

The Estimates Committee convened at 8.30 am.

Madam CHAIR: Good morning to everyone listening at home and at work. Thank you for joining us for day three of estimates. We are joined this morning by the Department of Primary Industry and Fisheries and Minister Westra van Holthe. Minister, I welcome you and invite you to introduce the officials accompanying you this morning.

MINISTER WESTRA van HOLTHE'S PORTFOLIOS

DEPARTMENT OF PRIMARY INDUSTRY AND FISHERIES

Mr WESTRA van HOLTHE: Madam Chair, I introduce Mr Alister Trier, the Chief Executive Officer of the Department of Primary Industry and Fisheries on my left, and Mr Ian Curnow, the Deputy Chief Executive of the Department of Primary Industry and Fisheries, who will be assisting me on matters relating to Fisheries. Miss Karen Simpson is the Chief Financial Officer for the department, and sitting behind me for matters relating to the banana freckle campaign is Mr Kevin Cooper, the state coordinator of the national banana freckle eradication campaign.

Madam CHAIR: Minister, I will invite you to make an opening statement of no more than five minutes. I will then call for questions relating to the statement. The committee will then consider any whole-of-government budget and fiscal strategy-related questions before moving on to output specific questions and finally non-output specific budget-related questions. I will invite the shadow minister to ask questions first followed by committee members. Finally, other participating members may ask questions. The committee has agreed that other members may join in on a line of questioning pursued by a shadow minister rather than waiting for the end of the shadow's questioning on the output.

Minister, would you like to make an opening statement regarding the Department of Primary Industry and Fisheries?

Mr WESTRA van HOLTHE: I would thank you, Madam Chair.

The 2015-16 budget boosts investment in our land and water resources. It contains many initiatives that will work to make the life of Territorians simpler, safer and smarter. The Northern Territory government's 2015 budget contains initiatives that will benefit our fishers, farmers, pastoralists, public servants and rural and regional Territorians. This budget makes Territorians' lives safer, simpler and smarter whether you live in the city or the country, the bush or the suburbs,

In August last year this department underwent a restructure which is reflected in the different output groups in this year's budget papers. This new structure clarifies my department's diversity of roles and better aligns programs and services towards developing related industries. My department can now capitalise on previous hard work to realise this government's commitment to economic development and allow Territory industries to grow and reach their full potential.

The creation of the department's Food Industry Group delivers programs and services to support the economic growth and viability of existing and emerging primary industry and fisheries. This group's main objective is to broaden our economic credentials by attracting investment and identifying pathways to drive food export into niche, high-value markets in our Asian neighbour regions.

This group consists of market and enterprise development, plant industries development, livestock industries development and major economic projects. The new structure ensures a strategic approach to food industry development with a focus on growing enterprises, markets and investment, and better aligning quality research programs that are clearly targeted at priorities for industry development. The establishment of this new group was supported by \$513 000 in new funding for two years from 2014-15.

The Resource and Product Integrity Group protects our industries by maintaining our reputation as a provider of high quality produce in order to maintain or enhance market access. The potential threat posed by pests and diseases has been highlighted through recent incursions impacting on the banana and melon industries, and biosecurity will remain a key focus.

The past two years have brought a significant recovery and confidence in our cattle industry best demonstrated by recent record prices for export steers and an increased interest in Territory cattle properties from both Australia and overseas investors. Many properties have changed hands over the past 12 months and a number of new players have entered the industry. The Northern Territory cattle industry

had a bumper year for live cattle sales in 2014, and export numbers through the Darwin port set a new record surpassing the previous high of 364 944 head in 2008.

After many years with few market options there has been a surge of interest in buffalo, particularly for export to Vietnam. Programs to assist the farmed buffalo sector and to take a sustainable harvest from the Arnhem Land herds are being planned. In 2014, 5055 buffalo were exported through Darwin, up from a total of 800 in 2013.

Native title negotiations continue for the development of the Ord River Project, which has major project status. The Ord Stage 3 major project has effectively been broken into smaller sections for the purpose of speeding up native title negotiations. Ord Stage 3A, which is around 1800 ha, will be developed first. This area has no sacred sites and, as such, it is possible that native title issues will be resolved here by mid-year. Ord Stage 3 will bring jobs, business opportunities, agricultural development, infrastructure development, native title benefits and industry participation.

The announcement by Project Sea Dragon that it has reached an agreement with the owners of the neighbouring Legune pastoral lease in order to scope its \$1.5bn tiger prawn project provides additional impetus for development of infrastructure in the region. The 2014-15 budget contained a \$2.25m package to support Indigenous development opportunities and provide permit-free fishing access to intertidal waters overlying Aboriginal land. A key part of this is capacity building, and a range of programs to support this commitment are now in place. For example, a Certificate III in Fisheries Compliance was recently undertaken for Aboriginal marine rangers, which is a key step towards increasing their role in fisheries enforcement across our vast coastline.

A total of \$560 000 was spent for the sustainable management of recreational fishing towards the ongoing implementation of the Recreational Fishing Development Plan. This has included a dedicated recreational fishing survey program to properly understand recreational fishing patterns in the Territory. There are around 20 Territory government-funded projects totalling \$2m, and a further 49 external projects totalling around \$9.2m for research and development of primary industries. A sum of \$1.24m - \$350 000 of which is Commonwealth funding - will evaluate alternative market access protocols to allow the export of mangoes from Australia without post-harvest disinfestation treatment.

The Northern Territory government is committed to further developing our primary industries and fisheries in order to realise their full potential. Thank you, Madam Chair, that is my opening statement.

Madam CHAIR: Thank you, minister. Are there any questions relating to the statement?

Mr VOWLES: Yes, thank you very much, minister. How many full-time employees have DPIF are scientific research roles?

Mr WESTRA van HOLTHE: Is that relating directly to the statement?

Mr VOWLES: It is a global question.

Madam CHAIR: Do you want to ask that in whole-of-government?

Mr VOWLES: We can do that. I can go straight into it.

Mr WESTRA van HOLTHE: If there are no specific questions on the statement we can go on.

Madam CHAIR: Yes, we can move into whole-of-government.

Mr VOWLES: First of all, will you table your global questions?

Mr WESTRA van HOLTHE: No, if you want answers to the questions you will have to ask them, member for Johnston.

Mr VOWLES: Okay.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

Madam CHAIR: The committee will now proceed to consider the estimates and proposed expenditure contained in the Appropriation Bill 2015-16 as they relate to the Department of Primary Industry and Fisheries. Are there agency-related whole-of-government questions on budget and fiscal strategies?

Mr VOWLES: Yes, Madam Chair, thank you. Minister, can you please provide details and progress of all CLP election commitments, including all commitments and policy announcements made to Territorians in the election policy document, summary snapshots, media releases and announcements, costing and savings documents, media advertisements and other printed material?

Mr WESTRA van HOLTHE: We will start with that and move to the next. Our election commitments - I will run through them one by one and provide you with the status and the detail behind them. The first one was to invest in quality research for new crops and products and existing mango and banana industries. That commitment is still in progress as it is ongoing work we said we would commit to. The DPIF research focuses on agribusiness with the most economic potential to grow within the NT. Research is mostly in partnership with industry to maximise uptake of RD and E activities.

The next one was to boost biosecurity investment. This will always be in progress and something we have committed to which is working and happening. A new draft NT biosecurity strategy has been prepared for public release for community input and that work is ongoing.

The next one was the immediate audit of all industry legislation to ensure contemporary best practice and workability. That is also currently in progress. Fisheries is incorporating this commitment into all regular reviews of fisheries management arrangements, and it is included in reviews of all biosecurity and product integrity legislation.

A couple of examples of the work currently being undertaken around industry legislation relate to the *Bushfires Act*, the *Fisheries Act* and the *Animal Welfare Act*. They are some of the things currently in progress.

The next one was the review of export yards in relation to industry growth. That is also in progress. A review of the export yards has been conducted in order to ensure that capacity keeps pace with industry growth. DPIF is working closely with the NTLEA and broader industry to consider the future requirements of the industry regarding export yards in the Territory. With the growth in our cattle exports through the Port of Darwin over the past couple of years, it is critically important we keep on top of the infrastructure that is required to facilitate this. Export yards are an enormous part of that.

The next one was to improve cattle production on Aboriginal-owned pastoral land. That is also in progress and ongoing. Support to the Indigenous Pastoral Project by the department by property planning, training and advice provided to 14 Aboriginal properties identified in the IPP strategic plan has been a significant ongoing program since it commenced in 2003. That work is continuing.

On that, I indicated previously in media statements and statements I have made at industry forums that the Territory has capacity to grow its cattle sector significantly. In my view there is potential to grow our cattle herd by probably 100%. That would require the cooperation and inclusion of Indigenous lands across the Northern Territory to be a part of that. Through natural productivity increases and better management of the pastoral estate we can probably increase by 50%, but pulling the Indigenous lands together and making them a part of the broader pastoralist estate has enormous potential for the Territory. I would love to see more Indigenous land being used specifically for pastoral purposes.

The next commitment was in relation to self-launch boat ramps. That is currently in progress also. The Dundee beach boat ramp has been included on the Department of Infrastructure's design list. Funds for the upgrade of Dundee beach and Shady Camp boat ramps are in the 2015-16 budget. The work on Dundee is to commence in June. We are very pleased to see that coming together. It is important that we got a number of things right in relation to Dundee beach, the first being the design work because it is a complex area given that sand movements affect the viability of the self-launching facilities there. We had to get that design right. We are also working with the owners of Dundee Lodge to ensure there are equitable access arrangements. Maintenance of the relationship between the Lodge owners and government is very important. The Chief Minister announced earlier \$2m for the boat ramp at Shady Camp, and that work will progress into the future. Some design work needs to take place before that can occur.

The next commitment was to establish a Territory Recreational Fisheries Award Program. That is in progress. The matter is being considered by the RFAC, the Recreational Fishery Advisory Committee. We have agreed AFANT will coordinate these awards on a biennial basis. The first awards ceremony is scheduled for the middle of September.

The next one was to work with AFANT to develop a priority list for fishing access. Our relationship with AFANT is strong and ongoing so that work is constantly under way. Tender documents to seek a consultancy to undertake a review of metropolitan boat ramps has been developed in association with the Department of Infrastructure and the Land Development Corporation. It is important also that AFANT and other fishing stakeholder groups in the Territory have some feedback and input into that as well.

The next commitment was around the Ord River scheme. That is in progress. I covered that in my opening statement. To achieve the goal of establishing the Ord River irrigation scheme Stage 3 in the Northern Territory the Territory requires resolution of a number of threshold items, the key of which is the settlement of native title. In order to facilitate progress on the Ord more quickly, we have divided the area broadly referred to as Ord Stage 3 into two. We have the Keep River Plains and the Knox Creek Plain and are currently in native title negotiations over the Knox, which is a smaller parcel of land and free of sacred sites. We are hoping to progress that soon and are looking for a resolution on those negotiations by the middle of this year. That will be an enormous step forward for the Territory government and Australia as the Ord finally comes to fruition. It has been spoken about uphill and down dale for decades, but we are seeing some real progress on it now.

Our next commitment was to establish a farmer ministerial council. That is also in progress. In a pre-election statement the government pledged a ministerial council to provide the communication line between farmers and government would be established. We are still working on how that would look.

The next commitment was to separate the Departments of Mines and Energy from Primary Industry and Fisheries. That has been completed. Now it is the responsibility of two separate ministers and two separate departments, although I believe there are still some shared services between the two in the corporate area.

The next commitment was to re-establish a recreational fishing ministerial advisory council. That has NOW been completed. Members have been appointed and the first meeting was held in July 2013. RFAC is a reality now and has been operating for almost two years. I need to commend all the members on RFAC who have been providing the government and me, as the minister, with some very sound advice on the management of our fisheries into the future. This was set up with the intent of having some real grunt behind getting advice from people outside government to give government the information it needs in order to make sound decisions about management of our fisheries.

Some of the work done includes: the closure of certain areas to fishing we recently announced, the management arrangements, and bag limits. That has all gone through the RFAC because we wanted to make sure the fishing industry had some input into the design and scope of it and we could understand what the impacts would be. I believe getting the industry deeply involved in these decisions is a sensible way to go, particularly as the decisions made by government on the fisheries of the Northern Territory affect so many people and different stakeholder groups. Each one of those stakeholder groups has a different perspective on how the fisheries of the Territory should be managed. It is a fantastic opportunity, and I mean that genuinely, to have input from that group and the broader stakeholder groups into the management of our fisheries. It has gone down very well.

Our next commitment was to close Chambers and Finke Bays to commercial fishing and leave it open for recreational fishing. That has been completed. Those closures are in place and were gazetted in December 2012. We moved very quickly to do that.

We made a commitment to buy back a number of commercial barramundi fishing licences. That also has been completed. Six licences have been secured by a settlement deed. That was done in the period 2012-13.

It is important that we get the balance of our fisheries in the Territory right. It sounds simple but it is actually very complex. We have a resource-sharing framework in place now, which was also one of our commitments - that is about to commence. Getting the sums right around who should have what areas to fish in and what fisheries should be allocated to whom is not a simple matter, so having a resource-sharing framework in place will help us to inform decisions about our fisheries made in the future. The buy-backs completed in 2012-13, even though they were done prior to that, were a necessary step to take in order to

balance the sharing of the resource across the barramundi sector. Had we left all those licences in place it would have seen the effort moved out of Finke and Chambers Bays into other areas of the fishery, which could well have placed excessive pressure on those geographical areas and the fishing stocks contained within. It is about getting the balance right.

Mr VOWLES: What was the total cost of the buy-back of those licences in 2012-13?

Mr WESTRA van HOLTHE: I could ask Ian Curnow if he has the answer in front of him.

Mr CURNOW: I do not have the answer in front of me, sorry. We can get an exact number. There are obviously commercial-in-confidence concerns around that, but from memory it was about \$4.6m to \$4.8m in total.

Mr VOWLES: Thanks, Mr Curnow. Minister, in relation to Chambers Bay, what consultation happened around that and was any amount paid to anybody in regard to it or what did it entail?

Mr WESTRA van HOLTHE: The election commitment made to fishing groups across the Territory was based on discussions held prior to the last election. A decision was made that it was appropriate to hive off a section of the Territory's coastline exclusively for the amateur sector, and in fact, probably the guided-fishing industry sector as well. The closure of Finke and Chambers Bays to commercial fishing did not involve any compensation payments other than the ensuing purchase-back of licences from within the barramundi fishery. It was well consulted prior to that commitment being made, and probably accounted for two to two-and-a-half licences worth of fishing effort within that area.

Mr VOWLES: That is out of the \$4.6m?

Mr WESTRA van HOLTHE: Yes. We bought back six as a result of the closure of Finke and Chambers Bays. That would have accounted for about two-and-a-half licences worth of effort. The remaining three-and-a-half licences were bought back on an historical basis, something that should have been done previously by the former government in order to balance out the pressure on the barramundi sector. It was all those six licences for the figure Mr Curnow quoted before.

Mr VOWLES: Was any analysis done on why you needed to close Chambers Bay? Obviously it was an election commitment, but was the general feel of the consultation that we needed to close it?

Mr WESTRA van HOLTHE: Essentially you have it in a nutshell. There was no specific, scientific research done around the closure of Finke and Chambers Bays in order to support it. It was an election commitment based on the work done prior to 2012 by the Country Liberal opposition talking to the fishing sector.

Mr VOWLES: Thank you, minister.

Mr WESTRA van HOLTHE: Our next commitment was the implementation of a new waterway safety program. That has also been completed. A comprehensive safety and recreational fishing education program has been implemented. This was critically important to get Territorians to understand the dangers of our waterways and what they need to do in order to maintain boat safety.

There was also a lot of work done at the same time, not only on fishing safety but on fishing in general, including barotrauma and the effects that has on our fish stocks. Fish caught from anything greater than about 10 m of our demersal fish, the reef fish, suffer from barotrauma. Many of you will remember Rex Hunt on TV in a long campaign to educate people about only catching what they want to keep and if they catch a certain number of fish of a certain species, move on and try to catch something else. Not only are we concerned about safety on the waterways, but there is also some education around the sustainability of our fisheries and making sure fishermen do the right thing.

Our next commitment was the trial use of security cameras at boat ramps. That is in progress. The Department of Infrastructure has recently installed CCTV cameras at Elizabeth River boat ramp at Palmerston which will be operational shortly. In the 2015-16 budget the government announced installation of CCTV at Buffalo Creek.

Ms MANISON: When do you anticipate it will be up and running at Buffalo Creek?

Mr WESTRA van HOLTHE: There will have to be some work done on design and location of CCTV at the Buffalo Creek boat ramp. I expect that we will see it within the upcoming financial year. I cannot see any reason why it would be delayed beyond that. There is money in the budget for it. We are also talking about upgrades to the car park and additional lighting.

They are the election commitments, member for Johnston. Do you have any other questions on those that you wanted to canvass now?

Mr VOWLES: No, that is fine, I will get to them.

Mr WESTRA van HOLTHE: I might move on to the further part of your questions and some details about costs of advertising and communications in 2014-15.

The Department of Primary Industry and Fisheries spent a total of \$104 798 on advertising and communications, \$46 350 of which was funded externally. That would have come in from Commonwealth government and grants from other organisations to advertise programs on their behalf.

Mr VOWLES: What programs would they be?

Mr WESTRA van HOLTHE: I might finish this and see if the answer is contained in here for you.

A sum of \$61 306 was spent on advertising. Of that, \$27 087 was externally funded as part of the National Banana Freckle Eradication Campaign. Other advertising includes providing the community with information about new fishing controls, the farm finance loan scheme, the emergency response to cucumber green mottle mosaic virus and a couple of bereavement notices. A total of \$43 492 was spent on communications materials and information displays for conferences and field days, including the regional show circuit and information about the new fishing controls. Of this, \$19 263 was externally funded as part of the National Banana Freckle Eradication Campaign.

Is that enough detail?

Mr VOWLES: Yes, that is fine, minister.

Mr WESTRA van HOLTHE: Otherwise I would have to chase down some more information and take it on notice.

Mr VOWLES: Can you please provide the details and costs of all consultancies undertaken by the agency?

Mr WESTRA van HOLTHE: The previous question had a bit about providing details and costs of all government advertising containing either the image or voice of the minister. I will just tell you that.

Mr VOWLES: You can tell me that if want, I am more than happy to listen. You could roll through them without me asking because you have them right in front of you.

Mr WESTRA van HOLTHE: Yes, that is all right. The good thing talking about Primary Industry and Fisheries is it is all good news, member for Johnston, so I am happy to talk to you about it.

In answer to the global question you placed before us about the details of costs of all government advertising that contained either the image or voice of the minister or Chief Minister, or name of the Chief Minister or minister, for the reporting period 1 July 2014 to 31 March 2015 the answer is nil.

Can you repeat the next question?

Mr VOWLES: Minister, can you please provide the details and costs of all consultancies undertaken by the agency?

Mr WESTRA van HOLTHE: The data I have is for the reporting period 1 July 2014 to 31 March 2015 and it excludes GST. The total cost of all consultancies was \$482 556, of which \$233 287 was funded internally and \$249 269 funded externally. I can break that down further if you like.

Mr VOWLES: Yes please, minister.

Mr WESTRA van HOLTHE: From the total of external consultancies, \$195 180 was spent within the NT and \$287 376 was interstate. Do you want a breakdown of the internally- and externally-funded figures as well?

Mr VOWLES: Yes thanks.

Mr WESTRA van HOLTHE: Of the internally funded \$77 092 was spent in the NT, \$156 195 was spent interstate. The externally funded consultancy figures are for the Northern Territory \$118 088 and the interstate expenditure was \$131 182.

To further break those down:

- within the Food Industry Development Group our Market and Enterprise Development Group used EASA for the provision of staff training programs to the value of \$7359. For resiliency and workplace culture and change training programs for staff it was \$6068
- the Plant Industries Development Group for conference logistics - the provision of conference services for the International Mango Symposium which is coming up in September was \$2400
- EASA again, employee assistance services provided to staff was \$974
- McTaggart Consulting to investigate and prepare a report on a staff incident was \$17 625
- for major economic projects: the Northern Land Council for consultancy services on the Ord River Development Project \$55 000, and Territory Property Consultants Pty Ltd for consultancy services on the Ord River Project \$5300
- for resource and product integrity, in particular the biosecurity and animal welfare side of things: Connely Walker Pty Ltd had a consultancy for the provision of specialist security and risk services relating to the cultivation, possession, processing and transportation of poppy material and other activities for the sum of \$29 997
- the Department of Agriculture, Fisheries and Forestry Australia - the Commonwealth - consultancy services for the banana freckle eradication campaign of \$40 000, Elton Consulting for consultancy services for the banana freckle eradication campaign of \$25 145, and Vadaka Pty Ltd for consultancy services on the banana freckle eradication program of \$66 03
- within Fisheries, the Aboriginal Areas Protection Authority had a consultancy for the Authority's certificate for noxious fish eradication at One Mile Dam of \$9943
- Bressel Consulting for consultancy services for the Offshore Snapper Fishery Advisory Committee of \$9877
- Cade Consultants, stakeholder consultations and report preparation of \$38 045
- Colliers International valuation services for Fisheries of \$900
- Miwatj Health Aboriginal Corporation for coordination of the East Arm Indigenous fishing network of \$25 006
- Dr D Lee, Indigenous consultant for fishing development project of \$300
- Mr E Nayilibidj, an Indigenous consultant for a fishing development project of \$2513
- Mr E Fejo for the same type of work of \$2250
- Mr J Margan Jingeri same project of \$375
- Mr J Mangirryang same project of \$738
- Mr M Galywaku same project of \$1256

- Mr Richard Slack-Smith, the Executive Officer of the Northern Territory Fisheries Research Advisory Board was paid \$8726
- Mr Richard Stevens, as consultancy services for the Mud Crab Fishery Management Advisory Committee was paid \$5534
- again, for Mr Stevens' work on the RFAC of \$5058
- same person again for his work on the Small Pelagic Fish and Squid Advisory Committee of \$2810
- Mr T Yumbulul, Indigenous consultant, for fishing development project of \$688
- Ambrose Business Solutions, for field work and report preparation for stage two of the trepang farming on Goulburn Island project of \$31 000
- for Water Testing Services, EASA were engaged for employee assistance services provided to staff for \$557
- in Corporate and Governance, Australian Livestock Services did some consultancy work for travel for meetings and field visits to Indonesia for \$2363
- Cross Cultural Consultants International Pty Ltd provided cross cultural training program for staff for \$1950
- Mercer Consulting Australia Pty Ltd for delivery of a JES introduction training course to staff of \$2207
- in the shared corporate services area, Cross Cultural Consultants International Pty Ltd also did some work for cross-cultural training of \$1200
- EASA for appropriate workplace behaviour training for staff of \$1297
- EASA had another couple of consultancies for employee assistance services provided to staff of \$2283 and provision of other staff training programs of \$9510
- a company called Human Incite for a Respect in the Workplace Training program for staff of \$54 640
- Yellow Edge Pty Ltd provided a leadership group profile and workshop training sessions for staff of \$5627

They are the consultancies the department engaged in during that reporting period.

Mr VOWLES: Which consultants were not selected through a competitive tendering process, if any?

Mr WESTRA van HOLTHE: All consultants paid during this period were selected through competitive tendering.

Mr VOWLES: For each government agency and authority how many certificates of exemption were issued in 2014-15? What is the description of goods and services contracted?

Mr WESTRA van HOLTHE: For the reporting period there was one certificate of exemption issued for the supply, delivery, installation and commissioning of LabWare laboratory information management system. The certificate of exemption was issued on 25 September 2014. The awarded value was \$447 050. The reason the exemption was issued - there is only one LabWare vendor in Australia so there was only one choice as far as contractors to do that work. It was recommended by the Chief Information Officer and approved by the Chief Executive.

Mr VOWLES: How many staff in each agency and authority detailed by full-time equivalent, part-time contract and temporary contracts?

