another government organisation pulling the rug from under our film and screen sector. You should be jumping up and down and ripping shreds off your counterparts asking what they are doing to your sector.

**Mr McCARTHY:** Member for Drysdale, I will need to liaise with the Minister for Health to find out the nature of this production unit, and to look at the product they produce. We can do some serious lobbying and make them aware of what you are talking about.

**Mr BOHLIN:** Thanks, minister that would be good.

**Mr Wood:** Are they making medical movies?

**Mr BOHLIN:** It is about promotion, and a few other things as well.

**Mr CHAIRMAN:** Actually time has expired.

**Mr WOOD:** What plans do you have for the Taminmin library expansion, if any?

**Ms LEEDER:** Member for Nelson, the Taminmin library is a joint use library with the department of Education, and the building is a department of Education building. We continue to provide support in staff and resources to it, but the building is actually the education department's building.

**Mr WOOD:** Thank you.

**Mr CHAIRMAN:** That concludes questions to the minister. Thank you very much for your time. Thank you all staff for being here so late.

The committee suspended.

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