Mr WESTRA van HOLTHE: For the Department of Primary Industry and Fisheries there are 313 full-time equivalents, for permanent part-time contracts there are 26 ongoing part-time employees and for temporary contracts there are 81 fixed-term employees.

Mr VOWLES: Of those employees, how many are specifically in scientific research roles?

Mr WESTRA van HOLTHE: In the Food Industry Development Group there are 129 staff engaged. Of those, about 10 would be administrative.

Mr VOWLES: Are 119 in scientific research?

Mr WESTRA van HOLTHE: In that field, yes. In the Resource and Product Integrity area there are currently 109 staff and about 20 of those would be engaged in administrative duties. The remainder would be engaged in ...

Mr VOWLES: Directly working in the field as well?

Mr WESTRA van HOLTHE: I would have to take that on notice.

Question on Notice No 4.1

Madam CHAIR: Member for Johnston, please restate the question for the record.

Mr VOWLES: How many scientific research roles are working directly in the field?

Madam CHAIR: Do you mean full stop for the department?

Mr VOWLES: Yes.

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: I accept the question. A lot of the field work staff also have administrative roles so there is a lot of shared activity going on.

Mr VOWLES: Yes, I am happy for you to provide that before the end of the session.

Mr WESTRA van HOLTHE: Yes, we will do what we can to provide you with the best data we can extract.

Madam CHAIR: That will be question 4.1.

Mr VOWLES: Along the same lines, how many Agricultural Science PhD students are there in the department, if any?

Mr WESTRA van HOLTHE: Ag Science PhD students. I think we would have to take that on notice as well to get the correct answer.

Question on Notice No 4.2

Madam CHAIR: Member for Johnston, please re-state the question for the record.

Mr VOWLES: How many Agricultural Science PhD students does the department host?

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: I accept the question, Madam Chair.

Madam CHAIR: The question is 4.2.

Mr VOWLES: You have allocated research scientist projects in Budget 2015-16 appropriations to designated climatic zones representing northern Australia.

Mr WESTRA van HOLTHE: Can you repeat the question?

Mr VOWLES: Have you allocated research scientist projects in Budget 2015-16 appropriations to designated climatic zones representing northern Australia?

Mr WESTRA van HOLTHE: I will ask the Chief Executive to answer if he can.

Mr TRIER: Alister Trier, Chief Executive, Department of Primary Industries and Fisheries. The way our funds are allocated is across the Northern Territory at a mix between plants and animals. We are trying to encourage interaction between the two scientific groups so we step back into more of a systems approach.

In regard to climatic variation within the Northern Territory, no money is specifically allocated for the tropics as opposed to the arid zone. It is more allocated against the projects that come from each of those areas and how they fit, in a broader sense, of lifting the development in capacity of those industries

Mr WESTRA van HOLTHE: The other thing I might add is we fund our research stations across the Territory also - geographically some of them are located in the tropics and others in the arid zone. There is specific funding for those climatic areas but not on the basis of the climate itself. It is more about the land systems and what primary production has, can or could take place in those areas.

Mr VOWLES: That is good as it leads on to my next question. It goes back to the scientific research role. Do you have them located around the Territory like Darwin, Douglas Daly, Katherine or Alice Springs? Are there any scientific research roles in those areas?

Mr WESTRA van HOLTHE: Without being able to quote the numbers, there is scientific research occurring across all our research farms in different areas ...

Mr VOWLES: Would I be able to get a break up of that?

Mr WESTRA van HOLTHE: In order to do that we could - I am trying to be helpful - look at our research farms and give you a breakdown of the number of scientific staff working at each. I can give you a regional staffing summary which will help, but it will not break it down to the number engaged directly in scientific research.

In the Darwin region there are 257 FTEs, in Katherine there at 30 FTEs, in Tennant Creek there are seven and in Central Australia there are 19. Some of those are working on scientific projects directly ...

Mr VOWLES: Do you have any staff based at Douglas Daly?

Mr TRIER: Yes, there are four or five staff there at the moment.

Mr WESTRA van HOLTHE: Yes, four or five staff currently. We can dig out some more detail if you want to place a question on notice. The Chief Executive can provide some further information.

Mr TRIER: Darwin has a significant part of our administrative staff so we will need to provide the breakdown of Darwin scientific staff separately. Katherine, from memory, has two administrative staff and a director. The remainder of the staff there are either in the scientific area as researchers primarily for plants and livestock or are stock inspectors or vets. We also have members of the Indigenous Pastoral Program. Of the 36, 34 are operationally based or field based.

In Tennant Creek we have two administrative staff and in the remaining five there are two stock inspectors and three field researchers. In Central Australia we have 22 total staff. We have three administrative staff there and the remainder are either stock inspectors, vets or in the plant or animal research areas.

Mr WESTRA van HOLTHE: The other thing I might add is a large number of scientific research staff are working in Fisheries. Their work is spread out across the whole of the Northern Territory coastline, along with some of the river catchments as well.

The nice thing is we are now, through the ranger programs, able to augment the research occurring across the more remote parts of the Territory. Rather than having the expense of sending Fisheries scientists out to regions to do basic research work we can now engage the marine ranger programs to do that. It is proving to be highly successful and quite cost effective as well.

Mr VOWLES: Thank you, minister, and Mr Trier. Minister, how many staff at ECO1 level and above detailed by classification level? Can you provide that, please?

Mr WESTRA van HOLTHE: Within the Department of Primary Industry and Fisheries we have a total of 15 ECOs. We have eight ECO1s, five ECO2s, one ECO3, no ECO4s and one ECO5.

Mr VOWLES: Can you please provide the total cost of travel on each agency and authority broken down into international, interstate and intrastate?

Mr WESTRA van HOLTHE: The total cost for the agency for everything – and I will break it down in a moment for you – is \$832 888. If I break that down, \$528 606 was internally funded and \$304 282 was externally funded.

Further breaking that down, of the internally funded travel \$283 714 was for intrastate travel, \$167 870 for interstate travel and \$77 022 for international travel. From externally-funded programs intrastate cost \$213 387, interstate \$66 920 and international travel was \$23 975.

Mr VOWLES: Where did the external funding come from?

Mr WESTRA van HOLTHE: That comes from a range of different areas, some from the Commonwealth government. Some of the projects the department is currently engaged in overseas are funded by ACIA. I could probably give you a more detailed breakdown through the Chief Executive.

Mr TRIER: The minister is quite correct, ACIA, through the Commonwealth government, fund some of the work we do. That is primarily focused at two levels. One is advancing biosecurity capability for our near neighbours of Timor and Indonesia. There is also building capacity, I guess, in agricultural areas, again in our near neighbours. Meat & Livestock Australia is a significant contributor. We do some market development work throughout Southeast Asia for livestock exports. That is predominantly focused at building capacity in feedlots in two areas. One is nutritional capacity and the second area is to build animal management capability within feedlots.

We have also been doing some work in Indonesia, funded by Meat & Livestock Australia, to track the performance of different genetic types of cattle produced in the Northern Territory and how they perform in Indonesia to try to make a case for the strength of cattle that are composite bred and thereby available for a number of markets. There are some examples.

Mr WESTRA van HOLTHE: Do you want further breakdowns on those figures? I can give you by accommodation, official duty fares and travel allowance.

Mr VOWLES: Yes, please, minister.

Mr WESTRA van HOLTHE: For the NTG-funded portion accommodation:

- intrastate \$59 253, interstate \$33 196 and international \$23 488
- official duty fares: intrastate \$78 401, interstate \$105 219 and international \$32 127
- travel allowance for intrastate travel was \$116 963, interstate \$29 465, and for international \$16 483
- the cost of charters intrastate \$29 097, interstate was zero and international was zero
- travel documents and incidentals intrastate zero, interstate zero but international \$4924

For the externally-funded portion:

- accommodation intrastate \$130 217, interstate \$9264 and international \$6178
- official duty fares intrastate \$26 001, interstate \$46 109 and international \$8705
- travel allowance \$25 260 for intrastate, interstate was \$11 547 and international \$8680
- for charters, intrastate \$31 909, interstate was zero and international was zero
- travel documents and incidentals for intrastate zero, interstate zero and international \$412
- That is the full breakdown of the travel from the department for the reporting period.

Mr VOWLES: What was the international travel for?

Mr WESTRA van HOLTHE: I will hand that over to the Chief Executive of the Department of Primary Industry and Fisheries to answer. An enormous amount of work goes on with our international partners. I take trade delegations with me on ministerial trips, but the department has a broad range of activities it undertakes internationally to further relationships, better understand biosecurity risks Australia faces potentially from the north, and partner with countries to improve their capability and capacity. A lot of good work goes on which is internally funded, also externally funded as the Chief Executive mentioned, through ACR projects and Meat & Livestock Australia as an example. The Chief Executive can probably give you some more details of those trips.

Mr TRIER: It is pretty much as outlined in the previous answer in the facilitatory work we did. We accompanied the minister on one delegation so the departmental costs are covered in this reporting period - in November/December last year on a visit to Cambodia and Vietnam. The Market and Enterprise Development Group travelled to Vietnam and Indonesia with market development activities separate to that. That was an operational exercise and was mostly developing skills and capacity within new and emerging markets or building capacity in animal nutrition and animal management within the feedlot. Without too much detail unless you would like it, a number of trips were funded externally for building capacity in biosecurity for near neighbours.

Mr VOWLES: The trips funded externally, who were they from? Could you expand on that?

Mr TRIER: The external funds are primarily from Meat & Livestock Australia – ACR. There is also some funding from - I am not sure of their current name, but Horticultural Australia and the Australian Mango Industry Association. An officer travelled to America to accompany the first shipment of mangoes from Australia to America. His role was to troubleshoot issues, document the process and sort issues as they arose so we gave the first shipment the best chance of being successful and received well. It was well worth it. A number of small things happened along the way and the officer who travelled was immediately able to address them. We learnt a number of lessons as a result of that, which stands us well to supply that market into the future. Because we are going to a premium market it is all about quality assurance and making sure the mangoes that hit the market in America are in their best condition possible so they attract the premium price we are after.

Mr VOWLES: The \$4100 on incidentals, what was that for?

Mr TRIER: Mostly things like visas, and there would be also some travel costs - buses, taxis that sort of stuff. It is all thoroughly documented and goes through a strict approval process.

Mr VOWLES: Can you please provide details and costs of all travel undertaken by the minister paid for by the agency or authority, including travel on charters.

Mr WESTRA van HOLTHE: We have a simple answer to that question - zero.

Mr VOWLES: Since the Chief Minister's \$7.9m appropriation for the Northern Australia Development Office in Darwin, what direct appropriation through your department for developing the north is evident in this budget?

Mr WESTRA van HOLTHE: There is no specific line item in the Department of Primary Industry and Fisheries budget allocation for developing the north as such. We instigate and run a great many programs which dovetail into the concept of developing the north. A huge number of projects have occurred recently and I might start at the top.

For example, every time I visit overseas on trade delegations to push the Northern Territory the big picture stuff is about developing the north. If we are opening up new markets for live cattle trade into Southeast Asia, every cow or steer sold as a result of that work goes towards developing the north in a real sense. Opening up those markets, getting market access and developing those relationships is about assisting our farmers to grow their businesses and make them more profitable and more viable, which fits with the picture of developing the north.

All the other research projects that go on to assist our farmers - an example might be the work we are doing at the moment on fruit fly on mangoes. You would probably be aware that currently all our export mangoes have to go out through other ports, mostly Brisbane, where they have to be either irradiated - given heat vapour treatment before they can leave Australia to rid them of any chance of fruit

fly. We are currently working on a project, which has been going for quite a while, which is a health protocol we could establish with our overseas trading partners where they might accept fruit which we call hard ripe green. These are, in essence, fruit picked when still hard and the skin is still green which can be ripened under controlled conditions to produce top-quality fruit.

If we can get that regime right, and get agreement from our trading partners to accept hard ripe green fruit instead of having to put them through irradiation or heat vapour treatment in Brisbane, it will cut the costs to our producers. We will be able to export mangoes directly from the Port of Darwin. That is helping small business, and in some cases quite large businesses, to further develop their enterprises and it dovetails and sits under developing the north.

Everything the Department of Primary Industry and Fisheries does is aligned with that major goal of sitting behind developing the north. Everywhere I go I talk about developing the north.

I recently attended the mango conference in Darwin and spoke extensively about how the mango industry will fit into developing the north. Changes to our *Pastoral Land Act*, for example, open up more opportunities for pastoralists and that fits in with the concept of developing the north.

Having pristine fisheries and managing them well will bring more tourists to the Territory to catch our iconic barramundi. That adds more tourism dollars to the Territory's economy, thereby developing the north. Everything we do is pretty much aligned with that concept.

The other important thing is in relation to cattle. A ministerial committee was put together a number of years ago called NAMF, the North Australian Ministerial Forum, a collection of regional development ministers from across Western Australia, the Northern Territory and Queensland, including the Commonwealth minister. Spawned from that were, you could say, the first steps in this whole concept of developing the north, with those ministers meeting on a regular basis to talk about regional development issues. Spawned from that was the north Australian beef ministers' forum where the agriculture ministers from Western Australia, the Northern Territory, Queensland and the Commonwealth minister discussed the strategic issues affecting the cattle industry across not just our individual states, but across the whole northern part of Australia. That work also dovetails into developing the north.

I realised very early in the piece that when our cattle markets are set to grow – they are and will continue to grow - there is no way the Northern Territory could provide solely to those markets. We have to rely on Queensland and Western Australia to provide cattle through that whole supply chain system to feed our neighbours in the north.

That collaboration at the ministerial level underpins developing the north. Whilst there is no specific line item in the budget, I am very comfortable that everything we do within the Department of Primary Industry and Fisheries sits within the sphere of developing the north.

Restructuring the department has also been a part of developing the north. We wanted to realign some of the work occurring within the department, move it away from just being research focused into more enterprise development, and working with pastoralist and other farmers across the Territory to help them with their business systems, help them become more profitable, more efficient and effective at what they do.

Again, it is underpinning those small businesses, helping them to grow, which is a part of developing the north. Developing in the north is a concept, in my view, backed up by the work of a number of departments across the Northern Territory - in fact, probably most departments in the Northern Territory. In pursuance of their goals, we are heading towards that greater goal of developing the north, which is also supported by the Commonwealth.

Mr VOWLES: Yesterday, in my shadow portfolio of Indigenous Affairs, the Chief Minister was acting like a petulant child. I appreciate the way we are doing this.

Has your department been consulted around the Office of Indigenous Affairs in that coordination? That was one of my serious concerns yesterday and I did not get much out of the Chief Minister. If you could please answer that question it would be great.

Mr WESTRA van HOLTHE: As government ministers we all talk about what our portfolio areas are doing and how that aligns with not only developing the north, but the Indigenous role and how Indigenous people will play a part in that as well. Obviously during our Cabinet meetings we discuss these issues, also during

our parliamentary wing meetings. Other matters are brought to the attention of both ministers and backbenchers.

Importantly, at departmental level there is a great level of collaboration between chief executives, and also at an operational level around Indigenous development. A classic example would be the development of our ranger programs across the coastline. Through the ranger programs we are providing some real opportunities for Indigenous people to become employed and contribute to their own wellbeing, and also the wellbeing and growth of their local economy.

Mr VOWLES: It is a fantastic program, minister. We were as a Caucus at Wadeye several weeks ago and met with the rangers there. They are doing a great job.

Mr WESTRA van HOLTHE: The nice thing is running the programs gives Indigenous people a great sense of self-worth. At the same time they are looking after their own sea country. All this work is being done in conjunction with Indigenous Affairs as a whole, but also in direct consultation with the Indigenous folk themselves. One ranger training program might be a little different from Wadeye to Nhulunbuy, for example. We spend a lot of time tailoring the programs to suit the particular areas and talking to the local traditional owners.

Getting back to what I think is the nub of your question yes, there is much interaction between my department and the department of Indigenous affairs through the natural work we are doing, which aligns with everything they want to do as well.

Mr VOWLES: Mr Trier, are you one of the CEO Community Champions?

Mr TRIER: Yes, I am the Community Champion for Maningrida, which I am very excited about. I see a lot of opportunities there in fisheries and also more broadly. I have a number of ideas, but the first thing I need to do is understand the aspirations of the local community rather than force my views. It is an exciting prospect.

Mr VOWLES: We are probably sick of forced views on remote communities over the years.

Mr WESTRA van HOLTHE: The Office of Indigenous Affairs is a very important one with an important role in coordinating all the services and activities that take place across Indigenous parts of the Territory. The Department of Primary Industry and Fisheries is only a small part of the work they are engaged in and we are informing. We talk about the matters that affect them – the Indigenous Pastoral Program for example, and the sea rangers is another one. That is all part of a much larger picture with the department or the Office of Indigenous Affairs pulling together all the things that are important to grow participation within the Indigenous sector. That is critically important to the future of the Territory given our population is about one-third Indigenous.

Mr VOWLES: Territory Labor will support anything that will give Indigenous people - especially remote Indigenous people - opportunities for economic development and employment. I see your department playing a major and significant role in that with the connection to land, sea and country. Thanks very much.

Mr WESTRA van HOLTHE: I might add even though it is slipping off into my other agency of Land Resource Management, we recently announced money for drilling programs to look for further water resources. Some of that work will be around Indigenous areas - places like Ngukurr and Ti Tree. We are spreading the effort not only on our pastoral estates and privately owned land, but also into the Indigenous estates recognising, as I mentioned before about growing the cattle sector, how important Indigenous people and their lands are to developing the overall economy of the Territory.

For example, in the cattle industry you could argue our pastoral estate is distributed fairly homogeneously across the Territory. The same argument would hold true for Indigenous land. It makes sense large parts of Indigenous land would be suitable for cattle production. Likewise, there would be areas within the Indigenous land areas that would be suited for higher order land use such as horticulture or forestry.

We want to engage with Indigenous people at that level. That is why we are putting resources into better understanding the soil types, what can be grown, and what water is available. We are spreading the effort across the whole of the Northern Territory not limiting it to one particular sector.

Mr DEPUTY CHAIR: Can I interrupt? Some people have come into the gallery today. Welcome, and I hope you enjoy your time at the Estimates Committee.

Sorry, member for Johnston, you have the call.

Mr VOWLES: It is very good to hear the work that has been done and will be done in those areas. Can you provide details and cost of all travel undertaken by ministerial staff paid for by the agency, including travel on charters?

Mr WESTRA van HOLTHE: Zero.

Mr VOWLES: Any travel and costs undertaken through Latitude Travel?

Mr WESTRA van HOLTHE: None at all.

Mr VOWLES: Can you provide details and costs of all hospitality expenditure in the agency or authority undertaken on behalf of the minister or at events the minister attended?

Mr WESTRA van HOLTHE: Yes, I can. For the reporting period the total was \$2049. I can break that up for you if you like? There was one item of \$1316 for a dinner meeting for Cambodia and Australian collaboration to build a resilient mango industry conducted in Hanoi, Vietnam.

Mr VOWLES: Was that at a restaurant?

Mr WESTRA van HOLTHE: Yes.

Mr TRIER: That is incorrect. It was conducted in Cambodia.

Mr WESTRA van HOLTHE: I thought that seemed a bit odd. Yes, that was in Phnom Penh. There was a cucumber green mottle mosaic virus industry meeting at Katherine. Refreshments etcetera were provided to the value of \$210. There was a meeting with industry stakeholders, including the Northern Land Council, at the Sofitel Plaza in Hanoi, Vietnam for \$218. That was on a trip I took with the Northern Land Council to promote the buffalo trade. It was a very successful mission having the NLC representatives along with us to get them interested and excited in the program and to see the potential that existed.

It is my view that if we are to engage with traditional owners and the Northern Land Council for a sustainable harvest of buffalo from the wild on their lands it is important for them to understand what the other end of the supply chain looked like and the opportunities available. It is easy to sit in the Northern Territory and say we want to do this and that, but to have the NLC and those TOs engaged right through the whole process is, in my view, critically important.

The other item for \$305 out of that total was for refreshments at the NT field days at the research station in Katherine held late last year.

Mr VOWLES: Minister, what was the total of your travel?

Mr WESTRA van HOLTHE: My travel?

Mr VOWLES: Is that included in the \$832 000?

Mr WESTRA van HOLTHE: No, ministerial travel is through the Department of the Chief Minister.

Mr VOWLES: All right.

Mr WESTRA van HOLTHE: He has all those details. I could not answer that question for you anyway. I have no idea.

Mr VOWLES: The Chief Minister stopped answering the question yesterday when he got to the Greek delegation so we are looking for answers.

Answer to Question on Notice No 4.2

Mr WESTRA van HOLTHE: Member for Johnston, do you mind if I provide an answer to a previously asked question. How many Agricultural Science PhD students does the department host? The answer is one.

Mr VOWLES: Thank you to the departmental person who has run around and found that information.

Mr WESTRA van HOLTHE: Very efficient people.

Mr VOWLES: A very good public service, they are always fantastic. Ministers and shadow ministers come and go, but the departmental people are always there working.

Mr WESTRA van HOLTHE: They certainly are, and they do a fantastic job too.

Mr VOWLES: Which chief executive or former chief executive used government issued credit cards in 2014-15?

Mr WESTRA van HOLTHE: The only chief executives or former ones - and there are no former ones through the reporting period - is Mr Trier. He has a credit card.

Mr VOWLES: What was the value of purchases?

Mr WESTRA van HOLTHE: Total purchases on Mr Trier's credit card were \$25 615.43.

Mr VOWLES: Which included?

Mr WESTRA van HOLTHE: This included accommodation of \$7297, a credit card surcharge of \$21, telecommunication of \$2, consumables and general expenses \$369, newspapers \$486, hospitality \$2829, IT and hardware expenses of \$892, vehicle charges of \$1035 and official duty fares of \$14 933.

Mr VOWLES: Thank you.

Mr WESTRA van HOLTHE: You will find a lot of the expenses appearing on the credit card would also be reflected in the costs of travel I have already given to the committee.

Mr VOWLES: Can you please provide details of all board and advisory boards in your agency where the chair and/or members attract remuneration and how many times they have met?

Mr WESTRA van HOLTHE: I will give you all the boards and committees. Some of them do not attract any remuneration but they have met, so I will give those figures at the same time.

The Barkly Research Advisory Committee has met twice with nil remuneration. The Veterinary Board of the Northern Territory has met four times with \$1824 worth of remuneration. The NT Mud Crab Fishery Management Advisory Committee has met twice at a cost of \$1824. The Animal Welfare Advisory Committee has met twice with nil remuneration. The Anindilyakwa Consultative Committee has not met; it is in existence but has not met. There is no remuneration. The Alice Springs Pastoral Advisory Committee has met once with nil remuneration. The Barramundi Fishery Management Advisory Committee has met zero times with nil remuneration. The Manbuynga ga Rrulyapa Consultative Committee has not met, with nil remuneration. The Northern Territory Fishery Industry Research and Development Fund Advisory Committee met four times with nil remuneration. The Fisheries Research Advisory Board has met three times with nil remuneration. The Katherine Pastoral Industry Advisory Committee has met once, which was 28 November, and another meeting was held just outside this reporting period with nil remuneration. The Northern Territory Pearling Industry Advisory Committee has not met, so no remuneration there. The Offshore Net and Line Advisory Committee has met once, with remuneration of \$912. The Spanish Mackerel Fishery Management Advisory Committee has not met and there is nil remuneration.

Mr VOWLES: Thank you, minister. How many internal audits or financial investigations were conducted in each agency in 2014-15?

Mr WESTRA van HOLTHE: There were no internal or financial audits conducted and obviously there were no - your next question will be about anomalies and breaches, so it is nil and nil.

Mr VOWLES: Can you provide any costs in 2014 of legal services provided by private legal firms in each agency and authority for which you are responsible?

Mr WESTRA van HOLTHE: A total of \$26 292.39 was spent on legal services provided by legal firms for the reporting period.

Mr VOWLES: And what legal firms were they?

Mr WESTRA van HOLTHE: A sum of \$2876.32 was paid to Cridlands for legal services provided to draft a commercial agreement for the lease of a house on Douglas Daly Research Farm to Tropical Forestry Services. The Solicitor for the Northern Territory decided to outsource that legal service due to the lack of capacity and expertise within his area.

Murphy & Associates Barristers and Solicitors were paid \$7741.07 for legal services for prosecution cases by the Animal Welfare Authority under the *Animal Welfare Act*. These have been finalised.

A total of \$15 675 was provided to Tom Anderson, barrister, for legal services for prosecution cases again by the Animal Welfare Authority under the *Animal Welfare Act*.

Mr VOWLES: Thank you, minister. I am finished.

Mr DEPUTY CHAIR: That concludes consideration of agency-related whole-of-government questions on budget and fiscal strategies.

OUTPUT GROUP 1.0 – FOOD INDUSTRY DEVELOPMENT

Output 1.1 – Market and Enterprise Development

Mr DEPUTY CHAIR: The committee will now proceed to Output Group 1.0, Food Industry Development, Output 1.1, Market and Enterprise Development. Are there any questions?

Mr VOWLES: Minister, your government published the possibility of 100 000 ha of farm for dragon fruit by a Vietnamese businessman. Can you please say what stage the development is at?

Mr WESTRA van HOLTHE: The stated number was 10 000 ha ...

Mr VOWLES: It was 10 000 ha?

Mr WESTRA van HOLTHE: Yes. The Northern Territory government has, in forming a relationship with Vietnam through the live cattle trade, also established a relationship with the CT Group. The CT Group is probably best described as a mixed business in Vietnam. It has interests in agriculture along with a number of other interests across different sectors, including property and construction as well. Its interest in dragon fruit in Vietnam is limited to a large number of very small farms, and that makes the logistics for their company quite difficult. It has been looking for an opportunity to grow the dragon fruit industry into what you might describe an area to get better economies of scale. It has been looking at the Northern Territory through the relationship we have developed over the last two years or so to expand into the Territory.

The CT Group has been in some private negotiations with a number of landholders across the north. These consultations and discussions have been facilitated by the Department of Primary Industry and Fisheries. It has looked at a couple of different locations. No firm decision has yet been made on where it will ultimately grow dragon fruit. I hope it does.

The other issue that has arisen recently for its consideration is the change to the *Pastoral Land Act* I mentioned. Given that diversification is now available on pastoral properties it gives the CT Group, and other companies interested in horticultural developments, the opportunity to look more broadly than just at privately-owned land or having some arrangement with the government. It can now look at pastoral leases and suitable land.

In answer to your question the due diligence being done by CT Group is ongoing. It has not settled on a particular block of land; its search continues. The Northern Territory government is continuing to support its efforts, not only in facilitating discussions with landholders, but also assisting with science services around soil and water availability etcetera.

Mr VOWLES: What support is the department giving them? Are there any specific areas in the Northern Territory they are looking at? Has there been any financial incentive for the CT Group to do its business here?

Mr WESTRA van HOLTHE: Given that negotiations are commercial-in-confidence I would not be able to identify specific blocks of land it has given consideration to. However, we are certainly talking about the Top End. The climate here would be suitable for dragon fruit whereas down south not so. It is looking as far south as 300 km to 400 km from Darwin. There is a fair swathe of land it can possibly consider. The work we are doing with it is about facilitating those discussions.

We are very keen to have that type of investment in the Northern Territory. It provides some enormous opportunities for growth of our horticultural industries. It will no doubt not only contribute to the overall economy, but also to local jobs and other good, ongoing, positive things for the people who live here.

As far as financial incentives go, the answer would be absolutely none. We have a strong and good relationship with the CT Group which is predicated on the normal support the government and the department would provide to an investor looking to come to the Territory to grow their business and grow our economy at the same time.

Mr VOWLES: What work has been done on the causes and incidents of resin canal disease in mangoes?

Mr WESTRA van HOLTHE: Good question. That is something affecting a number of mango properties across the Territory. Recently, the Department of Primary Industry and Fisheries has engaged with the Queensland Department of Agriculture in researching resin canal in our mangoes. Some of that work included testing of mangoes on 13 properties across the Top End. All 13 properties showed some sign of resin canal, and in two of those cases the resin canal was quite serious.

In collaboration with the Queensland government, scientists have discovered bacteria which may be causal or in some way linked to resin canal. Through our research project in the Territory we have been able to induce resin canal in mangoes in laboratory conditions. Given we have had some breakthroughs in the work done in labs in the Territory and Queensland, we believe we can move towards finding a cause. There is probably someone who knows a lot more about the science of this than I do. Scientists in Queensland have bacteria which they believe is involved in the process. The work will be ongoing to identify whether it is, what it does, how it can be controlled, and what property owners need to do to reduce the incidence of resin canal in their mangos.

Mr VOWLES: The department has been working on that and it looks positive. Is that what I am hearing, minister?

Mr WESTRA van HOLTHE: Yes, the work is ongoing and something we take seriously. We can probably get some more details for you out-of-session if you like, and I am happy to get a briefing for you. It affects the quality of the fruit and is an impediment to exports. Exporting our mangoes has some very stringent conditions behind it. Opening the new market to the United States has highlighted the need to get on top of these things. They would not accept fruit with resin canal. If something managed to slip through, it would certainly damage our reputation as a producer of high quality fruit. All these disease/biosecurity issues we take very seriously. Put aside what is happening with banana freckle and cucumber green mottle mosaic virus, working on things we already know we have is also an important part of our biosecurity strategy.

Mr VOWLES: Your department has also been doing mango root stock trials in Central Australia. What is the purpose of these trials and what parts of Central Australia do they see as potential mango producing areas?

Mr WESTRA van HOLTHE: There is a very limited window for mango production in the Territory. The idea behind looking at the root stock trials and other scientific work being done in Central Australia is to extend the growing season.

Mr VOWLES: You have allocated \$1.2m towards that so ...

Mr WESTRA van HOLTHE: Yes. I will get the Chief Executive to provide more detail. The work being done under that funding is to shore up the possibility of having mangoes grow in more temperate and arid climates. The first part of your question was why we are doing it. It is to extend the growing season and the opportunities for horticulturalists.

We can corner the market through timing of mangoes produced from the north, but it leaves a huge gap during the winter and cooler months when we cannot put mangoes into the market. The work being done is to examine whether you can grow mangoes commercially and successfully in other climates that will segue into off season, which of course would be very high value for us. It also gives us an opportunity to

potentially export mangoes off season into other countries as well. At the moment, when our mangoes go across to the United States, they come out of our summer and go into their winter. If we could produce fruit off season and get Territory mangoes into the United States during the summer, the possibilities are potentially endless for our industry.

The areas being looked at currently are around Ti Tree and Ali Curung. That is the focus of our work.

Mr VOWLES: That \$1.2m - a breakdown of how you are using that?

Mr WESTRA van HOLTHE: I will throw to the Chief Executive to answer that.

Mr TRIER: The \$1.2m is for research trials further north. It is all about, as the minister explained, expanding flowering seasons and expanding the window. It is across a range of areas. It is one particular program jointly funded by HAL, the Commonwealth and the Northern Territory.

Mr VOWLES: Thank you.

Answer to Question on Notice No 4.1

Mr WESTRA van HOLTHE: I can provide and answer to question of notice 4.1: how many employees in scientific research roles are working directly in the field for the department? The answer is 89 FTEs.

Mr VOWLES: Can you please provide details of the \$400 000 to develop intensive agricultural production systems?

Mr WESTRA van HOLTHE: We have to dig up the specific details you are chasing.

Mr TRIER: I think that is a global figure for a range of projects. Those projects would include things like rice production and trialling different categories of rice. There is some work on greenhouse gas emissions which improve nitrogen management, which is important to intensive agriculture. There is some work on dates, and that is optimising pollination of dates. That would probably cover the \$400 000.

Mr VOWLES: Thank you, minister. I have finished that output.

Mr DEPUTY CHAIR: That concludes consideration of Output 1.1.

Output 1.2 – Plant Industries Development

Mr DEPUTY CHAIR: The committee will now consider Output 1.2, Plant Industries Development. Are there any questions?

Mr VOWLES: That was Output 1. Then it went to 1.1, Market and Enterprise Development?

Mr DEPUTY CHAIR: Yes, that was it.

Mr VOWLES: Okay.

Mr WESTRA van HOLTHE: I think we have strayed into a few different things.

Mr VOWLES: Yes, I have a few more.

Mr WESTRA van HOLTHE: Being a reasonable bloke, can we keep all the plant industry stuff together then we can move on to the output group dealing with animal industries and livestock?

Mr VOWLES: Minister, you have targeted new and innovated crops and native plants in each of the climatic zones as potential horticulture developments. Can you give an update on any work on that?

Mr WESTRA van HOLTHE: Yes, I will give the Chief Executive an opportunity to fill in some details around this. Some of the native plants in the Northern Territory have high commercial value. Bush tomatoes is one crop, and if I remember correctly it has - if not the - one of highest levels of vitamin C available of any fruit or vegetable in the world.

Work is currently being trialled in Central Australia - on AZRI there is a trial plot of bush tomato?

Mr TRIER: I think that work has finished.

Mr WESTRA van HOLTHE: My apologies. I was there the other day and there was still some stuff in the ground, but the trial has been completed. That trial is being evaluated and, as part of that trial, the idea was not only to evaluate the viability of growth in the fruit but also about getting local Indigenous people engaged in the process. Some local Indigenous folk were able to come along to the farm and be part of the trial. Even though we are waiting for the results to come in, on that basis alone we are quite successful with that engagement.

Kakadu plum has been talked about on and off for a number of years. I do not know if there any current programs are occurring with Kakadu plum but ...

Mr VOWLES: At Wadeye they are producing the Kakadu plum and starting a great little enterprise.

Mr WESTRA van HOLTHE: Yes, I was moving on. I was initially talking about research work being done by the department. We are not currently engaged in anything with Kakadu plum, but we are supporting commercial opportunities for that where we can. The Wadeye area is one, but there are a number of other people to the east of Darwin who are interested in commercialising that. We will help with the research and data if those people come to us and want to have a yak.

Mr VOWLES: How much of the 2015-16 budget appropriation is targeted research into hay or stock fodder horticulture?

Mr WESTRA van HOLTHE: We will see if we can get an answer for you on that.

Mr VOWLES: Has there been any cost benefit analysis on that?

Mr WESTRA van HOLTHE: Yes.

Mr TRIER: I would have to take the question on notice to get you the actual figure. In regard to cost benefit analysis, we have recently employed an agricultural economist to bring economic analysis to our research work. We think it has been a gap and we have not had the economic rigour we should have previously in some of our research work, not all of it. Your mention of hay is quite pertinent and there is a fair bit of thought now about hay and the economics around it.

Mr VOWLES: Can I put that on notice?

Question on Notice No 4.3

Mr DEPUTY CHAIR: Can the member please restate the question for Hansard?

Mr VOWLES: How much of the 2015-16 budget appropriation is targeted research into hay and stock fodder horticulture?

Mr DEPUTY CHAIR: That question will be allocated number 4.3.

Mr WESTRA van HOLTHE: Can I seek a point of clarification? Are you talking domestically? We do some work internationally as well on stock fodder to help our trading partners.

Mr VOWLES: The whole thing.

Mr WESTRA van HOLTHE: What we are doing domestically - we might be able to get some information on the work we are doing internationally with trading partners.

Mr VOWLES: Yes, that would be fantastic.

Mr WESTRA van HOLTHE: I accept the question. That all forms part of the relationship work we are doing with a number of our trading partners.

Indonesia, as a case in point, for a number of years had a stated intention of being self-sufficient in beef. It is arguable whether they will ever reach that lofty goal. However, my department has been working closely and collaboratively with Indonesian authorities, farmers and people in the supply chain to try to improve their methods, capability and capacity in that field. Even though we are obviously selling live animals to places like Indonesia, we are also chipping in because we want that relationship not just to be one of trade where we are selling our animals to them. It is a real partnership arrangement, and that is critically important to the relationship.

Mr VOWLES: What assessment and economic modelling for horticulture has been completed on the 10 000 ha of agricultural land leased on the Tiwi Islands?

Mr WESTRA van HOLTHE: That probably sits within the Department of Land Resource Management seeing it has done the soil and water assessment work. I am happy to answer the question during that period, if I can. I do not know if I can provide specific details on it because a draft report has been provided to the Department of the Chief Minister which will be due for release shortly, as I understand it. I will be able to give you some general information on that, and it probably best fits with LRM given it did the work.

Mr VOWLES: Also, any times the department has given support or scientific research into horticultural development on the Tiwis?

Mr WESTRA van HOLTHE: I might see if Mr Trier can answer any of that specific detail for you.

Mr TRIER: Our role with the Tiwi development proposal has been twofold. Firstly, it has been to undertake an analysis of what crops can be grown given the climatic conditions. That is to do with temperature, soil, water, light and length of days, then considering external factors like cyclones and that type of event. The other thing we did was put together work that describes or alerts potential investors of the things they would need to consider when investing in Aboriginal Land Trust land given it is a lease arrangement. There is a range of considerations to the work to ensure that any leasing arrangement or contractual arrangement ran smoothly for both the people coming in and also the local landholders. They were our two projects and were undertaken over a year ago.

Mr VOWLES: There is \$510 000 for a food industry development framework in this budget. Are there enterprises, markets and investments this will enhance?

Mr WESTRA van HOLTHE: Do you want to cover that?

Mr TRIER: I can break it up into outputs and outcomes. In outputs we had a strategic plan of what food industry development actually means. Then we broke that up into a range of things. There is market development, enterprise development and then research backed up by economic activity. As the minister said before, it is about trying to shift the focus from purely productivity based into profitability.

The first project was how we strategically align ourselves to deal with that. We have undertaken some in-house work. For example, we are changing our website so it has more of a profit focus and to make it more contemporary. We have undertaken a lot of market development work, as previously alluded to. The cattle trade into Vietnam has expanded rapidly. We have focused on building capacity and capability within feed lots in animal management and animal nutrition. The buffalo trade, as the minister said - we have carried out a range of activities there and we have a lot more to do. We are starting to focus on horticulture and looking for market development there.

We have had recent success with mangoes to America which we are very excited about, but we are also looking at opportunities for mangoes into other markets, China for example. Part of that is - as the minister mentioned earlier – about achieving certain market access goals to allow those mangoes in.

In building capacity in business there are a couple of things. Firstly, there has been a number of financial support programs funded both by the Northern Territory and Commonwealth governments. We have employed an officer to deliver and administer those. We are working in conjunction with the Department of Business to provide business support and advice to farmers, but we have more work to do there. We are looking at how we can facilitate broader enterprise development and business acumen in the industry.

There are two more areas. Part of developing the north and part of our charter of profitable industries is bringing in investment. We briefly mentioned the CT Group, and we are also working with a range of other companies and delegations. We have had interest from the likes of Mitsui, for example. We have had delegations from Korea and other countries looking for investment opportunities into agriculture.

The last area is research, development and biosecurity. Research is still critical to productivity and we need to maintain our focus on that. Biosecurity is foundational to our ability to attract premium prices for products in markets to the north. Our competitive advantage is based around our food safety, quality assurance of our products and their premium status. That needs to be supported by a foundation of quality assurance that is underpinned by biosecurity.

Mr VOWLES: I have a heap of green mottle mosaic virus questions but I might ask them under biosecurity with the banana freckle stuff.

I want to talk about the poppy farm and when can we expect production to commence? Can we have an update on how that is going?

Mr WESTRA van HOLTHE: One of the very early successes of changes to our *Pastoral Land Act* involved the poppy project on Tipperary Station. Now that we have 30-year permits for non-pastoral use on these pastoral properties businesses have an opportunity of commercialising all sorts of different commodities, which is fantastic. The poppy project was put together in record time. An enormous amount of work needed to go into getting the legislation sorted out. We had a couple of trials run and you might be aware of one at Douglas Daly and one at Katherine. Those trials turned out to be quite successful, particularly in Katherine, where the yield of opiate material from the poppies was not dissimilar to what they were getting in Tasmania. That was a good sign.

Since then we have enacted the legislation. That has allowed for the approvals process to commence for the cultivation and everything that sits behind that in production and licensing, and it is quite complex. We are now at the stage where we are towards the final end of approvals for the cultivation of poppies. There needs to be a very - particularly at it is pertinent now with so much focus on heavy drugs in the Territory around ice - that we get the regulatory regime right around licensing to conduct the growing of poppies in the Territory. The licensing regime is quite stringent and the police, and obviously health, are heavily involved in this licensing regime as well.

I believe we are quite close to having the final approvals. I believe a fence has been erected ...

Mr VOWLES: What security measures will be in place?

Mr WESTRA van HOLTHE: There is a 1.8 m chain mesh around the site to be planted out for poppies. There will be signs erected at regular intervals across the fence line warning people of the dangers of ingesting poppy material, and electronic surveillance will be installed. At the time the poppies are ripe- if that is the right word - to extract opiate material there will be physical security as well.

Mr VOWLES: There will not be anybody there during the production process?

Mr WESTRA van HOLTHE: No. The nature of poppies - I will stand corrected if the Chief Executive has more information, but there is no opiate material in the poppy until it becomes a bulb. You can do whatever you like with a poppy before then and it does nothing. The bulb is where the opiate material is formed and concentrates, and that is when it is critical to have that extra security measure in place.

Ms MANISON: What role does the government have in ensuring that producers are keeping their sites secure and if there are any incidents or security breaches they are reported? How will those matters be handled?

Mr WESTRA van HOLTHE: The government initially has a strong role in the formation of legislation which underpins all the security arrangements, along with regulations. The government will have, no doubt, regular inspections on sites where poppies are being grown. As there is only one at this point in time it will be fairly easy to facilitate that.

The company has a role and responsibility in ensuring security of the crop. That is enshrined in either legislation or regulation, so they will have to comply. Any breaches will be investigated by the relevant authorities. No doubt Primary Industry, and probably the police, will become involved in that as well because it is a Schedule 7 drug, from memory. It is obviously a high level drug, if that is the right term to use, so we take security quite seriously.

I want to put this into context as well. I have not seen it because I have not visited Tasmania to see a poppy plantation, but my understanding is that security there is nowhere near what the Northern Territory is implementing. Security there is in the form of a three-or four-strand barbed wire fence with signs hung

along at regular intervals to warn people of what is being grown. We have stepped up our level of security significantly higher than that employed in Tasmania, where poppies are currently grown.

Mr VOWLES: Yes. I was fortunate enough to meet with TPI in Launceston, and that is probably the concern. There are Territorians addicted to many different things at the moment, and it has been a continuous problem, also with alcohol and the growing ice epidemic. Obviously, when people talk about poppies we think it a very serious drug and we are concerned about security.

For me the production phase is probably the most important. We read about it in Tasmania, and probably one or two people a year jump the fence, boil it up and die from it, and we do not want that. I am not quite sure about poppy - if you cannot get any opiates out of it when it is ...

Mr WESTRA van HOLTHE: Until it is a bulb, as I understand.

Mr DEPUTY CHAIR: We will just call a five or 10-minute break as it is the middle of the morning. We will then continue the line of questioning on poppies.

The committee suspended

Madam CHAIR: Welcome back everyone. For the benefit of Hansard on the committee we have Nicole Manison, Ken Vowles, myself, Nathan Barrett and probably Francis.

Minister, if you could reintroduce the officials accompanying you and we can go back to Output 1.2.

Mr WESTRA van HOLTHE: Thank you, Madam Chair. With me are Mr Alistair Trier, Mr Ian Kurnow and Ms Karen Simpson. Also in the room is the head of the banana freckle program, Kevin Cooper.

Answer to Question on Notice No 4.3

Mr WESTRA van HOLTHE: Before we move on I can provide an answer to question on notice number 4.3. The question was how much of the 2015-16 budget appropriation research is targeted into hay or stock fodder. The answer is \$770 900 of the budget has been allocated to research into hay, fodder, peanuts, rice and improved pastures.

Mr VOWLES: Thank you, minister. I will just continue on, Madam Chair?

Madam CHAIR: Yes, go for it. We are in Output 1.2. Go until you cannot go anymore.

Mr VOWLES: Minister, we were talking about the poppy industry. There seems to be some delays. Can you tell me what is happening? Has anything been planted or any infrastructure put up?

Mr WESTRA van HOLTHE: There have not been any delays since assent to the legislation last year. That facilitated operators to be licensed to grow, to cultivate, transport and do everything else they need to do with the poppies. By the time the legislation was passed we had the systems in place to allow for applications to be made. It has taken between then and now to get the first licence issued. I am advised the first licence issue is imminent and should happen this week. We were waiting for it happen yesterday but it did not, so this week.

There are no real delays as such. Obviously we would not allow the cultivation of poppies to commence until all the proper licensing arrangements were in place, but in that time TPI has moved to do certain things there. As I mentioned before, the fencing has been erected, two 50 ha centre pivots have been constructed as well, so the project is progressing in the time frame we expected. I would have loved these poppies to have been planted last season, but I make no apologies for the fact that we needed to get the licensing and security arrangements in place before that occurred.

Mr VOWLES: When I met with TPI earlier this year there was a change in security around police checks of everybody, which was great to hear. It is very stringent. Thanks for that answer.

Has there been any impact on the move of TPI from Tasmania to Melbourne? I know they are about to move their production there?

Mr WESTRA van HOLTHE: As I understand it TPI was moving out of Tasmania into Victoria. They have been growing poppies exclusively in Tasmania for some time, but they were looking not to necessarily take their industry away from Tasmania, but more to expand the industry given global demand for legitimate and legal opiate products. That is why they will plant crops in the Northern Territory and also Victoria.

We have quite a collaborative, friendly relationship with the Victoria government over this. We have been talking with them and everybody is happy they each have a little slice of the pie.

Mr VOWLES: Can you please detail what the \$600 000 for a strategic horticultural development program in Central Australia is for?

Mr WESTRA van HOLTHE: In February 2015 Cabinet approved an additional \$600 000 per year for the next two years to advance horticultural development in Central Australia. The proposal aims to apply strategic agribusiness planning to identify where natural resource potential and market opportunities coincide to create maximum opportunity for development. The strategic approach will develop contemporary knowledge on Central Australian production systems, facilitate investment, leverage funding through targeted and collaborative partnerships and work with local stakeholders to enhance the economic and social wellbeing of communities in the region.

The program will work closely with other government agencies to ensure opportunities are maximised for Indigenous employment, including the opportunities for the Sentenced to a Job program. Horticulture already makes a strong economic contribution socially and economically, and this money is being put in to expanding that.

Some of the work being looked at is available land with appropriate soil structures and topography, water in suitable quantities and quality for irrigation, because that is also important, proximity to or strategic development of transport corridors to cost-effectively connect land to markets and services, suitable infrastructure to allow production to establish and escalate, and a capable and engaged labour force.

Generally soil types found in that region are pretty low in nutritional value, pretty low in organic matter and also water holding capacity, but where they are very uniform they can be managed to be quite productive. On a broad scale water availability is well understood, with the water allocation plans existing in a number of regions and we know that the water quality in many of those areas is quite good. The climatic conditions of the area can be challenging so with that money each year we are investing it into getting a better understanding of the type of horticultural crops that can be grown there.

Some work will be done on dates. As an example, I was in Alice Springs recently at AZRI where they are growing 220 date palms. Research work is being done on flowering and pollination there to improve yields and also looking at what varieties are commercial.

I had an opportunity to try some of the dates. Dates coming off palms in Central Australia are absolutely delicious. They far surpass anything you might buy as a bagged or processed product off the supermarket shelf. There is certainly plenty of opportunity for expansion of that industry there.

Is there anything else the Chief Executive would like to add to that?

Mr TRIER: No.

Mr VOWLES: Moving on to the tropical flowering gingers. I think \$340 000 has been allocated to that. How will that improve productivity and the quality of the product?

Mr WESTRA van HOLTHE: The cut flower industry in the Territory is quite important. It is a fairly small industry and limited to a small number of varieties in reality. Gingers are one of those things. What we are trying to do with this money is research into getting the very best quality out of the flowering gingers that we possibly can, looking at varieties and growing conditions. I believe work is being done on the genetic side to find the best varieties available. Even though it is a fairly small industry for the Territory it is an important one which can grow.

This money is important from not only the perspective of direct industry engagement in getting the cut flower industry to a better place, but it is also about diversification. I have been a very strong proponent for

diversifying the activities across our economy to give the very best and the most opportunities that can be made available for horticulturalists and other primary producers in the Territory.

Mr VOWLES: Thank you, minister. I am ready to move on to the next output, Livestock Industries Development.

Madam CHAIR: That concludes consideration of Output 1.2.

Output 1.3 – Livestock Industries Development

Madam CHAIR: We will now consider Output 1.3, Livestock Industries Development. Are there any questions?

Mr VOWLES: Minister, on page 68 of the budget, \$200 000 has been allocated to continue technical assistance to Southeast Asian importers of Territory cattle to look at animal welfare. Especially with what is happening in Vietnam, can you give us an update on that?

Mr WESTRA van HOLTHE: Yes. I want to preface everything I say on this topic by saying we are all looking for better animal welfare outcomes across the whole live animal sphere, and that includes better animal welfare outcomes generally.

The government takes its role very seriously. We obviously have a very good relationship with the Australian government, with our live exporters and their association. With ALEC, the Australian Live Exporters' Council, and Meat & Livestock Australia, we all basically work collaboratively to get better animal welfare outcomes in our trading partner countries. That is going to the nub of your question.

Officers from my department have spent a great deal of time in Indonesia over many years - in fact it is probably 30 years if I had to put a rough figure on it - helping develop the industry and improving the relationship. Part of that is about providing technical expertise into those trading partner countries. That is ongoing with countries like Indonesia. We are also investing in the same type of projects in Vietnam.

To give some examples of the work we are currently doing there - and this will also go into new markets such as Cambodia and Thailand when they start to come on - they are quite simple things, but the design of feedlots and yarding facilities. These are all areas in which we have a great deal of expertise, having worked in that sphere for a very long time. We have a number of officers within the department I would class as experts in that field. We regularly send these officers over to our trading partner countries to work within the supply chain, helping with the design of the facilities that will better manage cattle and ensure that animal welfare outcomes are maintained.

For example, the Red Star company in Dak Lak province, which is in the hinterland behind Nha Trang in Vietnam, recently completed a \$US5m feedlot facility and abattoir. Our officers assisted Red Star in the design of that feedlot to improve cattle flow and the micro-structure, if you like, of some of those facilities - round corners, something as simple as that. You do not have sharp corners anywhere near cattle and you have to have a certain height between the bottom of the feed trough and the rail that sits above it so that animals can get their head in but cannot injure themselves by trying to climb in. A lot of technical ideas sit in behind the design of these things. They are examples of the type of work we do.

The other thing we do is help with feeding regimes there and assist to get the very best out of the cattle we send across to feedlots - the feeder cattle we send across - bearing in mind that in northern Australia we are very good at breeding cattle. This is the point of difference I like to make and the synergy I bring to the attention of our trading partners. We are very good at breeding cattle and, in general terms, the Asian people and their systems are very good at fattening cattle. They can provide cheap labour and good quality stock feed, and can get up to 1.7 kg per day. The target is 1.7 kg, but 1.2 kg, 1.3 kg or 1.4 kg per day is a pretty good measure, and some of those feedlots are achieving those numbers, backed up by assistance from officers within my department on their feeding regime.

We are also there to troubleshoot if any problems arise. We have had to, in fairly recent times, get officers from the department to zip over and assist with some feeding regimes that have caused some problems and try to rectify and sort those dramas out.

Mr VOWLES: I have a few more questions since we are on the buffalo trade. There were some issues around fulfilling the numbers we had promised to get into Asia. Could you give me an update or a reason why?

Mr WESTRA van HOLTHE: Last year we exported 5055 head from the Northern Territory's Darwin port and the vast majority of those went into Indonesia. The Territory previously had a quite viable buffalo industry based largely on wild-caught animals. As a result of some of those markets falling away, I daresay because the markets were not well enough addressed and maintained by government, the industry went through a period of difficulty and almost collapsed. A number of challenges face us at the moment to get the industry back to where we believe it can be.

One of those is about getting the industry back to being a functional, well-oiled body with an industry association that broadly represents it and all its players. Getting some cohesiveness amongst the industry players is pretty critical.

The next thing, of course, is access to buffalo. In the past buffalo catchers have been working in places like Arnhem Land. I know there was very successful buffalo catching going on around Bulman through the Gulin Gulin Association. That was done in a fairly loose arrangement with the land council and traditional owners. Access in those days was probably easier than it is now. With the tightening of land access agreements with the Northern Land Council particularly there is now a need to go through proper due process, and getting section 19 leases in place is now an ongoing thing. It is not always easy to achieve unfortunately. Quite often many on-country meetings with traditional owners involves getting the right TOs to these meetings is critically important. We are slowly making our way through that issue.

We also need to consider farmed buffalo. We can have a sustainable trade based on a number of wild-caught buffalo but the future is, at least in part, farmed-buffalo. Ramping the industry up from the fairly low point it was two years ago to where it is far more viable and able to inject the required numbers into our markets will take time.

The Department of Land Resource Management has recently completed a buffalo survey of the Arnhem Land region and identified the areas of highest concentration of buffalo. The Arafura Swamp is an example of an area where buffalo are particularly concentrated. We now have a better scientific understanding of the distribution of buffalo across Arnhem Land. With that information industry can work with the government and the Northern Land Council to have access arrangements in place for those high value areas. It is progressing, but because times have changed we have to go through a more officious process which causes a delay.

Mr VOWLES: Thank you, minister. I am finished with that output.

Madam CHAIR: That concludes consideration of Output 1.3.

Output 1.4 – Major Economic Projects

Madam CHAIR: The committee will now move to Output 1.4, Major Economic Projects. Are there any questions?

Mr VOWLES: Can you give us a brief summary of where we are at with Ord Stage 3, including native title, MOUs with WA regarding water allocation, infrastructure and cross-border legislation?

Mr WESTRA van HOLTHE: The Ord is a major project for the Northern Territory government and we struck an MOU with the Western Australian government and the Commonwealth quite soon after the 2012 election. Since that time we have been working with traditional owners on land access arrangements for the Keep River and the Knox Creek Plain. It has been time consuming getting those land access arrangements sorted out, particularly native title.

A decision was made in October last year to conduct the native title negotiations in two separate tranches. The first tranche is in relation to the Knox Creek Plain, a smaller parcel than the Keep River. We have had a number of on-country meetings with traditional owners and the Northern Land Council has also been involved. Cabinet has approved the native title bargaining parameters around those negotiations. We are reasonably close to getting resolution on the native title issue, hopefully by the middle of this year.

It is taking longer than I would have liked but, like all negotiations, they have to be careful, respectful and we cannot push negotiations too far too quickly lest we end up with an answer we do not want, a no. We would much rather take our time.

Another example of this is the Blue Mud Bay negotiations we have gone through over the last couple of years. We are better off taking six, nine or 12 months to negotiate a yes than try to ram something through

quickly and end up with a no. That is why we are progressing this as slowly as quickly as we can, if you know what I mean.

Mr VOWLES: Have there been any discussions between the Ord Development Unit and the owners of the proposed prawn farm on Legune Station so the two projects are coordinated?

Mr WESTRA van HOLTHE: The simple answer is yes. The Ord Development Unit has been in discussion with the proponents of the prawn farm on Legune. We see this as a major adjunct to development in the Ord, and any increase in the size of any development over there provides us with a much better opportunity and much better case to argue for greater infrastructure in that area. These projects are not being progressed in isolation. They are being considered in total, and we are still waiting on final investment decisions for the Legune project.

Madam CHAIR: I would like to welcome our visitors at the back. Thank you for popping in to estimates. It is always nice to see fresh faces in the room and we hope you find this very interesting. We are just talking about the various major economic projects in the Department of Primary Industry and Fisheries.

Mr VOWLES: Minister, I have a question from Gerry Wood. The department has been involved with the Tiwi Islands agricultural project looking at markets and commodities which may be grown and also trying to attract an investor to the Tiwi Islands project. Can you please provide any details?

Mr WESTRA van HOLTHE: I will provide what I can. I might throw to the Chief Executive for that.

Mr TRIER: As covered previously, our involvement has been through research and advice into possible commodities that can be grown on the island and putting together information for prospective lessees regarding doing business on Aboriginal land and engaging effectively with Aboriginal people. The remainder of the project is being led by the Land Development Corporation.

Mr VOWLES: I am finished with that output, Madam Chair.

Madam CHAIR: That concludes consideration of Output 1.4 and Output Group 1.

OUTPUT GROUP 2.0 – RESOURCE AND PRODUCT INTEGRITY

Output 2.1 – Biosecurity and Animal Welfare

Madam CHAIR: The committee will now proceed to Output Group 2, Resource and Product Integrity, Output 2.1, - Biosecurity and Animal Welfare. Are there any questions?

Mr VOWLES: Can you please take us through how you budgeted \$20.5m in 2014-15 and spent \$29.7m. Is it all banana freckle related?

Mr WESTRA van HOLTHE: The short answer to that would be no.

Mr VOWLES: This can be unexpected costs.

Mr WESTRA van HOLTHE: I might ask our Chief Financial Officer to provide some comments on that question.

Ms SIMPSON: Karen Simpson, Chief Financial Officer for Primary Industry and Fisheries. The budget in 2014-15 was \$7.952m for banana freckle and the budget in 2015-16 is \$5.876m. The whole \$20m-odd goes across four or five years and we are in phase two in 2015-16. I have expenditure as at 31 March if you would like that.

Mr VOWLES: Yes.

Ms SIMPSON: Total expenditure in 2013-14 was \$2.989m, which included \$1.116m paid to Adecco Australia, an employment agency. Total expenditure to 31 March 2015 was \$5.532m.

Mr VOWLES: That kills my next question, which was how much was banana freckle?

Mr WESTRA van HOLTHE: You must remember this is a nationally funded and sponsored program and there are contributions to the program from the banana industry and governments across Australia. In rough terms, the banana industry is contributing about 50% of the total cost to this program and the rest is

split up. I think the remaining 50% is then 50% from the Commonwealth, and the remaining 50% of that 50% is taken up by all the other states.

It really highlights for me the importance of industry associations signing up to plant health deeds to cover the eventuality that a biosecurity incursion takes place. Under these circumstances not only have we been able to get the Commonwealth, the states and the banana industry council to agree to fund this program, but it also provides for owner reimbursement costs for commercial enterprises that have suffered loss as a result of this program.

Unfortunately that is unlike the melon industry, which is not a signatory to a plant health deed, making the arrangements between the states more difficult in funding the response. It also means there is no eligibility for commercial growers for owner reimbursement costs. That is having some very significant impacts on melon growers and growers of other cucurbit crops across the Territory, especially in the northern part.

I am told the current part of the response at this stage is on budget and it is all progressing as planned.

Mr VOWLES: How many properties still have banana trees?

Mr WESTRA van HOLTHE: I will give you a fulsome answer. More than 41 000 properties across the six red zones have been checked. Of those, roughly 9000 had bananas. Of that 9000, about 2000 engaged in self-destruction; they received advice from the eradication people and destroyed their own bananas. The remaining 7000 properties have had their plants destroyed by the eradication teams. In sheer numbers, you are looking at more than half a million banana plants in total having been destroyed, with about 500 across a few properties left to do.

Mr VOWLES: Do you want to check that figure? The 500 left, is that properties with banana trees?

Mr WESTRA van HOLTHE: No, 500 banana trees, not properties.

Mr VOWLES: Okay.

Mr WESTRA van HOLTHE: The program is progressing extremely well. I know it has been a fairly topical subject in the media but Mr Cooper, who is sitting behind me, has been involved in a number of plant disease incursions and their management in his career. He tells me that the Northern Territory banana freckle response is going swimmingly compared to some of the other responses he has dealt with in other jurisdictions.

We are currently down to five dangerous premises. They are not necessarily dangerous as such, but where people have given some pretty strong resistance to the program or have threatened inspectors. The numbers are falling away. It was only a week or so ago when we had 28 dangerous properties and we are now down to just five. We expect the first stage of this eradication campaign to be completed within a week or so.

Mr VOWLES: Have any growers been compensated? If so, for how much?

Mr WESTRA van HOLTHE: Yes, some growers have been compensated and a number of others are under consideration. For the details I might ...

Mr VOWLES: Are these professional growers or just ...

Mr WESTRA van HOLTHE: There are eight properties where they have either been paid or the offer has been or will be accepted. There are two where an offer has been made and a decision is pending. There are two where there will be a report with the NT government of the offer to be made within the next two days - a couple are still in progress of putting that offer together. Five are still being assessed by an assessor, and there are four where an application has been indicated by an owner but not yet sent. They are the numbers. Eight have been paid and 13 ...

Mr VOWLES: Do these include stallholders ...

Mr WESTRA van HOLTHE: ... are still in the process.

Mr VOWLES: Are they professional registered growers?

Mr WESTRA van HOLTHE: These are commercial growers who have met the eligibility requirements for owner reimbursement costs. That includes having taxation records and things like that.

Mr VOWLES: Does this include people eradicating bananas on their own property?

Mr WESTRA van HOLTHE: If a commercial grower eligible for owner reimbursement costs has destroyed their bananas they will be eligible, just like everybody else. I might get the Chief Executive to add some details as well.

Mr TRIER: We are talking about two separate things. The owner reimbursement costs are for compensation for loss of product as a result of the project. However, we have funded people to undertake their own eradication. That is not compensation, just payment for services.

Mr VOWLES: That is what I was getting to. Around that, what were the qualifications? Was it 50 trees or more, 100 trees or more to receive payment?

Mr TRIER: No, it is not on a numbers basis. It is being able to demonstrate that you have a business growing and supplying bananas. That could range from quite small suppliers with a very limited number of trees who supply bananas along with a range of other horticultural products, through to producers who produce bananas alone and have a significant number of trees.

Mr VOWLES: You previously gave a breakdown of properties with bananas and said five remain. Are the remaining five non-compliant?

Mr WESTRA van HOLTHE: At the moment five are classed as dangerous. However, you could also use non-compliant, yes.

Mr VOWLES: I do not like the word 'dangerous'.

Mr WESTRA van HOLTHE: They have been classed as hazardous premises. It is more around whether there is a hazard to the banana freckle response team workers, bearing in mind occupational health and safety. It is if there has been any great resistance verbally to the program or to inspectors directly or whether there have been any threats. It was reported recently some owners have said, 'I'll sic the dogs onto you'. Those properties have made it onto the hazardous address list.

Mr VOWLES: You mentioned earlier the figure of 28 last week now down to five. How many of those properties had the police turn up to eradicate - the forced entry? I have reports of forced entry on to properties ...

Mr WESTRA van HOLTHE: I think I can answer that, but in case I get it wrong I will hand over to Kevin Cooper. I understand there are four properties where police have attended. One of those was as a result of – it might be easier if I get Kevin to answer that question so he can provide details.

Mr COOPER: Good morning, Kevin Cooper, State Coordinator, National Banana Freckle Eradication Campaign. I acknowledge the question of how many inspections have involved the police. To date the number is four. Each of those has been a different situation. In fact, in one instance the owner requested that police attend. In another - as you described previously - our risk assessment ascertained the police should be involved. That was after discussions between us and the police. That property, in fact, had no bananas at all. It had been listed as an unknown for some time.

Mr VOWLES: Somebody requested the police turn up? What was the reason behind that?

Mr COOPER: I do not know. That was their request. When the inspectors attended they asked if the police could attend and we said, 'By all means'. It demonstrates our continual willingness to work with the public and landholders.

The police attended the third one at our request, which was about negotiation with the landholders. That landholder had some ongoing resistance with the program which resulted in successful destruction of the plants on that property.

In the fourth one police attended as it was related to a personal matter associated with the property. In fact, it really had nothing to do with us being in attendance at the property. We attended the property and as a result the police had to attend. I would rather not go into a lot of detail about that because it is more

about the owners and the people at that address and less about banana freckle. I am giving you an honest answer that we have attended four addresses.

Mr VOWLES: I appreciate that, Mr Cooper. Five are still non-compliant?

Mr COOPER: They may be non-compliant.

Mr VOWLES: Common sense would suggest these are the last five you need to deal with. The scenario is gates locked, 'You're not coming in'. What will your response be?

Mr WESTRA van HOLTHE: I might ask Mr Cooper to answer that.

Mr COOPER: The response would be, as it has been to date, we will meet with the landholder and negotiate and discuss with him or her. That occurred with one of the cases I mentioned earlier where the inspectors attended then the police, and we negotiated a position forward on that property so those plants were destroyed.

Mr VOWLES: That is out the door? Not on the table? They do not want to negotiate ...

Mr COOPER: That is our job. That is what inspectors and police do. Clearly, we have reduced in less than a week, 28 properties on the list down to five. You need to remember we have also inspected 41 500 addresses. We attended some of them multiple times and removed plants from 9500. We have clearly demonstrated a willingness and ability to negotiate with people and find a way forward.

Mr VOWLES: As shadow I am contacted all the time. As the local member who attends the markets every Sunday, a few people will not negotiate at all. My concern is - I have had a number of briefings with your office, minister, and thank you for those - forced entry, gates being cut, people being restrained or arrested because you are entering private property to destroy healthy bananas.

Mr WESTRA van HOLTHE: This is a national response to a biosecurity threat that exists within the Northern Territory but has the potential to affect the entire banana industry across Australia. That is why it is a very important program. Mr Cooper has given some good context behind this regarding the number of properties and plants destroyed and the few that remain. However, at the end of the day the eradication campaign will reach its natural point of completion and that involves eradication of all bananas within the eradication red zones.

To get to the nub of your question and where you were heading with this, under the *Plant Health Act* inspectors have the power to enter properties to carry out their duties. Sections 22 and 23 of the act relate – they are quite lengthy sections and I do not want to read through the whole act. Section 22 says:

(1) An inspector may exercise any of the powers mentioned in subsections (2) and (3) if the inspector reasonably believes it is necessary to do so ...

Several criteria are listed. It says they are entitled to enter, inspect and search a place. Section 22(2)(h) says they can:

inspect and retrieve any thing or information for paragraph (g)

They can do a whole bunch of things. They have the power under the act to carry out their duties, and part of the eradication campaign is supported by the *Plant Health Act*.

The police are basically there to keep the peace, to put it in a nutshell. If the inspectors are not allowed to enter properties voluntarily they will use their powers to force entry. If that means a lock or chain has to be cut they will do it. I said recently I do not want any of the banana freckle inspection team placed in any danger whatsoever. Given there have been some personal threats made to some of the inspectors we take that quite seriously, and that is the premise for having the police involved.

To be perfectly honest, having the police involved at this very late stage was always a consideration for us and part of the response and it has proven to be very effective. We have gone from 28 down to five hazardous properties so it has worked extremely well. I expect most of the remaining five will comply. I hope they comply and that we do not have to force entry. It is not about the state just being a state for the sake of it; this is about making sure we maintain the integrity of the biosecurity of the Northern Territory.

A process also has to be undertaken as three legal notices are issued to a property owner, then a fourth notice is issued telling them that coming onto the property is nigh and inspectors turn up. If there is still resistance then the police will be called to assist the banana freckle inspectors.

We are at a point where those people holding out on this campaign are holding the whole replanting scheme up. The next stage of this will be the establishment of sentinel bananas across the red zones. I think 4000 banana plants will be planted as sentinels. They will be monitored over the course of the next 12 months by inspectors to make sure the area does not show any signs of banana freckle. These five at the end are holding that program up. We will march towards inevitability here and we will destroy the bananas.

Mr VOWLES: My current concern is people - the last five or perhaps the last one – will not let you enter their property so they will be detained and arrested on their own property defending healthy bananas.

Mr WESTRA van HOLTHE: I will differentiate between the role of the inspectors and the police. The inspectors will have the power to cut a lock or something to gain access. The police will only become involved on that property if they feel the need to intervene to prevent a breach of the peace or to protect the safety and the lives of the inspectors working there. The simple act of entry, followed by the simple act of destroying the bananas, will not see the police become physically involved in this process. Only if the owners of those properties take actions that warrant the involvement of police will they become involved. If there is no offending, the police will not have to do anything and will just stand by. Only if the owners do the wrong thing will the police take some sort of action. Does that make sense?

Mr VOWLES: Yes, it does but it is does not change anything for those people.

Mr WESTRA van HOLTHE: It may not, but I hope it does. I would never want to see people running afoul of the law over a few bananas. We are talking about a few backyard bananas here and it does not have to reach that point. If owners want to destroy their own plants without our inspectors coming in or the police being involved they can do so. All they need to do is contact the eradication team and let them know they will destroy their own bananas. There will at some point be an inspection to make sure that has happened and there is no regrowth as that is part of the strategy. All this angst can be avoided if people simply do the right thing, but digging your heels in over a few backyard bananas - I hope they do not.

Mr VOWLES: I want to talk about the inspectors employed through Adecco. Are all inspectors employed through Adecco? How many inspectors are employed by the ...

Mr WESTRA van HOLTHE: I will ask Mr Cooper to answer that question.

Mr COOPER: I can answer the first part of the question. The answer is no, not all inspectors are employed by Adecco. A number of the inspectors are employed by the Northern Territory government, and pretty much all the way through phase two all the inspectors will be Northern Territory government employed.

The exact number of inspectors we have had in the program since October last year I would have to get for you - in total numbers. I estimate we have rotated through between 70 and 100. We have had 224 people in the program since October last year but they are not all inspectors.

Mr VOWLES: Can I have that on notice because I want to know how many Adecco plant inspectors have been employed and how many public servants have been employed.

Question on Notice No 4.4

Madam CHAIR: Do you want to clearly restate the question?

Mr VOWLES: Can you please provide information around how many plant inspectors are employed by the NT government and how many were Adecco workers.

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: Yes.

Madam CHAIR: That question will be 4.4.

Mr VOWLES: Ms Simpson said that \$1.16m was paid to Adecco. Was that for those workers?

Mr WESTRA van HOLTHE: That would be for the employment, engagement and salaries of those workers, I imagine, as with any employment agency.

Mr VOWLES: Regarding the Adecco workers, did the NT government ask for a criminal history check of all inspectors?

Mr WESTRA van HOLTHE: I can ask Mr Cooper to answer that if he can, otherwise we will have to take it on notice.

Mr COOPER: We use the normal Adecco check, so I would have to check and see whether they check the criminal history specifically. I know they met all the requirements for working with us as part of the Northern Territory government. I know they undergo the checks for us to do that on an ongoing basis, whether it specifically covers criminal record as such ...

Mr VOWLES: My concern is around entering private property when people are not home - to make sure those checks and balances have been put into place.

Mr COOPER: Yes, I understand the question. One of the questions I asked was not only about the criminal checks, but working around and with children. The advice I received was that it was not applicable specifically so it has not been applied.

On top of that we had a range of other monitoring and review programs about suitability of work. We have had random once-a-week drug testing, for instance. That is part of the normal program in following up. We also have incident reporting, both injury and non-injury. They are all used to monitor whether people are fit for service. Obviously any reports of unsatisfactory or inappropriate behaviour are also actively investigated and action taken.

Mr VOWLES: Thank you, Mr Cooper. Have any negotiations happened with Darwin Banana Farm in relation to a proposal to move it or allow it to grow bananas elsewhere? Has any land been gifted to the farm or considered?

Mr WESTRA van HOLTHE: I will ask the Chief Executive to answer that question.

Mr TRIER: Yes, we have been in discussions with Darwin Banana Farm to look at alternative means for it to continue operation. No formal agreement has been reached. I am speculating, but it is getting late now for this year. I am not sure an agreement will be reached but it was certainly discussed.

Mr VOWLES: The gifting of land?

Mr WESTRA van HOLTHE: I will answer that. There would not be any gifting of land for anyone under these circumstances. We have been considering allowing Darwin Banana Farm – and for that matter those growers affected by cucumber green mottle mosaic virus – to temporarily use some government-owned land to allow them to continue their enterprise. There was no gifting or change of tenure. It is simply an agreement to use that land for a certain period of time until they can get back to normal operations.

Mr VOWLES: Does each shop in the Territory need a permit, especially in the Darwin zones, to sell bananas? I am thinking of the shop down the road from my office.

Mr WESTRA van HOLTHE: I do not think you do.

Mr TRIER: Basically, suppliers of bananas need to demonstrate they purchased those bananas from within the green zone. There needs to be proof of purchase that those bananas have been sourced from outside the eradication area.

Mr WESTRA van HOLTHE: Not a permit as such.

Mr VOWLES: Every individual shop in the Territory does not have to have a permit to sell bananas. They can say, 'They came from this area'. The supplier needs that approval?

Mr WESTRA van HOLTHE: Correct.

Mr TRIER: A supplier of bananas within the red zone has to demonstrate they sourced those bananas from outside the eradication area.

Mr VOWLES: Can you run through how or what will happen with applying for new plants after the 12-month quarantine period has finished?

Mr WESTRA van HOLTHE: The next stage will be that 4000 properties will have sentinel bananas on them. The property owners can now express an interest in having sentinel bananas provided to them for that purpose. The proposal has been developed for the phase three sentinel planning program. This will provide one to three banana plants of different varieties to 3000 to 4000 households in the eradication red zones. These plants will be inspected twice within a 60-day interval between inspections for the presence of banana freckle. Expressions of interest are open for people who would like to be part of that program.

Mr VOWLES: How much is that program costing?

Mr WESTRA van HOLTHE: That would be funded from within the eradication campaign funding itself. As to the exact cost, I will have to throw to Mr Cooper.

Mr COOPER: We are estimating about \$0.25m. The sentinel program is only about the plants being supplied through the program. For instance, other commercial growers are getting ready to order plants. In that period pretty much anyone will be able to plant plants, but all the plants inside the red zone will have a permit attached to them. Growers, or any of the nursery outlets, can also decide to sell plants in addition to the sentinel plants we will be providing. They will have a permit that goes with the plants. We have commercial growers now getting ready to place orders. They will be bringing plants in that sentinel period. Pretty much every plant that goes into the ground will become a sentinel plant, and the more the better.

Mr VOWLES: Minister, in the annual report, page 79, you state the department was evaluating banana varieties for resistance to Panama Tropical Race 4 disease. Has that evaluation resulted in any promising outcomes, or was the trial terminated due to the banana freckle eradication program?

Mr WESTRA van HOLTHE: Probably two parts to that question. You are quite right, work has been undertaken to research resistant varieties, or resistant genetics, to Panama Tropical Race 4. That is a soil-borne pathogen that has affected our banana industry for a number of years. It infects the soil. It can be managed through rotational cropping, but the effects of the pathogen and the levels of pathogen in the soil become worse if that area is used year after year for growing bananas. The program is ongoing and is based on research from some of the Asian countries to try to identify genetics that will be resistant to TR4.

Getting to the second part of your question, the banana freckle eradication campaign has not stopped that research program. It has put it into hiatus for the time being, but not stopped it. We have retained the genetic material we have been working on so that genetic material can be utilised once we have the all clear from banana freckle, and we can get back into that program in a robust way.

Mr VOWLES: What budget appropriation targets biosecurity programs and initiatives?

Mr WESTRA van HOLTHE: Let me get that for you.

Mr VOWLES: From that would be outside the banana freckle and the cucumber green - that as well - but are there any others?

Mr WESTRA van HOLTHE: The internal appropriation for 2015-16 for biosecurity and animal welfare - because they are put together in the reporting line - is \$14.627m. That is total budget. If you wanted a breakdown of just biosecurity I would have to take that on notice and get back to you.

The banana freckle eradication campaign, as I mentioned before, is being funded nationally by the banana industry and other state jurisdictions. The Northern Territory government's contribution of around \$4m is largely in-kind. It is being absorbed from within the existing appropriation.

Obviously, money is being put into biosecurity outside the banana freckle response, and a significant amount. We are currently working on - in fact I believe it is about to be sent up from the department or just has - a draft biosecurity strategy for the Northern Territory which I will be considering in the course of the

next weeks and months as we look at developing a much stronger focus and a more consistent approach to dealing with biosecurity incursions in the Territory.

There is quite a bit of information about the biosecurity strategy which I am happy to tell you if you want to hear about it. We all know how critically important biosecurity is to the Territory, with banana freckle and cucumber green mottle mosaic virus and other things that have occurred over time. The important consideration here is about expanding our markets, and without having robust biosecurity measures and that clean green tick of approval it is difficult to access our markets. It is important we get these biosecurity settings right.

Progressive development, expanding national transport networks and the strategic direction of Darwin as a northern gateway, a northern port to Asia, are all factors we are considering because they make our borders more permeable to biosecurity risks, and probably more so than ever before. Sources of risk are very diverse and we need to be careful that we manage those risks as best we can.

For example, we have a number of sentinel programs that sit underneath the whole biosecurity strategy. In the Territory we have sentinel cattle at a number of locations around the Top End. We also have sentinel bees, I think. I do not know if we still have those, but we used to have sentinel bees and chooks and sheep as well, watching out for any signs of disease that might come in. Those sentinel animals are strategically placed to give the best chance of them picking up a disease if it were to come into the Territory.

Mr VOWLES: I might take that ...

Question on Notice No 4.5

Madam CHAIR: If you want the question on notice please restate it for the record.

Mr VOWLES: What 2015-16 budget appropriate is purely for biosecurity?

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: I do, yes.

Madam CHAIR: That will be number 4.5.

Mr VOWLES: Mr Cooper, I am done with banana freckle. You are probably happy with that.

I have a couple of animal welfare questions, but I might go on the cucumber green mottle mosaic virus. How many properties are affected now? Do you have an up to date list?

Mr WESTRA van HOLTHE: We will double check, but I think 24 properties have been affected by this virus.

Mr VOWLES: Where are they?

Mr WESTRA van HOLTHE: There are a number in the greater Darwin region, certainly around Katherine. I could probably give you some more details. Fifteen are on commercial cucurbit farms in the Katherine region, also Darwin, Berry Springs, Darwin River, Lambells Lagoon and Marrakai and there is also one in the Ti Tree area. Unfortunately, apart from being on commercial properties we have also found it in paddy melons, which are all over the Territory. This has changed the way we are looking at managing that disease.

Mr VOWLES: It is concerning how easily transferrable it is. At the start it was eight or nine properties just in the Katherine region. I thank you, your office and your department for providing me with briefings. It has been good to work in a bipartisan way on this important issue.

Mr WESTRA van HOLTHE: This virus really highlights the importance of a number of areas of biosecurity. One is to make our borders strong the best way we can. On-farm biosecurity is critically important as well. This virus transfers quite easily; it can transfer on equipment, boots and clothing, and you could potentially see it transfer from one property to another simply by having a tractor go from one place to the other without being cleaned properly, or even workers going from one place to another. That is how simple it is.

There is still a lot of work being done on the transference pathways for this. All the results do not lead to one cause or method of transference, but it highlights how critical individual on-farm biosecurity is in all industries.

Mr VOWLES: Yes, I know. There was an uncomfortable moment when the member for Barkly and I were at the Ali Curung melon farm and were asked if we had been anywhere else. It is so easily transferrable. People come to me at the markets on Sunday asking if it is transferrable from wallabies eating in one paddock then going into another paddock. It is simple, but it is just another question.

Mr WESTRA van HOLTHE: It is a good question to ask because, potentially, the answer might be yes.

Mr VOWLES: Yes, birds but mainly wallabies in the rural area. Thankfully the wallabies are still in the beautiful environment in the Territory. Going from one property to the next, is it transferrable? Can you give some more information on that?

Mr WESTRA van HOLTHE: On wallabies, specifically?

Mr VOWLES: Yes, if it is on their feet is it transferrable that way?

Mr WESTRA van HOLTHE: A lot of work is being done. An expert from Israel is giving us a hand with this. He is quite well versed in this virus and has done quite a lot of research on it. He has also been engaged in responses to the cucumber green mottle mosaic virus in California, where they have had a number of outbreaks of that disease.

Part of the work done is back tracing and forward tracing, trying to establish where infected material may have come from. If we can identify that then we forward trace to where that farm or nursery might have distributed its plants to. As part of the broader work being done on the mechanisms for transference, I am sure wallabies have been covered. I do not have an answer to the question, being part of a research project, but conceivably, yes.

Mr VOWLES: What is the estimated loss of production of cucurbits in the Northern Territory?

Mr WESTRA van HOLTHE: It is around an \$80m industry across the Territory. Fortunately not all our growers are infected and there are quite a number in Mataranka, or at least large areas ...

Mr VOWLES: Who is still operating?

Mr WESTRA van HOLTHE: Something like 90% of properties are still able to operate and are not affected by the virus. If you took raw numbers and said 10% are – 10% of \$80m is \$8m. It is difficult to put an exact figure on it without canvassing the individual properties concerned.

Mr VOWLES: What regulations do you have for testing these properties? Is there an ongoing schedule of testing? Is independent testing done as well as our labs?

Mr WESTRA van HOLTHE: I will start by answering that first then throw to Mr Curnow.

The first part of the response - and it always is - is delimiting and quarantining. You must understand exactly where the virus is and then quarantine those areas as best you can to make sure you limit the potential for the spread.

Once we discovered this virus was affecting one property a team of departmental officers went into the Katherine region where it was first detected looking for signs of this on properties. They talked to the owners and got them involved as well. Once we established where it was quarantines were set up. We made the quarantine areas quite big to start with because you want to nail this down pretty well.

The testing involved initially is just eyesight testing to see whether the plants are exhibiting any signs of the disease. You can tell that from the leaves because they get that whitish, light-coloured mottling. It manifests in the fruit, particularly once the disease takes hold and makes the fruit unsaleable.

The samples are then collected from the suspected infected plants. They are examined under a microscope to begin with then sent for DNA testing. For the details of exactly where those samples are sent I will ask Mr Curnow to provide an answer.

Mr CURNOW: Following on from minister's comments, my understanding is initially a PCA test is done to get a positive or negative reading. Where that is positive it is followed up with further laboratory analysis with a more detailed test to confirm that positive. There have been instances where that initial test has showed a positive and was subsequently followed up with a more thorough test. On one or two occasions that was subsequently found to be negative.

Regarding the biosecurity response on a first finding of positive, we include that property in the quarantine area then with the follow-up test after a few days - if that is subsequently shown to be negative the order can then be lifted. It was a false positive, if you like, through that testing.

Mr VOWLES: Similar to the panama disease in Queensland when first detected.

Mr CURNOW: Correct.

Mr VOWLES: I have a couple of animal welfare questions. How many prosecutions have you conducted this year? In your opening statement you mentioned legal costs.

Mr WESTRA van HOLTHE: Yes, we have engaged legal practitioners to prosecute cases we have had to bring to court. Animal welfare is something the government takes very seriously. We have reinvigorated and re-enlivened the Animal Welfare Unit. It has been moved from where it was domiciled with the Department of Local Government across to the Department of Primary Industry and Fisheries because it is a more appropriate fit.

I might take that question on notice to give you the number of prosecutions. I know there are a number of animal welfare cases always under investigation. Some of those move to prosecution and others do not. I am happy to take it on notice.

Question on Notice No 4.6

Madam CHAIR: Member for Johnston, please restate the question for the record.

Mr VOWLES: Can you please provide how many animal welfare prosecutions occurred in the last year?

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: I do.

Madam CHAIR: That question will be number 4.6.

Mr VOWLES: Regarding page 68 of the annual report, can you explain where you are with dogs in Indigenous communities – animal welfare, awareness, education engagement plan – and will this receive ongoing funding?

Mr WESTRA van HOLTHE: The department works very closely with AMRRIC and has been providing them with support and funding. AMRRIC is Animal Management in Remote and Rural Indigenous Communities. We have also been engaged with shire councils and the Northern Territory police over managing animal problems in communities. We jointly fund education programs with AMRRIC. I do not have the figure for that funding in front of me, but there is no suggestion that funding will be discontinued at this point.

Mr VOWLES: The Cattlemen's Association has concerns about wild dogs and what it costs the industry. Has the department done any work in that area?

Mr WESTRA van HOLTHE: Yes, a power of work has been done by the department in wild dog control. A number of years ago the regime around wild dog control was consulted and changed in consultation with the pastoral industry. Parks and Wildlife used to do wild dog baiting but we moved to a system where owners, in a cooperative way, manage wild dog problems themselves. A regional group needs to be set up. For example, there is a very well-functioning one for the Victoria River region. Under the auspices of that group people are trained and licensed to use 1080. Those baits are then distributed according to the needs of pastoralists in that area.

After implementing this program a number of the licensing regimes and licences required for the program did not line up. A number of licences are required - you need Commonwealth and Northern Territory government licensing because it is a pretty dangerous chemical. One licence might run for two years, another for three and another for five. They do not line up and it was creating a few administration difficulties for pastoralists. We are currently working collaboratively with the NTCA on a more user-friendly system. That process has been ongoing for about 12 months and after the issue was raised with me by the NTCA last year.

Mr VOWLES: I am glad you are addressing that. You have met with me and discussed the impact of wild dogs and their control. Also, there are concerns around the use of 1080 without property owners having other areas of their land attended to when another property needs 1080 administered.

Mr WESTRA van HOLTHE: It is a challenge with different land tenure types across the Territory. In a perfect world all neighbouring properties in a particular region would come on board with the program. You might be able to pull all the pastoralists together, but some of those properties might be abutting Indigenous land and then the NLC or relevant land council needs to become involved. With different land tenure types getting all those stakeholders to engage at the right level so the program is most effective can be a challenge.

Mr VOWLES: Thank you, I have finished that output.

Madam CHAIR: That concludes consideration of Output 2.1.

Output 2.2 – Fisheries

Madam CHAIR: We will now consider Output 2.2, Fisheries. Are there any questions?

Mr VOWLES: Has the price of barramundi increased since you closed Chambers Bay? You took away six licences, did you not?

Mr WESTRA van HOLTHE: I do not know if the price of barramundi has increased. I know sharing the resource across the sectors is an important balance that we need to strike. The availability of seafood in the Territory is very good and we need to make sure it stays that way. We have a good wholesale market, quite a strong retail market as well, and there is probably potential for more international trade with our fish product from the Territory. That is something we are working on. I have not had any complaints from people about rising barra prices. I do not buy my barra, I try to catch it.

I might ask the Deputy Chief Executive to answer.

Mr CURNOW: As with any of these commodities, supply and demand is always the bigger issue. The plus in the Territory with the labelling laws is there is always recognition of the Territory-caught product and also from the work the Seafood Council does. The other issue facing the barramundi fishery from year to year is having several poor Wet Seasons has seen barra numbers go down. Anecdotally, catches of threadfin salmon have increased; they have been getting better numbers. With all those things, in bumper seasons the price will start pushing down because of the market.

Mr VOWLES: Salmon is down and barra is up.

Mr WESTRA van HOLTHE: The Deputy Chief Executive makes a good point. It is more seasonal. The amateur sector is also affected to a great degree by the quality of our Wet Season as well.

Mr CURNOW: One final point on that is the growth in the Humpty Doo barra farm. There is more aquaculture product on the market as well.

Mr VOWLES: On to Blue Mud Bay, now the agreements have been completed can you highlight what benefits from the agreement allow Aboriginal people to be part of economic development in the region through fishing and aquaculture projects?

Mr WESTRA van HOLTHE: The Blue Mud Bay negotiations and getting permit free access to waters affected by Blue Mud Bay is an ongoing process. Of course you realise the history of it - in 2008 the Blue Mud Bay High Court decision. It found the Northern Territory *Fisheries Act* was valid over intertidal waters overlying Aboriginal land where that Aboriginal land extended to the low water mark of that particular water body creating an intertidal zone.

In 2014 we announced \$2.7m funding towards a package of permit free access in those intertidal waters I have referred to as Blue Mud Bay. This includes access payments for each fishing sector based on the level of fishing effort, provides an enhanced marine ranger program, a code of conduct applicable to the individual fishing areas and an enhanced Aboriginal coastal licence.

The point you are probably most interested in is the marine ranger program, which has proven to be highly successful. It engages Aboriginal people as rangers over their sea country where they have an opportunity to help with the monitoring of compliance under that code of conduct I previously mentioned. They are also now being engaged on a fee-for-service basis to do research work for the department of fisheries within the fisheries division.

As I mentioned earlier, rather than having to bear the expense of sending highly qualified scientists out to do basic field work, we can now engage the rangers to do that type of work for us. In essence, it is a real job in remote Indigenous communities, something the government has been particularly focused on.

The other area of focus is an enhanced Indigenous coastal line fishery. Across the entire coastal line fishery we have looked at how to manage the fishery in total. The opportunity for Indigenous people to have a small licence to enable them to catch fish for their own local market has never been stronger. The opportunities are there, and we encourage Indigenous groups to consider them. You can imagine that even on a very small scale places like Maningrida, Ramingining or other similar communities could have a licence to catch fish on a small scale, sell it through the local shop, and maybe move some of it to outstations.

Mr VOWLES: How many Blue Mud Bay agreements have you paid out and are those payments ongoing?

Mr WESTRA van HOLTHE: We have negotiated six.

Mr CURNOW: Seven.

Mr WESTRA van HOLTHE: Sorry, seven agreements have been reached with TOs and six with the NLC for the Upper Daly, the Daly mouth to Cape Ford, McArthur River and the Sir Edward Pellew Group of Islands, the Minimini/Murgenella region, and Nhulunbuy and also the Wadeye region. A number of Blue Mud Bay agreements are yet to be negotiated, and I commend and thank the Northern Land Council for its ongoing support, particularly around extending the time period for Blue Mud Bay negotiations to continue.

That has been important because a number of traditional groups across the coastline of the Territory have expressed an interest to government in establishing a relationship and negotiating some Blue Mud Bay agreements, and the extension of time provided by the NLC is facilitating that.

We recently announced \$2.7m to settle the negotiations to date. That was done as soon as we could following assent from the Commonwealth government - the federal minister Nigel Scullion - around those. He had to sign the agreements before we could enact and enforce them. There will be ongoing funding for the ranger programs settled as a result of Blue Mud Bay, and we are hopeful that through further negotiations and more agreements being settled we will have a growing and enhanced program of rangers across the Territory coastline.

Mr VOWLES: You have allocated \$4.5m to Dundee Beach boat ramp, which is on private land. Do we have to buy that land to get the facility up and running? Is that where we are going with this?

Mr WESTRA van HOLTHE: Yes. Perhaps someone upstairs is listening and will flick me an e-mail or send me some information while I am talking. I understand the boat ramp is on government land but access is through private property at the Lodge of Dundee. As part of what we have been working on since this was first announced we are getting access through the private part of the property to the boat ramp. At the moment it is a bit of a handshake thumbs up-type deal. We want something more robust in place than that.

We have looked at a number of designs over the last 12 months or so. When I say a number of designs, it varies between spending just enough money to clean out the existing boat ramp and get the sand off, or building a groyne and having a gold-plated version. We have been working closely with the private owner to get as much bang for our buck as we can from the project, and we are hoping work will start in June.

Mr VOWLES: I was at the AFANT AGM with you and the Chief Minister and the \$2m for Shady Camp was mentioned. Can you give an update on when the work will start or be completed? Anything you can give me would be fantastic.

Mr WESTRA van HOLTHE: Yes, it is early stages for Shady Camp. We will need to go there with engineers and work out an effective design for the money available in the budget. I might ask Mr Curnow to add more detail.

Mr CURNOW: As the minister highlighted, Shady Camp is a challenging area because in the direct run-off people want access upstream. The ramp is exposed to water coming over the barrage so it has always been a problem. The problem in working out how best to spend the money is that area is highly silted up immediately in front of the boat ramp. Most users know you could launch your boat and sit in a big puddle. Even if you excavated the site you still would not have access until you get the really big tides through.

Another option looked at is a downstream launching site. Again, you have to go across the black soil plains to get there so it turns into an expensive exercise and would require some access through private land as well.

In the immediate term the Department of Infrastructure will be putting together a consultancy. They are drawing up the scope of that consultancy at the moment to a look at what you can do with that money to get the best outcome.

Mr VOWLES: With the new fishing restrictions in place, have you had any concerns from professional fishermen about their inability to fish in areas because their boats do not have the capacity or fuel storage to travel to other areas?

Mr WESTRA van HOLTHE: The management of that fishery reached a critical level. That is why we had to take these quite strong measures to manage it. Science, over a number of years, has told us the catch and stocks of golden snapper and jewfish have gone down. The science – this has been independently tested and we brought experts in from outside of the Northern Territory to examine the situation – is that the catch of golden snapper needed to be reduced by 50% and the catch of jewfish needed to be reduced by 20% in order to allow those stocks to recover.

We went out with this package to industry. We have been working on this for probably 12 months or so, and the consultation was extremely broad. Obviously the Recreational Fishing Advisory Committee was involved in this. The Seafood Council had every opportunity to be a part of this as well. AFANT and the NT Guided Fishing Industry Association also had input into this. We have managed to come up with a package of measures that we believe will address the sustainability concerns about these two particular species of fish, but also other demersal or reef fish that are fishing targets.

Not without exception, but broadly the package of measures has been well received by fishermen from all sectors. However, there have been some concerns raised by one or two members in the guided fishing industry about the fact they no longer have access to grounds close to Darwin. Whilst I sympathise with their position, for the good management of our fisheries we were left with no option but to do this. Some areas – I do not know if they have been denuded of fish, but they certainly have had their stocks depleted over the last few years. Without some intervention from government it would get worse. If we did not take steps now in some of the areas affected by overfishing, in years to come there would be no fish anyway.

The argument put forward by some that we continue to fish in these overfished areas is spurious in that if they continue with that activity there will be nothing to catch in the outer years ...

Mr VOWLES: Where I was going with this, minister, is we have commercial fishermen with a full licence and you have smaller licences. They have been pushed to the area around Maningrida. The boat they spent \$0.5m on does not have the capacity to do that. Obviously his business or potential income is severely impacted. Is there any assistance given to people in that situation?

Mr WESTRA van HOLTHE: That, and the management of the commercial part of the coastal line fishery, is part of these considerations. To give you the history of this, when I was the opposition spokesman for fisheries I remember meeting with a number of stakeholder groups on the current arrangements for the coastal line fishery. Based on that consultation I formed the view that the coastal line licensing system needed to be rationalised.

We currently have a total allocated catch of golden snapper of 4.5 tonne and 145 tonne of jewfish. There are 52 licences in the coastal line fishery, and if each one of those fished with an equal amount of effort and caught the same amount of fish they would be left with 3 tonne of jewfish, which would never make a sustainable business. You could not possibly do it. If you want to take your family out and catch 3 tonne a year that would be fantastic, but it is not a commercial business as such. It could never be sustainable at

those levels. The sustainable level of total allocated catch would never support the 52 licences currently in the system.

If you look at the whole system of the coastal line fishery, a number of licences are fished in a commercial sense. Some are used occasionally; some are not used at all but still sit on the books. In order to provide certainty to the industry and commercial interests currently fishing and harvesting these species from our reefs and providing them to the local interstate markets - if all those licences fished many would fall aside and we would not have an industry at all. That is why the decision was made to allocate the western zone to a number of licensees who are doing the job. The others are in the unenviable position of, 'How can I fish because I now have to go a long way to do it?' At the end of the day, the vast majority of those were not fishing anyway or some were weekend fishermen. To be quite honest, anecdotally I hear some people are using their commercial licence to take a few people out on the weekend and avoid bag limits.

We are mindful of all the things that sit underneath what is happening in our fisheries and trying to get the management arrangements right. Some commercial fishermen are feeling a bit aggrieved, but there is a process in place to deal with them and that is to apply to the department for an exemption from these rules. If they can make a case they will be given some consideration for inclusion in the fishery.

Mr VOWLES: There is \$250 000 for artificial reefs. Could you fill in where they might be?

Mr WESTRA van HOLTHE: We always try to provide a quid pro quo when we deal with the fisheries of the Territory. My view was if we were taking some areas of fishing away because they had been overfished then we should try to do something to replace them with artificial reefs or fish tracking devices. The \$250 000 allocated in this year's budget is more to scope the locations and find out exactly where those facilities might exist. Firstly we will need to consult with the fishing stakeholders, then we will have to see if they can provide locations where they think artificial reefs and fish tracing devices would be most useful. We will have to look at the engineering design. It is not a matter of simply dumping rubbish into the ocean. We want to look at the best available infrastructure to build artificial reefs, and some fantastic designs have been put together. Israel might be leading the world in the design of artificial reef constructs, North Korea and Taiwan as well. We want to get the locations right, work on some designs and run those up. From that we can inform ourselves what type of reefs, how big they should be, where they should be and, hopefully, in our budgets we will have an allocation for the reefs themselves.

Mr VOWLES: You have allocated \$1.07m to enable community access to Territory coastal waters. How and where will that be spent? What communities?

Mr WESTRA van HOLTHE: That money is for fishing access arrangements for Blue Mud Bay. That will be spread across the areas where those agreements have been negotiated and payments made to the TOs. Mr Curnow can probably add some more detail to that.

Mr CURNOW: The fishing access payments are based on the levels of commercial, recreational and charter fishing effort in each of those affected waters in the intertidal zone. That is distinct from the other part of the agreement, which is based around extra money for the marine ranger and capacity-building programs around fishery mentoring, ranger training in science and compliance – some of the other elements touched on earlier in the Indigenous development part of the answer. That dollar amount relates to the amount of fishing activity that occurs in those areas. Those payments are linked, over time, to changing levels and activity. If rec fishing activity was to increase, or commercial fishing effort go up or down, those payments could change over time.

Madam CHAIR: We will have to break for lunch. Minister, do you have an answer to a question on notice?

Mr WESTRA van HOLTHE: I have two answers, Madam Chair.

Answer to Question on Notice No 4.4

Mr WESTRA van HOLTHE: The question was: can you please provide how many plant inspectors were employed by the department and how many were employed through Adecco? The answer is: from 16 October 2014 to the end of March 2015 a total of 12 were employed by the department and 94 through Adecco.

Mr VOWLES: Thank you.

Answer to Question on Notice No 4.6

Mr WESTRA van HOLTHE: The second question is 4.6: please provide how many animal welfare prosecutions happened in the last year? Eight animal welfare prosecutions took place in the 2014-15 period to 31 March.

Mr VOWLES: Thank you. I have no further questions.

Madam CHAIR: There are no further questions for this department. Does anybody else have any questions for the Department of Primary Industry and Fisheries? In that case we might conclude all outputs relating to the Department of Primary Industry and Fisheries. On behalf of the committee I would like to thank all the officials and departmental staff who assisted and accompanied the minister today.

We have a half-hour break so we will come back at 1.05 pm with the Department of Land Resource Management.

The committee suspended

DEPARTMENT OF LAND RESOURCE MANAGEMENT

Mr DEPUTY CHAIR: We are moving on to the Department of Land Resource Management. Minister, I invite you to introduce the officials accompanying you, and if you wish to make an opening statement regarding the Department of Land Resource Management.

Mr WESTRA van HOLTHE: Thank you, Mr Chair. I introduce on my left Mr Alastair Shields, the Chief Executive of the Department of Land Resource Management. Mr Steve Hopple, on his left, is the Executive Director of Water Resources, and Ms Joanna Frankenfeld, on my right, is the Chief Financial Officer.

I will open by making a statement in relation to this department. The Department of Land Resource Management plays a critical role in supporting and facilitating economic development across the Northern Territory primarily by identifying new areas where land and water resources are suitable for economic expansion in job-creating industries such as agriculture and tourism.

As well, my department works with landholders to manage and protect the Territory's precious land, water and natural resources now and for the benefit of future Territorians.

The department is made up of the following output groups:

- Flora and Fauna, which provides scientific assessment and monitoring of the Territory's native flora and fauna and delivery of policy advice and support for the conservation and sustainable use of wildlife and management of feral animals
- Rangelands, which provides scientific assessment and monitoring of the Territory's land and delivery of extension services, policy advice and regulation of use and threats to our land resource
- Water Resources, which provides scientific assessment and monitoring of the Territory's water resources, allocation of these resources for sustainable use and delivery of flood forecasting services
- Bushfires, which support landholders in the management and mitigation of wildfire and assist local volunteer brigades in fire management and suppression outside the Territory's urban centres
- Corporate and Governance, which provides a shared service to four agencies and a government business division. The group services core corporate needs including financial services, human resource management, information and communication technology, governance and risk, and communications and media.

New funding of \$500 000 has been allocated to the land suitability assessment team to accelerate the investigation of potential agricultural projects in regions near priority Indigenous communities. Work is continuing to provide high quality land and water suitability information and mapping, essential for underpinning successful agricultural developments. There has been \$2.4m allocated per year for the next three years on the expanded program of land and water resource investigation. Undertaking detailed land suitability assessment includes planning, field surveys, analysis of data and developing high quality spatial data sets, maps, map products and reports. A further \$2.4m has been allocated to continue river and ground water resource monitoring and flood forecasting. Some \$2m will be spent to replace the existing Darwin drilling rig in order to continue the investigative drilling program with improved safety to employees and an increased capacity to drill deeper. Another \$1.3m will see the continued expansion of the rangeland monitoring program using on-ground assessment coupled with satellite data. This will improve efficiencies of monitoring and ensure all 223 pastoral properties are visited in a four-year cycle.

There is \$500 000 to continue weed management extension services across regional areas to help pastoralists to control weed incursions and infestations. There has been \$1.2m allocated to monitor Darwin Harbour to ensure the impacts of development are measured and reported in order to maintain community recreational and tourism values. A further \$600 000 has been added to the previous capital works program to upgrade barrages on the Mary River. This will reduce the risk of saltwater intrusion and help protect the flood plains for agricultural and tourism use, including recreational fishing.

Bushfires pose a major threat to landholders so \$550 000 has been allocated to support a network of strategic regional firebreaks and improve bushfire suppression operations. This is on top of continued funding of \$1m for wildfire suppression activities to make our community safer from bushfires and enable Bushfires NT to fight fires from the ground and air.

Introduced animal species can have an enormous economic, cultural and ecological consequence for Australian rangeland systems. Some \$500 000 has been allocated to research and manage animal pests, particularly feral cats. Ongoing funding of \$400 000 to assess and manage programs for marine megafauna including dolphins, dugongs and turtles will be extended around the Territory coastline.

Another \$100 000 has been allocated to enhance the integrated NT natural resource management information system to improve the range of data and mapping products available to Territorians. This government is determined to increase the opportunities available for landowners, primary producers and those in business who depend on land and water. Changes to the *Pastoral Land Act* have made it easier for pastoralists to use part of their property for alternative uses and create new income streams. These non-pastoral activities are also creating much-needed jobs and helping boost the economy in our rural and regional areas.

Tourism, horticulture, extensive agricultural developments, aquaculture and forestry are all co-existing with pastoral enterprises creating local jobs and ensuring profits remain in regional centres. Already permits have been issued for tourism activities in Curtin Springs, Narwietooma and Banka Banka West stations. The irrigated agriculture of poppies is planned at Tipperary Station in the Douglas Daly region, and a rotating onion crop at Undoolya Station in Central Australia. Plans to establish the world's largest prawn farm on Legune Station will see development of up to 10 000 ha and the production of over 100 000 tonne of black tiger prawns every year.

The Northern Territory government is continuing to develop and adopt policies that support economic growth and northern development while also protecting and enhancing our unique and envied lifestyle. We want a diversified economy that makes the best use of our natural and precious resources while striking an important social, environmental and cultural balance. At the heart of this is how we manage our water resources, which plays a major role in everything we do.

The Territory government released its first ever strategic water plan discussion paper at the NT Water Forum held in Katherine this month. This discussion paper will help guide the development of the Our Water Future strategic plan with the community's input. The discussion paper is the start of a wide-ranging conversation with Territorians about all aspects of water including public use, utilities, licensing, conservation and development of water resources. The overarching strategic plan will enable the responsible management and use of water for economic prosperity, people, and the environment for all Territorians.

Mr DEPUTY CHAIR: What a wonderful opening statement that was. Are there any questions relating to the statement?

Mr McCARTHY: Minister, thank you for the opening statement and thanks for the opportunity to have a conversation with you about the Territory's natural resources on behalf of Territorians.

Are you satisfied with Cabinet's allocation to natural resources in 2015-16?

Mr WESTRA van HOLTHE: In the Cabinet process, as you would understand as a former minister, there are always competing interests for the allocation of resources for budget every year. I think the allocation given to the Department of Land Resource Management for the management of our natural resources provides a good foundation for the work the Department of Land Resource Management needs to do in the many facets and roles it has across the Territory.

Mr McCARTHY: It is interesting, a good foundation. I have been monitoring your budget over a number of years and there have been no significant increases. One would think when it aligns to the CLP government's policy – if I can quote the Treasurer who outlined for the Estimates Committee that in the absence of any major signature economic project by the CLP government he is focusing on creating diversity across economic projects that represent pastoral, agricultural, mining and energy. That suggests to me that your area is an extremely important area in delivering on the CLP policy, yet we have seen no real increases in this area and, as you said, basically just a foundation but we are now talking three years in. Do you think you were fairly treated in this area when delivering for the Territory?

Mr CONLAN: A point of order, Mr Deputy Chair! It is asking for an opinion by the minister. I ask that it be ruled out of order in accordance with standing orders.

Mr DEPUTY CHAIR: The standing orders say you cannot ask for opinions. If you ...

Ms MANISON: He is asking questions about the budget allocation.

Mr CONLAN: He is clearly asking for an opinion, Mr Chair.

Mr DEPUTY CHAIR: Yes, he asked for an opinion. I will leave it to the discretion of the minister if he would like to answer it or not.

Mr WESTRA van HOLTHE: I will answer as if it were asked without asking for an opinion. The Department of Land Resource Management is, in my view, extremely well-funded to do the work it needs to. Of course, every single agency across the Northern Territory government could argue it needs more and every budget cycle produce arguments to suggest it should have more. However, I default to a position that the Country Liberals government has had for some time. The view expressed by a number of ministers over the last couple of years is money is an input not an outcome. Our government is clearly focused on outcomes not necessarily just inputs.

I would have to dig up the previous budget figures - I do not have them in front me at present - to ascertain what changes in the total budget allocation have been made for the Department of Land Resource Management over the past few years. What I know is this government, through its change of thinking, the change of policy and the direction we have given the department, is it is producing the results we are after.

For example, we have reinvigorated the Pastoral Lands Board. In years past the Pastoral Lands Board felt undervalued and as though it was not being supported by government to do the important work it does. Now we have reinvigorated it, for not much extra money, it is working on areas supported by the rangelands unit to better understand the nature of our pastoral estate using the most contemporary and scientific means.

We have increased the number of station visits the Pastoral Lands Board conducts every year. The Rangeland monitoring unit is working more extensively in this area. That is one outcome we are achieving without having to spend megabucks to do it.

Mr McCARTHY: Minister, we are on the public record debating that, and I was able to aggregate that small increase in the rangeland appropriation and the Pastoral Lands Board. Let us talk about outputs, because one of previous Chief Minister Mills' famous statements was about outputs.

The Treasurer talked about the exploration of oil and gas onshore, so we are talking about the alternative oil and gas resources we believe are in the Territory. The Treasurer said he has pushed the go slow button on that and it must not proceed if it compromises the environment. That paraphrases what he said. He

also said there will be no exploration in regard to hydraulic fracturing in the Northern Territory in 2015 although he has signed 131 new exploration permits.

In this appropriation what has been done to start the integrated hydrology studies that Territorians are demanding and what the Treasurer alluded to when he said there will be no hydraulic fracturing exploration for alternative oil and gas where it intersects with aquifer source water supplies in the Northern Territory?

Does this budget appropriation show where this extra, important, new work and new output will deliver for Territorians while the Treasurer has his finger on the go slow button and there will be no hydraulic fraction projects in 2015?

Mr WESTRA van HOLTHE: That is a question for the Minister for Mines and Energy, but I am happy to talk a bit about it. In this budget we have allocated an additional \$2.4m for additional work on shoring up soil and water resource knowledge around the Northern Territory. Primarily this is aimed at identifying horticultural precincts across the Territory, places where we can grow new crops and new enterprises can start on our pastoral estate and on Aboriginal land.

The regime which you are alluding to around studying the water and hydrology in relation to the oil and gas industry is not necessarily done by the Department of Land Resource Management, it is monitored by the Environment Protection Authority. It is regulated by the Department of Mines and Energy and the work that is done on it - because it is the oil and gas fields, and the location of any drill holes that might take place are very specific and have a peculiar nature to them, the stratigraphy and water will be peculiar to that location. That work is not undertaken on a micro-scale like that by the Department of Land Resource Management.

Mr McCARTHY: Minister, does the Department of Land Resource Management produce hydrology mapping? Is that mapping available to the public? Why would it be separate from the Treasurer's new push into alternative oil and gas as a major economic outcome for the Northern Territory?

Mr WESTRA van HOLTHE: The Department of Land Resource Management produces hydrology mapping of the Northern Territory. The \$2.4m in this budget will go towards better understanding of the soil and water resources. That will inform better mapping, a better understanding of the interaction of surface and ground water and a whole bunch of other things. It does not - pardon the pun - drill down into a specific area or location where an oil and gas facility might be doing its work.

We will have a macro-picture. We will be able to say, 'If you drill in that region you are likely to intersect or may come into contact with this water body under the ground'. However, doing work for the oil and gas companies about water they might come across is not what the DLRM does.

Mr McCARTHY: This is more about Territorians, minister. This is about showing Territorians where our major aquifer sources are and ...

Mr WESTRA van HOLTHE: Yes, that is all publicly available information.

Mr McCARTHY: This is about them cross-referencing that with the debate about exploration permits and production of alternative oil and gas in the Territory. The Treasurer is quite clear that is a road he wants to head down. It seems to be rather inefficient if you are separating the department from that important work in a whole-of-Territory concept. I would not say drill next to an oil and gas well because that is like the horse has bolted. I am talking about this in preparation. Will \$2.4m get us much mapping across the Territory?

Mr WESTRA van HOLTHE: The \$2.4m is ongoing funding. In past years we also allocated additional money for this type of work. It provides a macro-picture of the water resources of the Northern Territory. Those maps are available to the public and oil and gas companies. I have no doubt they inform their decisions about what they need to do and where they need to do it.

You are confusing the macro-picture taken care of by Water Resources in DLRM, what occurs on the ground in an operational sense by the oil and gas company, and how that is regulated. When an oil and gas company drills a hole it will take the information available from DLRM - they can be briefed by us and get all the information they need about known water resources. When you stick a drill hole down you do not know what you will find. You may have an idea there is an aquifer underneath you. Those matters are dealt with on an operational basis and regulated and monitored by the Department of Mines and Energy in

conjunction with the Environment Protection Authority. The EPA will have a certain set of guidelines around issue of permits to do that type work.

It almost seems as if you are trying to confuse the issues ...

Mr McCARTHY: Not at all minister, not at all. I live ...

Mr WESTRA van HOLTHE: There is the big macro-picture we look after, and the operational side is Mines and Energy.

Mr McCARTHY: 'Confusing' is an interesting word. I live in an area where there are potential resources. How much hydrology mapping will the department be doing in the Wiso Basin regarding the appropriation for 2015-16?

Mr WESTRA van HOLTHE: I do not have the operational details of exactly what work will fall out of that \$2.4m, but I am happy to defer to the Chief Executive who might be able to give some further details.

Mr SHIELDS: We are not planning to do any hydrological work in the Wiso Basin this financial year.

Mr McCARTHY: Minister, to not confuse Territorians, they have a clear signal from the Treasurer that there will be alternative oil and gas exploration directly relating to the geology of the Wiso Basin yet there are no hydrology studies being planned by your department. You have said, basically, it is an operational issue where you will drill the hole and find the aquifer and make the decision later. Is that correct or am I confused?

Mr WESTRA van HOLTHE: We have mapping currently available from work done previously by the Department of Land Resource Management. We have a certain amount of information available to us and that is translated into maps. We are constantly refining the information we have that informs better mapping and our ability to provide better information about water resources of the Northern Territory. Every area needs to be prioritised of where we will expend money to do that work. It will be entirely up to the Department of Land Resource Management how they deal with that operational side.

If I could produce tomorrow a definitive map of all the water resources of the Northern Territory I would, but clearly it is an on-going process. It is something the government is committed to, and something we expect to fund in the out years.

Mr McCARTHY: Minister, that is exactly the point I am trying to make. That is why I am disappointed that your budget appropriation did not reflect that in 2015-16 when the Chief Minister, in Tennant Creek recently, said he is ready to sign off on a pipeline project to connect the Territory to the east coast gas grid by September 2015. On behalf of Territorians, a lot of people are very concerned. The faith we put in the Department of Land Resource Management is this work would be done so there can be a scientifically-informed debate.

How much of the Wiso Basin aquifer has been allocated water licences?

Mr WESTRA van HOLTHE: I will ask the Chief Executive. I can probably answer that quickly, the Wiso Basin does not fall within a water control district so there have been no formal allocations of water.

Mr McCARTHY: Therefore nobody would be doing any hydrology studies in that area?

Mr WESTRA van HOLTHE: The department is not working in that area.

Mr SHIELDS: I can add to that answer. We are not the only people who do that type of work. In regard to the hydraulic fracturing process, there is a cross-agency steering committee looking at it. We are actively talking to CSIRO and Geoscience Australia to see if they will partner with us and do some of the work that might help underpin some of the decision-making over the hydraulic fracturing process.

Mr McCARTHY: In regard the Wiso Basin, we have a fair idea it is an extensive water resource that will contribute to the Northern Territory's economic development in the future? Rule of thumb?

Mr WESTRA van HOLTHE: I do not know what the water resource looks like under the Wiso Basin. Perhaps the Water Controller has an idea, but I do not have a map in front of me.

Mr SHIELDS: The Wiso Basin does not have great agricultural potential because a lot of it is saline. That explains why there has not been a lot of work done.

Mr McCARTHY: That is an interesting comment. At the Warrego end there is considerable water that has been used for decades. We are of the opinion, in the Barkly, that it is quite an extensive water resource that links to the Singleton Basin and that niche area around Ali Curung. All this could be quite a substantial mosaic agricultural development.

Mr WESTRA van HOLTHE: I am happy to arrange, member for Barkly, a briefing if you would like some more details on the specifics of the Wiso Basin, or any of the other sedimentary basins of the Northern Territory where we have water resource information.

Mr McCARTHY: Thank you, minister. The discussion we are having is with respect to you and the department, being the non-Indigenous custodians of our natural resources. It relates to government policy around driving economic development that has been substantiated in this estimates hearing as relating to alternative onshore oil and gas. Territorians are saying we need to make sure we get this right. There is for and against, but for says, 'As long as we get this right', and then it moves into the regulation area. That is what these questions are about. I hope to influence your policy decisions.

Mr WESTRA van HOLTHE: That is fine, but the operational area of oil and gas, including the drilling and subsequent work that takes place, is the responsibility of the Department of Land Resource Management. I will not answer questions you or somebody else should have asked the Minister for Mines and Energy if you are so concerned about it.

Mr McCARTHY: Minister, that is a good old chestnut. If you want to retreat to 'whatever', I am about having a constructive ...

Mr CONLAN: A point of order, Mr Chair, seriously! Member for Barkly, you well know this is not a forum to debate or influence policy. This is a forum to discuss the 2015-16 Appropriation Bill and any operational matters relating to that.

I ask, Mr Deputy Chair, that you bring the member for Barkly back to some form of relevance with regard to this Estimates Committee.

Ms MANISON: He is asking some questions about the operations of the department.

Mr CONLAN: He said, 'I hope to influence your policy decisions'. This is not a forum for policy.

Mr McCARTHY: Mr Deputy Chair, I withdraw that comment if that is what the member for Grotter wants.

Minister, thank you for the opportunity to continue the discussion ...

Mr DEPUTY CHAIR: Member for Barkly, could we keep it around what we are supposed to be talking about? Every time you make inferences, imputations and present arguments in your questions you are breaching Standing Order 112. We give certain leeway when discussions are being had between the minister and the person asking questions, and I am happy for that to happen. The second people start interrupting each other, talking over the top or trying to make ridiculous comments I will start coming down hard. Let us keep this clean and to what it is about. I would appreciate it if everyone could adhere to that. Is that okay?

Mr McCARTHY: Mr Deputy Chair, let us continue to talk about outputs.

This relates to the opening statement, minister.

Mr DEPUTY CHAIR: I will take that as a yes, member for Barkly.

Mr McCARTHY: Thank you, Mr Deputy Chair.

The Treasurer also made a very interesting point about hoping there would be thousands of fossickers driving, camping, walking and fossicking over pastoral lands. In the output appropriations in the 2015-16 has the Department of Land Resource Management accounted for that as an outcome and how to manage it because it will put considerable pressure on pastoral land and rangelands?

Mr WESTRA van HOLTHE: With the benefit of having been the Minister for Mines and Energy for a couple of years I know that fossicking sits fairly and squarely within the Department of Mines and Energy. Of course, through the pastoral system and our contact with pastoralists we engage with the Department of Mines and Energy over this, but it is again a question for the Minister for Mines and Energy.

Mr McCARTHY: Minister, your appropriation towards the management and regulation of rangelands and pastoral lands has not really considered the influx of fossickers and their pressure on Northern Territory lands for the future.

Mr WESTRA van HOLTHE: I do not know what you call an influx of fossickers. I have not heard of a great influx of fossickers to the Northern Territory. I know a few come in, and it is a great industry and an important component of tourism as well, but the work being done by the rangelands monitoring unit does not specifically look at fossicking or the impact thereof. It is about managing fire, weeds, the state of the land - the pastoral estate itself. It is about monitoring vegetation growth, the type of vegetation, but it does not look at fossicking as such.

Mr McCARTHY: There are significant numbers of fossickers, particularly around Tennant Creek - the Kurinellie fields, Epenarra, Kurundi Station, Phillip Creek Station, Tennant Creek Station and I have been communicating with pastoralists about how this is developing and about the impacts. One of their real concerns is pressure on the rangelands and pastoral properties. One of their great concerns is access. The other concern they have is in relation to that area you talked about - the biosecurity of bringing in animals, plants and possibly bringing in threats to our rangelands. It is happening and the Treasurer is aspiring to thousands of tourists, which will relate to the Barkly significantly because that is one of the well-known fossicking areas in the national movement of fossickers.

Mr DEPUTY CHAIR: Is there a question there?

Mr WESTRA van HOLTHE: I will take it as a statement.

Mr DEPUTY CHAIR: I will pull this up. Member for Barkly, this is not an opportunity for you to make wide-ranging statements about how you feel about things. This is about asking questions on the Appropriation Bill. Would you kindly keep to that?

Mr McCARTHY: Thank you, Mr Deputy Chair.

The next area from the statement, economic development and pastoral production – there is no doubt there are significant increases in markets and quotas, and the AACo abattoir is coming on line and we are looking at the possibility of 300 000 head being processed through that facility annually. In regard to your output appropriation, are you researching? Are you looking at the extra pressure coming on to rangelands and pastoral properties with the increase in herd numbers, particularly substantiated with the supplement feeding and improved management practices? Is there anywhere I can see appropriation towards that research and important work in this budget?

Mr WESTRA van HOLTHE: Member for Barkly, you probably will not find a line item that goes down to that level of detail, but the work of the rangelands monitoring unit in supporting the Pastoral Lands Board looks at every aspect of our pastoral estate. It looks at the management of the land to ensure, for example, it is not overgrazed. Overgrazing causes a serious depletion in the vegetative cover which can in turn lead to erosion. That is just an example of the inputs we have in relation to the pastoral estate around that.

The answer to your question is yes, but you will not find a separate line item for it. It is money spent from within the budget allocation for the rangeland monitoring unit.

Mr McCARTHY: Having established there is no real significant increase in budget you will be managing the appropriation output with that same allocation; however, the industry has changed significantly.

Mr WESTRA van HOLTHE: We have not necessarily not increased the allocation. More money has gone into the Pastoral Lands Board and the rangeland monitoring unit to support the work they do. I recognise just how important that work is in protecting the pastoral estate of the Northern Territory to see it is not degraded in any way, particularly in an area where we can have some influence and can work with property owners to manage their property.

A lot of work is done by the rangelands monitoring unit alongside the Department of Primary Industry and Fisheries. They are always talking to each other about the macro-picture of what the cattle industry is

doing and talking about the pressures it might bring on the pastoral estate. The department of Primary Industry, more than the Department of Land Resource Management, looks at types of improved pastures that can be used and the types of grazing systems that are more effective to get better growth rates and better breeding from the cattle we have within the existing herd. You are once again defaulting to the position of, 'You get more if you spend more money', and that is not necessarily the case.

If we are more efficient in the way we do things, if we have different policy directions that cause our hard-working public servants to take a different or better direction in the work they do, then that is how we get the outputs. As I said before, without huge injections of money we have managed to get better results from the rangeland monitoring unit and the Pastoral Lands Board over the last couple of years. That is evidenced in the reports issued by the Pastoral Lands Board in the last two-and-a-half to three years.

Mr McCARTHY: In outputs and the work you have just explained the department is doing, what are the outcomes in the gulf savannah rangelands that have seen quadrupling of cattle numbers and significant land clearing in relation to increased herd size?

Mr WESTRA van HOLTHE: It is an operational question I do not have the answer to in front of me. I do not know if the Chief Executive can add some more to that.

What is the specific question? What do you want to know?

Mr McCARTHY: What appropriation? Is there an increase? Is it looking at the significant increase in cattle numbers across the gulf savannah, in some stations quadrupling in size, due to better management practices and its effect on land clearing? I expect that would be right up your alley.

Mr WESTRA van HOLTHE: The allocation for the rangeland monitoring unit is what it is. The scientist within that area will make decisions about where those resources are allocated across the whole of the Northern Territory. Unless the Chief Executive has a breakdown by region of where the budget allocation for the rangeland monitoring unit will be spent, I cannot give you the answer. I suspect you would not have been able to give the answer if you were in government either.

Mr McCARTHY: That is an interesting comment. Mr Deputy Chair, do you want to rule on that?

Mr WESTRA van HOLTHE: On what grounds?

Mr DEPUTY CHAIR: No, the minister has said there is a set amount of money. You have asked if more money is going into the rangelands unit. He has already said the amount of money going into the rangelands unit is a finite amount.

Mr McCARTHY: Mr Deputy Chair, I was talking about the sarcasm at the end of the question.

Mr DEPUTY CHAIR: They can choose to – seriously, Gerry?

Mr McCARTHY: I was asking about the sarcasm ...

Mr DEPUTY CHAIR: Shush! Do you mind! They can choose to take that on notice or to answer the question. If you do not like the answer to the question, that is up to you. Do you believe you have answered the question?

Mr WESTRA van HOLTHE: Yes, I have answered the question. I want to add that the budget allocation for rangeland monitoring since the Country Liberals came to government has increased. Not only that, in 2012 under the former government, the number of properties inspected by the Pastoral Lands Board was three. In 2013 it rose to 27, to 36 in 2014, and 57 is what is planned for the 2015 season.

They are the outcomes I am talking about. It is not just about spending more money. Unfortunately, the member for Barkly is defaulting to the old Labor position of put more in to justify why you are doing a better job ...

Mr McCARTHY: Absolutely not, minister.

Mr WESTRA van HOLTHE: That is not the case ...

Mr DEPUTY CHAIR: Let him answer the question then you can ask another one.

Mr WESTRA van HOLTHE: In this case it is demonstrable that the rangeland monitoring unit, in conjunction with the Pastoral Lands Board has, over the last three years, significantly increased - I do not know what the percentage increase is but several thousand percent - the amount of work it is doing because it feels supported by the government and reinvigorated because the government finally recognises the work it is doing is critically important. Clearly, in 2012 and the years before it did not feel that way. You can draw your own conclusions from that.

Mr McCARTHY: You outlined 57 properties to be monitored. How many pastoral properties in the Northern Territory?

Mr WESTRA van HOLTHE: There are 223.

Mr McCARTHY: Minister, another area I am interested in regarding output appropriation is the significant movement of cattle over the Wet Season that reflects the increased quotas from Southeast Asia. Is the rangeland monitoring unit looking at that as a dynamic change in the effect on pastoral lands and rangelands?

Mr WESTRA van HOLTHE: The rangeland monitoring unit does its work year round and whenever it is able to gain access to properties. If there are access problems obviously staff cannot get in. In 2015 the 57 properties it plans to visit - it will be looking at every aspect of the land management on those properties. That includes the impact of grazing, fire, weeds and erosion. It looks at it over the entire year to see what has happened. You can tell what has happened to the land in the Dry Season and get an understanding of what might have occurred in the Wet Season - if there is particular damage through erosion. You do not get much erosion in the Dry Season. Yes, that work is being done across the Territory this year in 57 locations. Yes, it will look at all aspects of the pastoral estate.

Mr McCARTHY: Thank you, minister, for the opportunity of having that discussion on behalf of Territorians in relation to your opening statement.

Mr Deputy Chair, I am interested in asking more questions at your discretion.

Mr DEPUTY CHAIR: Are there any more questions relating to the statement?

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

Mr DEPUTY CHAIR: The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2015-16 as they relate to the Department of Land Resource Management. Are there any agency-related whole-of-government questions on budget and fiscal strategy?

Mr McCARTHY: Minister, can you outline an increase of 18 in the department's staff this year and explain in detail what positions staff hold, where they are and what level they have been appointed to and why?

Mr WESTRA van HOLTHE: I will ask the Chief Executive to answer that question. The Department of Land Resource Management is very well supported by this government and we intend to make sure they are resourced to do the job they need to. You are suggesting an increase of 18 from last year is that correct? I do not have those figures in front of me.

Mr McCARTHY: That is what I am suggesting, minister.

Mr WESTRA van HOLTHE: If the Chief Executive can provide you with a breakdown of where those additional 18 staff members have gone we will, otherwise we may have to take that on notice.

Mr DEPUTY CHAIR: Do you want to take that on notice?

Mr WESTRA van HOLTHE: I am checking, Mr Deputy Chair, to see if we can answer it.

Ms FRANKENFELD: Joanna Frankenfeld, Chief Financial Officer. At the end of 2013-14 in pay 26 we had 254.8 FTEs and at 26 March 2015 we had 256.4 FTEs. What period are you comparing because that is not an increase of 18 in my data?

Mr McCARTHY: What is that increase?

Ms FRANKENFELD: 2.4.

Mr McCARTHY: If we could have details around the increase you have outlined that would be appropriate.

Ms FRANKENFELD: In 2013-14 executives totalled nine. That did not change; there were still nine at 26 March. Administrative was 81.2 and increased to 81.6. Professional was 82.6 and increased to 84. Technical was 79.4 and went down to 78.1. Trainees was 2.6 and went up 3.8.

Mr McCARTHY: Thank you, minister.

Mr DEPUTY CHAIR: That concludes consideration of agency-related whole-of-government questions on budget and fiscal strategy.

OUTPUT GROUP 5.0 – LAND RESOURCE MANAGEMENT

Output 5.1 – Flora and Fauna

Mr DEPUTY CHAIR: The committee will now proceed to Output Group 5, Land Resource Management, Output 5.1, Flora and Fauna. Are there any questions?

Mr McCARTHY: What staffing resources are dedicated to this output group?

Mr WESTRA van HOLTHE: Currently, as of 26 March 2015, there are 36.5 FTE positions allocated to Flora and Fauna.

Mr McCARTHY: Can you explain the feral animal strategy and if it has been completed? What will the outcomes be in the department's appropriation and the work planned to reduce feral animals in the Northern Territory?

Mr WESTRA van HOLTHE: The feral animal management strategy is still being put together and we are moving closer to that. The time line I am not quite sure of, but it is something the department is currently working on. The feral animal management strategy will look at a range of different feral animals across the Northern Territory, as I mentioned in my opening statement.

The particular focus is on feral cats. You may or may not be aware that there is a project targeting feral cats in Arnhem Land, where there has been considerable interest by the Northern Territory government and also the Commonwealth. Feral cats are also a problem in Central Australia. Naturally, we will be looking at other feral animals as well, including camels. That all forms a part of the strategy once it comes on board.

As for answering a question about budget allocation, once that strategy is formulated and put together an assessment will be made as to whether additional resources need to be applied to it. That will then go through a normal budget planning and budget Cabinet process in order to establish the additional funding, if any, allocated to support that strategy.

Mr McCARTHY: Do you have agreements in place with land trusts and land councils regarding the feral animal management programs planned? If so, could you outline what agreements are in place?

Mr WESTRA van HOLTHE: I will have to take that on notice. As I said, the feral animal management strategy is still being formulated by the department so there are probably some operational areas where we will not have answers to those questions. I am happy to take it on notice.

Question on Notice No 4.7

Mr DEPUTY CHAIR: Member for Barkly, would you kindly restate the question for Hansard.

Mr McCARTHY: What agreements are in place with Aboriginal land trusts and Aboriginal land councils regarding the planned feral management programs and the agreements to be reached regarding that relationship?

Mr DEPUTY CHAIR: That question will be allocated number 4.7.

Mr McCARTHY: Is there a specific species of feral animal identified as most threatening to the Northern Territory?

Mr WESTRA van HOLTHE: I do not believe a species is identified as most threatening but a number of species, including cats and camels, cause problems. The feral animal strategy will have a plan of management for every feral animal that falls within the scope of that work. Bear in mind each and every feral animal will have a different impact on the environment, and you would be aware cats and camels are a stark example of those differences. We will not limit what we are looking at. We will look at all feral animals and come up with a strategy and plan to deal with them. As to identifying the worst threat, often that is quite a subjective assessment unlikely to withstand the scrutiny of an objective, scientific and rigorous process.

Mr McCARTHY: Minister, what work is the department doing in assessing damage to the biodiversity caused by cane toads? Is the department working with other states in research to find ways of controlling and possibly eradicating the cane toad?

Mr WESTRA van HOLTHE: As far as I am aware there is no current work being undertaken specifically on cane toads, but I am happy to take that question on notice and seek further information.

Question on Notice No 4.8

Mr DEPUTY CHAIR: Member for Barkly, if you could restate your question for the purposes of Hansard.

Mr McCARTHY: What work is the Department of Land Resource Management doing in assessing damage to the biodiversity caused by cane toads? Is the department working with other states to find ways of controlling, and possibly eradicating, the cane toad?

Mr DEPUTY CHAIR: The question will be allocated number 4.8.

Mr McCARTHY: Minister, with regard to the annual report, have the reports of the biodiversity values and land suitability in relation to the Tiwi Islands agricultural development area been completed and are they reports public?

Mr WESTRA van HOLTHE: The work around that has been completed. A draft report has been prepared and forwarded to the Department of the Chief Minister. The Department of Land Resource Management has worked quite hard on this project. Not only have we been examining and assessing the biovariability of the area, we have also looked at rare and endangered species. We have also looked at the soil and water types available in the subject area, and also the slope to determine whether there is any suitable land form and water resources there to sustain agriculture.

The report is in draft form. It has been forwarded to the Department of the Chief Minister and once it gets the tick of approval from the department it will be released.

Mr McCARTHY: What is the cost of that exercise?

Mr WESTRA van HOLTHE: The cost was \$1.683m.

Mr McCARTHY: What actions have been undertaken in 2014-15 to control donkeys?

Mr WESTRA van HOLTHE: As far as I am aware there are no government programs to control donkeys. Where donkeys are a problem the pastoralists usually get in touch with licensed shooters and experts in that field to deal with the problem.

Mr McCARTHY: What invasive weed species have been tackled in 2014-15?

Mr WESTRA van HOLTHE: There is a great list. I might start with one of the most recent ones. I have recently declared neem trees to be weeds in the Northern Territory in classes A and C from memory, because they are a highly invasive weed and cause problems in all types of riverine corridors.

Weeds are obviously very important to us. It has just dawned on me that we are in an output group that is about rangelands, are we not, or have we moved on to flora and fauna?

Mr McCARTHY: No, we are in the same output group.

Mr WESTRA van HOLTHE: Does weed management come under flora and fauna?

Mr SHIELDS: No, it is under rangelands.

Mr McCARTHY: We will leave it until rangelands then, minister.

I am interested, minister, in the \$400 000 the budget books say you have provided for the assessment and monitoring of marine megafauna like dolphins, dugong and turtles. Is this a new allocation or an ongoing project?

Mr WESTRA van HOLTHE: This is ongoing money allocated to this program. It is an important program where we monitor the megafauna around the Northern Territory's coastline. We expand the area of operation of this program. Of course, Darwin Harbour has been of particular focus, even up around the Coburg Peninsula where programs have run to monitor some of the megafauna. It has been really good because we have been able to tag and monitor false killer whales frequenting part of that coastline. That was in the program last year. This \$400 000 will enable the program to continue and extend its reach along other parts of the Territory coastline.

Mr McCARTHY: Is there any concern about these species around the Territory?

Mr WESTRA van HOLTHE: None that I am aware of. Dolphin numbers in the harbour are strong and healthy. The sighting of other megafauna around the Territory coastline is a good indication of strong numbers, and no direct concerns have been raised with me about the numbers of megafauna around the Territory coastline.

Mr McCARTHY: That completes my questions in that output area.

Mr DEPUTY CHAIR: That concludes consideration of Output 5.1.

Output 5.2 – Rangelands

Mr DEPUTY CHAIR: The committee will now consider Output 5.2, Rangelands. Are there any questions?

Mr McCARTHY: Minister, does the department still provide grants to pastoralists and property owners for weed control management on their properties?

Mr WESTRA van HOLTHE: A program has been running for a couple of years in relation to gamba grass. The department provides poison for owners to use and they are also able to borrow spray equipment during the Wet Season to control gamba grass.

Mr McCARTHY: Where I live great interest has been shown in rubber bush. Is there any opportunity for pastoralists to seek assistance from the government to control rubber bush?

Mr WESTRA van HOLTHE: No specific programs have grant money to control rubber bush. Weed management is the responsibility of the landholder. I encourage all landholders to ensure they are fully conversant with the types and prevalence of weeds on their property so they can effectively manage and deal with them.

Of course, when weed incursions are noticed I hope they are reported to the Weeds Management Branch. We have offices in Alice Springs, Tennant Creek, Katherine and Darwin, so we can assist pastoralists with a program that might control or get on top of weeds.

Mr McCARTHY: What weeds assessment and activity work is undertaken on Aboriginal land?

Mr WESTRA van HOLTHE: There is engagement between the Department of Land Resource Management and the land councils to discuss weeds. We engage with all stakeholders across the Territory about weeds, from pastoral properties through to the owners of the railway line to make sure they are managing weeds on the rail corridor. Those conversations are being held regularly across the Territory, and we do that with all our stakeholders.

Mr McCARTHY: Regarding rangelands and the discussion I initiated earlier, what problems have the rangeland team identified, and what actions are being undertaken to tackle these problems?

Mr WESTRA van HOLTHE: I will have to seek a detailed report from the rangelands monitoring unit in order to answer your question in any great depth. However, there have been instances where the

rangeland monitoring unit has identified degraded land on some of our pastoral properties. The way the rangelands monitoring unit rectifies that is to initially work with the pastoralists to make sure they understand the nature of the degradation and the problems their property is facing, and also methods to manage those issues.

Our pastoralists are the custodians of the pastoral estate of the Northern Territory. They have a moral and legal responsibility to make sure they maintain the pastoral estate in a fit and proper way.

Mr McCARTHY: With the gamba grass herbicide assistance program you mentioned in the Top End, how much does that cost annually, how many landowners have taken up the program, and has the department analysed the program to see if it has had any impact on the spread of gamba grass?

Mr WESTRA van HOLTHE: The government provided almost \$142 000 for herbicide for gamba grass control in the last Wet Season. A total of 185 people have borrowed spray equipment from the department to apply a glyphosate to the gamba grass infestations they have.

There is a monitoring program currently under way, including a participant survey and on-site assessment of participating properties. That was initiated during the 2013-14 season to assess the effectiveness of the gamba grass program, and as a tool for a local engagement and extension services to be offered to people undertaking the program.

In answering the second part of your question about the effectiveness of this, we have seen an increase in the number of people taking up the program. Every bit of gamba grass killed is a good bit of gamba grass killed in the Top End, that is for sure. For example, in the November to April period from 2013-14 to 2014-15, in the Freds Pass recreational area 536 participants grew to 864. That is a significant rise in the number of participants dealing with gamba grass.

My message to property owners of the Top End about gamba grass is it is their responsibility to manage weeds on their property. They must do it not only for the sake of themselves, but also for the sake of their neighbours.

Gamba grass is a problem because when it dries out at the end of the Dry Season and burns, it creates incredibly hot fires that are extremely difficult to control. They place at risk the property and lives of people who live on the land and also the property and lives of firefighters, the brave men and women who go out, particularly from our volunteer bushfire brigade units, to fight these fires. It is important and critical that people manage weeds on their own property.

Mr McCARTHY: Why has it taken such a long time to declare neem a weed considering it has been around the Territory for ages and become a major weed problem on the Victoria River?

Mr WESTRA van HOLTHE: How long has it been a problem in the Territory, member for Barkly?

Mr McCARTHY: You are asking me a question?

Mr WESTRA van HOLTHE: Yes, I am asking you a question.

Mr McCARTHY: My guess would be two decades.

Mr WESTRA van HOLTHE: The Country Liberals government is the first government to tackle neem as a weed. It was not dealt with under the former Labor government.

Mr McCARTHY: Take it easy, minister.

Mr WESTRA van HOLTHE: No, I am fine. I am not getting worked up at all.

Mr McCARTHY: Do not let the blood pressure get to you, man.

Mr WESTRA van HOLTHE: Questions like, 'Why has it taken so long?' -let us reflect on history to deal with some of the issues you raise. We have been in government for two-and-a-half years, nearly three. The issue of neem trees was high on my personal agenda when I was re-elected in 2012 and became the relevant minister. I asked the Katherine Weed Advisory Committee to take a look at neem and give some consideration to declaring it as a weed. That moved on to the Northern Territory Weed Advisory Committee for their advice. These processes take time. I am proud that we have reached a point where

we have declared neem a weed because it is a problem, as you identified, and I identified when I came to government.

Mr McCARTHY: It is a great Territory story once you drop the baggage. It seems to all flow, does it not?

Madam CHAIR: We do not need the commentary from you, member for Barkly. It is early in the afternoon.

Mr WESTRA van HOLTHE: If you keep firing loaded questions at me, member for Barkly, I will fire them back.

Mr McCARTHY: Minister, I hope you think I am a little more honest in my approach and always have been. You guys seem to have the something to hide attitude.

Madam CHAIR: Member for Barkly, do you have a question?

Mr WESTRA van HOLTHE: I must say I had a much nicer time with the member for Johnston this morning.

Mr McCARTHY: That is an interesting comment, minister. Would you like to elaborate on why?

Mr WESTRA van HOLTHE: His questions were not as leading and sought reasonable information. They were asked in a way that did not attract an argument. Already, member for Barkly, you have been pulled up several times by the Chair and other committee members for your approach to this estimates. That did not occur with the member for Johnston this morning and that is all I am pointing out.

Mr McCARTHY: I will pass on a great anecdote from the previous member for Araluen, the famous Jodeen Carney, 'The minister does not like the tough questions'.

Madam CHAIR: I do not know what you are talking about, member for Barkly, but I am done with it. Do you have a question for the minister?

Mr McCARTHY: In relation to the budget paper and the \$1.3m to continue rangeland monitoring on the pastoral estate, how does the agency manage this work? For example, are grants provided to organisations or to pastoralists or property owners to undertake the work with the department?

Mr WESTRA van HOLTHE: The \$1.3m for the rangelands monitoring unit is money used directly by the monitoring unit to support the work it does. That covers employee expenses and operational costs but no component of that is granted to pastoralists.

Mr McCARTHY: Minister, what happens if you identify poor management practices?

Mr WESTRA van HOLTHE: The first point of contact is with the pastoralists themselves to identify the problem. I point out to pastoralists they have a responsibility to manage that land effectively. The rangelands monitoring unit will work with pastoralists to identify ways to remediate the identified problem, and that is enforceable under the *Pastoral Land Act*, remembering that leases are conditional and that pastoralists need to bear in mind the conditions of those leases they are managing on behalf of the people of the Northern Territory - the pastoral estate.

Mr McCARTHY: What sanctions were used in 2014-15?

Mr WESTRA van HOLTHE: I am not aware of any sanctions imposed in that reporting period, but if you want further information and clarification I am happy to take it as a question on notice.

Madam CHAIR: Would you like that on notice, member for Barkly?

Mr McCARTHY: Thank you, Madam Chair.

Question on Notice No 4.9

Madam CHAIR: Would you please restate the question clearly for the record.

Mr McCARTHY: What happens if the department identifies poor management practices over rangeland resources, and what sanctions were used in respect of that in 2014-15?

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: I accept the question.

Madam CHAIR: The question is number 4.9.

Mr McCARTHY: What arrangements, joint actions or activities has the department undertaken with Indigenous pastoral groups or Indigenous landholders in 2014-15?

Mr WESTRA van HOLTHE: That is probably more a question under my primary industry portfolio because the Department of Primary Industry and Fisheries runs and manages the IPP, the Indigenous Pastoral Program. I might ask the Chief Executive if he has any other information about the engagement the Department of Land Resource Management has, as opposed to the Department of Primary Industry and Fisheries, with Indigenous people on their lands. I can probably answer that by saying the DLRM works closely with the Department of Primary Industry and Fisheries on engaging with Indigenous people through the IPP.

Mr McCARTHY: Madam Chair, that completes my questions in that output area.

Madam CHAIR: That concludes Output 5.2.

Output 5.3 – Water Resources

Madam CHAIR: I will now call for questions on Output 5.3, Water Resources. Are there any questions?

Mr McCARTHY: In regard to water resources, how many staff are dedicated to this part of the agency?

Mr WESTRA van HOLTHE: As at 26 March 2015 there were 81.2 full-time equivalents.

Mr McCARTHY: What is the makeup?

Mr WESTRA van HOLTHE: Out of that we have one executive officer, 11.3 administrative staff, 24.6 professionals and 44.4 technical staff.

Mr McCARTHY: There has been a lot of comment around the Territory for about two-and-a-half years in relation to water allocations. Could you outline your response to the Amateur Fishermen's Association of the NT, which expressed strong concern that the government had over-allocated water resources and the natural wild rivers will be impacted as a result?

Mr WESTRA van HOLTHE: The Northern Territory government enjoys a very good, strong and sometimes robust working relationship with AFANT. On some areas we agree, on some areas we do not. In the case of water resources, the government's view is we have a sustainable amount of water that we are allocating through the current water allocation process underpinned by what is colloquially called the 80:20 rule, where 80% of water in a system, or the recharge, remains in the ground to support the environment, and 20% of the total recharge is available for consumptive use. It is more likely that river levels will be impacted more so by rainfall and seasonal conditions than they are by water allocations.

Mr McCARTHY: With respect to the current NT water reserve data, how much water is now allocated from the Ooloo Dolostone Aquifer, the Katherine Tindall Limestone Aquifer and the Mataranka Tindall Limestone Aquifer?

Mr WESTRA van HOLTHE: I will ask the Executive Director of Water Resources to answer that question.

Mr POPPLE: Steve Popple, Executive Director, Water Resources. In regard to the Ooloo Dolostone Aquifer, current allocations are 67 354.1 ML per year. In regard to the Tindall Limestone Aquifer at Mataranka, current allocations are now 25 940 ML per year. In regard to the Katherine Tindall Limestone Aquifer, it is exactly the same as it was in the 2009 water allocation plan, which is approximately 37 000 ML per year.

Mr McCARTHY: Minister, how many of those licences are considered to be big water licences?

Mr WESTRA van HOLTHE: That is a subjective question, member for Barkly.

Mr McCARTHY: Mega water licences?

Mr WESTRA van HOLTHE: It is a subjective question and I am not going there. Ask a sensible one. You tell me. You are suggesting that water licences are small or big, what do you call big?

Mr McCARTHY: That is what I asked you, minister.

Mr WESTRA van HOLTHE: If you give me a more specific question, like how many water licences are above a certain size, I can probably dig out that information for you.

Mr McCARTHY: Can you outline what you consider a mega water licence?

Madam CHAIR: The minister has just answered that, member for Barkly. It does not exist. Would that be correct, minister? There is no categorisation of mega water licence?

Mr WESTRA van HOLTHE: Madam Chair, I ask that you call that question out of order. It is asking for a subjective opinion. The member for Barkly's opinion on this might be completely different to mine. I will not answer a silly question like that.

Madam CHAIR: Member for Barkly, as the minister has helpfully rephrased for you, if you ask how many licences are over a certain amount he can answer it, but his personal view on how big or little a water allocation is cannot be answered in estimates.

Mr McCARTHY: Minister, is there a scientific definition around the quantity of a water licence?

Mr WESTRA van HOLTHE: No, there is not.

Mr McCARTHY: For the lay person, how is a water licence determined?

Mr WESTRA van HOLTHE: An assessment is done on the recharge of an aquifer based on a range of science that talks about the interactivity between ground water and surface water systems. It is also subject to the amount of water available in the consumptive pool. It is also subject to the applicant providing an approved plan for use of that water. It is quite simple, but the science behind it is extremely complex.

Mr McCARTHY: That goes some way to answering the first question. Water licences have an aspect of their use, for instance growing crops. Can you say what crops have been grown on Stylo Station at Mataranka since the owners received their water licence?

Mr WESTRA van HOLTHE: I do not know the answer to that question. It is an operational matter and probably should have been asked of the Department of Primary Industry and Fisheries.

Mr McCARTHY: Minister, if no crops were grown and it came to your attention, does the department have a philosophy of use it or lose it? If so, when does that principle apply?

Mr WESTRA van HOLTHE: When the most recent water licences were allocated they were issued conditionally. One condition is the licences are subject to review. I will probably defer to either the Chief Executive or Mr Pople to give the exact wording of the clause on that licence.

It has always been the government's position that water licences should not be used to bank water. We want to see water used for economic development within sustainable limits. Horticulturalists or applicants for water need a plan of management for using that water in the horticultural sector which has to be backed up by action.

In the case of properties where water licences have been issued and they do not comply with the conditions of the water licence, they will be asked to explain to the Water Controller why they should not have their water licence changed or amended.

Mr McCARTHY: If there are no water allocations available for new applicants, has the government decided on a policy of water trading? Can you advise the committee what the policy is?

Mr WESTRA van HOLTHE: Water trading ordinarily will not occur until an aquifer is fully allocated. Common sense would suggest you would not try to buy water or trade it for something else if you can get it from the government. The *Water Act* already allows water trading to occur. This has only happened in a very limited number of cases in Katherine. The policy of the government, at this point in time, is the legislation allows for water trading and if water trading occurs, so be it.

However, this is one of those fairly important issues to be considered and discussed in the discussion paper as we formulate an overarching water plan and water policy for the Northern Territory into the future. We will be looking at what you call 'use it or lose it'. We will be looking at water trading. Every aspect of water, from horticultural use and agriculture, allocations from ground water allocations, surface water right through to residential use in our urban areas will be considered in our water policy document. It is the first of its kind to be called for in the history of the Northern Territory.

Mr McCARTHY: Will the conversation you talk about having after you have allocated water take into account the previous draft water management plans being worked on with the community?

Mr WESTRA van HOLTHE: Yes. All the work that has gone on before today will be considered in the strategic policy document, bearing in mind that water allocation plans are really operational in nature. They deal with specific aquifers or parts of an aquifer. If there is work contained within those documents we will be calling upon it to inform the water policy debate.

Mr McCARTHY: How relevant will they be if you have allocated all the water?

Mr WESTRA van HOLTHE: They will be relevant as to the amount of pertinent and relevant information they contain.

Mr McCARTHY: You will have to read that back, minister. That was a good answer.

The government has reinstated the water management committees which were mothballed when the government came into power ...

Mr WESTRA van HOLTHE: They were not mothballed.

Mr McCARTHY: They were not mothballed?

Mr WESTRA van HOLTHE: No, they just did not meet. They were not mothballed ...

Mr McCARTHY: They were disbanded?

Mr WESTRA van HOLTHE: Mothballed implies that somebody did something to stop them operating. They just did not meet. Anyway, go on.

Mr McCARTHY: When will these water management committees recommence?

Mr WESTRA van HOLTHE: They have recommenced. The Katherine Water Advisory Committee has reconvened. It has had four meetings since it was reformed, and consideration now is being given to the Katherine/Tindall water allocation plan. I believe they have two more meetings before they come up with a final recommendation for any changes to that plan.

The existing committees include Howard East, Mataranka, Alice Springs and Berry Springs. During April 2014 the Land Resource Management department convened meetings with the Howard East and Berry Springs Water Advisory Committees to provide updates on progress for the water allocation planning process and to reinvigorate the committee's membership and engagement with the community.

The Howard East Water Advisory Committee was found to only have a few active members and expressions of interest were advertised in September 2014. A limited number of applications were received and the Department of Land Resource Management is seeking further interest from additional representatives to form a viable committee.

Berry Springs has sufficient active members to continue development of the Berry Springs Water Allocation Plan. That committee will shortly be briefed on revised modelling undertaken during 2014. Following this briefing the draft water allocation plan will be released for public comment.

We have already mentioned Katherine. The Alice Springs Water Advisory Committee met on 26 March and 30 April 2015 to discuss revisions to the Alice Springs Water Allocation Plan. The Mataranka Water Advisory Committee will be briefed once amendments to the draft water allocation plan are completed in the second half of 2015.

Mr McCARTHY: Will you be announcing the members of those committees?

Mr WESTRA van HOLTHE: Membership of the committees, as far as I know, is on the public record. I can probably give you the details.

Mr McCARTHY: You might want to table those, minister.

Mr WESTRA van HOLTHE: No, I am not tabling anything. I will not read the names into *Hansard*, member for Barkly.

Mr McCARTHY: Will you announce them at some stage?

Mr WESTRA van HOLTHE: What is in an announcement? Do you want me to issue a media release?

Mr McCARTHY: No.

Mr WESTRA van HOLTHE: If you think that is the appropriate way to announce ...

Mr McCARTHY: You are the minister.

Mr WESTRA van HOLTHE: I am seeking your counsel on this. Genuinely, if you think I need to issue a media release to announce water committee members ...

Mr McCARTHY: I am not big on media releases, but you are asking the wrong person. I am different to the mainstream. We will leave it at that.

Mr WESTRA van HOLTHE: They are on the Land Resource Management website.

Mr McCARTHY: In relation to the Tiwi Islands agricultural project, has the assessment of water resources been completed? If so, what were the results of that assessment?

Mr WESTRA van HOLTHE: Yes, the water resources assessment, along with the other components of that project, have been completed. The draft report, which also contains the biodiversity work that was done, is currently with the Department of the Chief Minister and he will be announcing that shortly. I cannot give you an answer on the time frame because he has not told me when he will do that.

Mr McCARTHY: Is the abandoned strategic Indigenous water reserve a credible scientifically based fail-safe for protecting 20% of the total reserve in dry and unpredictable rainfall years?

Mr WESTRA van HOLTHE: Is it, did you ask?

Mr McCARTHY: Yes, does it have scientific merit?

Mr WESTRA van HOLTHE: I would not think so.

Mr McCARTHY: There was never any scientific basis. Would the department have done any studies in relation to the water management system?

Mr WESTRA van HOLTHE: If I go back to when some water allocation plans gave consideration to a strategic Indigenous reserve, was no science applied then either. The decision to strike a strategic Indigenous reserve was left up to the committee and was quite a subjective assessment of what people thought should be in a strategic Indigenous reserve. Based on the fact no science was applied to putting a strategic Indigenous reserve into a water allocation plan, likewise there is no science to speak of in removing it.

Mr McCARTHY: Has the department, in regard to the appropriation, conducted economic modelling around the production bore cost-benefit analysis for broadacre farming in the Northern Territory?

Mr WESTRA van HOLTHE: Member for Barkly, that does not fall under the bailiwick of water resources within DLRM. That work is more likely to have been done by the Department of Primary Industry and Fisheries, but to be fair and frank it is more likely to be undertaken by individual landowners. When landowners are looking to commence a development on their property, I have no doubt that would be part of the figures and work they do to assess whether they have a viable opportunity for horticultural growth.

Mr McCARTHY: What current percentage of the Ooloo, Katherine and Mataranka water resources are dedicated to growing tree crops compared to food crops?

Mr WESTRA van HOLTHE: Member for Barkly, we would have to take that question on notice.

Question on Notice No 4.10

Madam CHAIR: Member for Barkly, if you could just restate the question for the record.

Mr McCARTHY: What current percentage of the Ooloo, Katherine and Mataranka water resources are dedicated to growing tree crops compared to food crops?

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: To provide an answer to that I will need to qualify the answer. We can distil that information to the point it was provided to us when applications were made for the stated or intended use of the water. It would be almost impossible to currently identify, based on cropping that has been done or not done, what has been used on what particular crop. Does that make sense?

Mr McCARTHY: I look forward to the information, minister. Thank you for that.

Madam CHAIR: That question will be 4.10.

Mr McCARTHY: A question from the arid centre of the Northern Territory in relation to the Alice Springs Water Allocation Plan. Why did it take more than two years for another draft to come through? Why was there no community consultation for the substantially altered water plan when it finally did come out? Will the Alice Springs Water Allocation Plan need to be rewritten based on outcomes of the conversation you plan to have with Territorians? If not, why not?

Mr WESTRA van HOLTHE: The background is that the water allocation plan for Alice Springs was originally declared in September 2007. A revised plan was prepared in 2012, but the election delayed release for public comment until March 2013. As a result of public feedback that draft plan unnecessarily limited potential economic development, and this came out of that consultation process.

The Department of Land Resource Management is revising the plan to allow expanded opportunities for access to existing public water supply allocations. Revised beneficial uses for the Alice Springs water control district were declared in October 2014 to recognise the first time use of water by industry. Some changes took place within the considerations for water planning in Alice Springs which contributed to some of the delay. While this will provide potential water use by industry should a new enterprise which to establish in Alice Springs, it is important our planning recognises the role water plays in supporting economic development.

The Alice Springs plan has also been updated to include modelling of aquifer longevity under varying extraction regimes. The highest growth scenario, which includes the provision of 3000 ML per year of water for industry and 3000 ML per year for agricultural projects - extraction from the Roe Creek borefield, which provides water to Alice Springs, will need to cease into the future and we need to be careful as we monitor that. There has already been consultation on the Alice Springs Water Allocation Plan, and I am not quite sure why you suggest there has not been.

Mr McCARTHY: A constituent also has a question within that question. Is there room to redraft, after you have the conversation, your new policy development?

Mr WESTRA van HOLTHE: The water allocation plans are largely operational documents that deal with specific aquifers. The strategic planning process for water in the Northern Territory is a much larger picture-type document which contains policy direction rather than dealing with the specifics of each aquifer.

I do not believe there will be a need to revisit the Alice Springs Water Allocation Plan after this policy work is done. However, if the policy is prepared and it becomes apparent there is a need to review any of the allocation plans across any of the water control districts we will do that.

Mr McCARTHY: Can you please provide details of each water assessment project conducted in 2014-15, and a copy of each assessment?

Mr WESTRA van HOLTHE: This question will have to be taken on notice, but I am just waiting on some clarification from the Water Controller to determine how much detail we can provide. What exactly are you looking for in that information, member for Barkly?

Mr McCARTHY: The completed to finality aspect, the commencement not completed, the not commenced, and the details around each water assessment project conducted in 2014-15.

Mr WESTRA van HOLTHE: I might ask the Executive Director of Water Resources to comment.

Mr POPPLE: During 2014-15 we have undertaken a range of investigative drilling around Mataranka and Larrimah and have done some work along the Barkly Stock Route. We are currently working in the Nutwood Downs area. We have been focused on understanding the boundaries, depths and transmissivity of aquifers in that region so we can understand their suitability for future agricultural development. There are two components to this work, one being the investigative drilling and the other is monitoring, logging and testing of performance over time to gauge suitability.

Investigative drilling work has been completed for this project. The long-term monitoring has yet to be completed. Until that is done we will not be in a position to produce any detailed reports because the work is ongoing as part of that project.

Mr McCARTHY: Minister, could you provide details of water allocation plans not covered by annual water monitoring programs?

Mr WESTRA van HOLTHE: They are all covered by annual monitoring programs.

Mr McCARTHY: That will be the same answer then?

Mr WESTRA van HOLTHE: The answer is they are all covered.

Mr McCARTHY: For each NT aquifer can you provide details of the sustainable yield, the total volume of approved water extraction licences, and the number of unprocessed water extraction licences, including total volume of water applied for?

Mr WESTRA van HOLTHE: We are happy to take that question on notice, member for Barkly.

Question on Notice No 4.11

Madam CHAIR: Member for Barkly, please restate your question for the record.

Mr McCARTHY: Minister, for each NT aquifer, please provide details of sustainable yield, total volume of approved water extraction licences, and number of unprocessed water extraction licences, including total volume of water applied for.

Madam CHAIR: Minister, do you accept the question.

Mr WESTRA van HOLTHE: Yes I do, Madam Chair.

We are probably getting into the realms of suggesting the member for Barkly should have a briefing. I have always made my departmental staff available to opposition members for briefings. We are now taking a large number of questions on notice, which I am happy to do, but much of this information could be provided by way of a briefing after the estimates process.

Madam CHAIR: I am sure the member will take you up on your offer. That question will be number 4.11.

Mr McCARTHY: Thank you, minister, I will take you up on that offer. It will be great to attend a briefing really informed. That information will be great for an opposition to inform its members and then ask more questions.

Can you identify any areas of concern for Territorians that have arisen out of the department's monitoring of water resources?

Mr WESTRA van HOLTHE: Problems as you have described are probably another subjective area of assessment. We have recently identified that with a lower than average Wet Season and smaller recharge in the Katherine Tindall aquifer there has been reduced water allocation for this coming year. If you call that a problem it would be a seasonal one. We have responded accordingly by reducing the water allocation for that aquifer.

Mr McCARTHY: Minister, regarding a hot spot, would the exclusion zone around Katherine for exploration of alternative oil and gas be an example of concern?

Mr WESTRA van HOLTHE: That concern has been raised with the Department of Mines and Energy. I do not think it has been raised with the Department of Land Resource Management.

Mr McCARTHY: We established you are operating in parallel. Are you not working with the Department of Mines and Energy?

Mr WESTRA van HOLTHE: Yes, of course we are.

Mr McCARTHY: Of course you are?

Mr WESTRA van HOLTHE: Of course we are. I do not think there was any suggestion we are not working with the Department of Mines and Energy. In fact, I think I said it emphatically.

Mr McCARTHY: We can review the *Hansard* and finish it off in the House in debate, minister.

Mr WESTRA van HOLTHE: Sure.

Mr McCARTHY: That was my line of questioning you took great offence to ...

Mr WESTRA van HOLTHE: I was not offended by any line of questioning, member for Barkly.

Mr McCARTHY: Good to hear, minister. What cooperative work is undertaken with the lands councils, lands trusts and other groups establishing water patterns and water resources on Aboriginal land?

Mr WESTRA van HOLTHE: I will throw across to the Executive Director of Water Resources.

Mr POPPLE: There are basically two components to this work. We have been working very closely with both Centrefarm and TopEnd Farm, which are commercial enterprises attached to the Northern Land Council, to identify areas for potential agricultural development. You would have been aware of four water extraction licences issued to land trusts in the Mataranka area last year for agricultural development. That is the type of work we have been undertaking.

It is linked in with the land and water suitability program that is also being conducted by the rangelands group. They will be working on Aboriginal land at Larrimah, Ali Curung, east Arnhem near Gove, Ti Tree, also down your way at Tennant Creek, Wagaman, and also at Frewena, east of Tennant Creek. They are all on Aboriginal Land Trust land. It is an ongoing body of work over the next four years to identify precincts of good soil and good water to support agricultural development in close proximity to those communities.

Mr McCARTHY: That completes my questions in that output.

Ms MANISON: I have a question for the minister following on from submissions to the Hawke inquiry on hydraulic fracturing. One submission stood out to me, which was from the Northern Territory branch of the

International Association of Hydrogeologists. You touched on fracking, minister, but I wanted to ask a bit more about the submission. The submission read:

At present the Territory budget is severely limited and groundwater monitoring and assessment programs are constrained by lack of resources. Generally, the groundwater environment of the NT is poorly understood. In addition, we believe that the NTG does not currently have the local skill set to effectively predict and manage the impacts of fracking on water resources.

I know your department does a lot of work on groundwater, and you have many hard-working public servants and experts there. Do you have any specific resources? How many are dedicated to looking at groundwater resources in the areas of potential fracking?

Mr WESTRA van HOLTHE: I have probably answered that in earlier questions from the member for Barkly. The focus of the government has been on economic development using our water resources, primarily based on an increase in primary production. The greatest focus of our department is on identifying new agricultural and horticultural precincts, and looking at both soil and water resources that would underpin those types of developments. If incidental work can be used to inform the oil and gas sector that is a bonus. There is no specific ...

Ms MANISON: There are no specific staff members within the agency working on areas that could potentially be subject to fracking activities and exploration?

Mr WESTRA van HOLTHE: There are no departmental staff currently undertaking works specifically aimed at supporting ground water research for areas potentially for oil and gas. However, we are partnering with CSIRO and Geoscience Australia to have some of that work looked at. The focus of the government in this area of LRM is horticulture and growing primary industries. Anything we do that can support the oil and gas sector with information and the science behind water in their area would be a bonus.

Ms MANISON: Given the great number of concerns around fracking and the potential risks to ground water, and that this agency is responsible for knowledge of our ground water resources, I thought you would have a far stronger role to play. Do you have a seat on the Cabinet subcommittee formed after the recommendation of the Hawke Report?

Mr WESTRA van HOLTHE: Yes.

Ms MANISON: Do you anticipate more agency resources will go into looking at ground water that may be impacted by fracking?

Mr WESTRA van HOLTHE: The results of the work done by the subcommittee of Cabinet are yet to be released. That might inform some future priorities for the government, so it is impossible to answer your question based on what the subcommittee might come up with.

Ms MANISON: Thank you, minister.

Madam CHAIR: That concludes consideration of output 5.3.

Output 5.4 – Bushfires.

Madam CHAIR: We will now move to consider Output 5.4, Bushfires. Are there any questions?

Mr WESTRA van HOLTHE: Madam Chair, I have a couple of answers to questions on notice.

Answer to Question on Notice No 4.7

Mr WESTRA van HOLTHE: Question 4.7 was around the feral animal management strategy and what agreements have been reached with land trusts and land councils in relation to feral animal management. The answer is: in general, feral animal management is the responsibility of the landowner. Land councils and land trusts make their own arrangements for feral animal control, including required land use agreements or commercial operations such as pet meters.

For the large scale camel management program in Central Australia completed in 2104, DLRM negotiated access agreements for aerial shooting across most Aboriginal lands across the southern NT except restricted areas. Similar arrangements would be pursued for any future regional feral control programs.

Answer to Question on Notice No 4.8

Mr WESTRA van HOLTHE: Question 4.8 on cane toads: what work has DLRM done in assessing damage done to NT biodiversity by cane toads, and does the NT work with other states in relation to control and eradication? The answer is: the Flora and Fauna Division of DLRM has several long-term biodiversity monitoring programs in parks, including Litchfield, Nitmiluk and Kakadu, to assess impacts on biodiversity from a range of threats, including cane toads. In general, threats from poor fire regimes and feral cats are more severe than those from cane toads.

The department identified a significant threat from cane toads to the northern quoll and implemented a successful program to establish secure populations on remote islands. We are now working with scientists and the Territory Wildlife Park to reintroduce trained toad-averse quolls back to Kakadu National Park. The Invasive Animals Cooperative Research Centre has concluded there is currently no likely mechanism to eradicate cane toads from the wild.

Madam CHAIR: Thank you, minister. I note you have been going for nearly two hours so we will take a quick 10-minute break.

Mr WESTRA van HOLTHE: I would not mind a comfort break.

Madam CHAIR: We will come back at 3 pm sharp, thank you.

The committee suspended

Madam CHAIR: Thank you everyone for coming back after the break. We are with the Minister for Land Resource Management and in Output 5.4.

Mr McCARTHY: Minister, how many staff are dedicated to the bushfires part of the agency and what is their makeup?

Mr WESTRA van HOLTHE: There are 26.2 FTEs for Bushfires NT made up of one executive, eight administrative and 17.2 technical staff.

Mr McCARTHY: Minister, are grants provided to landowners, pastoralists or property owners to undertake bushfire work?

Mr WESTRA van HOLTHE: No, grants are not provided to pastoralists or landowners to undertake bushfire work. In fact, the *Bushfires Act* is quite specific that the responsibility for bushfire management in the Territory is the responsibility of the landowner. However, there were a number of grants to bushfire brigades across the Northern Territory. Of course, we strongly support all 22 of our bushfire brigades across the Territory.

In the reporting period we have granted \$490 000 to the bushfire brigades vehicle replacement program, \$40 000 to bushfire brigades protective clothing, \$50 000 to bushfire brigades equipment subsidy, \$600 000 to bushfire brigades operating grants, and \$60 000 worth of general grants all going to volunteer bushfire brigades.

Mr McCARTHY: What work is done on Aboriginal land in conjunction with Aboriginal land trusts, land councils and Indigenous pastoral interests around bushfire and bushfire management?

Mr WESTRA van HOLTHE: We have quite a close working relationship with land councils, particularly through the ranger programs run through various organisations. Once again I hark back to the *Bushfires Act* and point out that fire management is the landowners' responsibility. Nonetheless, we work collaboratively with the land councils to help them achieve those aims.

Mr McCARTHY: When will the review of the *Bushfires Act* be complete, and when can we expect to see those changes introduced in the parliament?

Mr WESTRA van HOLTHE: This is something I have been personally involved with over a period of time. The review commenced in early 2014. A discussion paper was circulated and submissions sought from stakeholders. Staff from Bushfires NT had a number of stakeholder meetings and information sessions with the stakeholder groups throughout the Territory. We received 24 written submissions regarding changes to the *Bushfires Act* which ranged from individuals to stakeholder groups.

Based on those submissions and further advice from the Bushfires Council NT and the minister, a draft recommendations paper was prepared and circulated with a call for further public submissions. The period for public submissions closed on 27 March this year. Some more information sessions were conducted across the Territory. The final recommendations paper was presented to the 109th meeting of the Bushfires Council NT at the end of April for final comment and delivery to me for consideration.

It is expected that instructions for drafting amendments to the act will be prepared for Cabinet approval in mid-2015. It is anticipated that drafting of amendments for new legislation will be completed by the end of 2015. I expect to see the introduction of legislation in the calendar year 2016.

Mr McCARTHY: Do you have a question on notice you wanted to respond to?

Answer to Question on Notice No 4.9

Mr WESTRA van HOLTHE: Question 4.9 was: what happens if the department identifies poor management practices over rangeland resources, and what sanctions have been used in respect of that in 2014-15?

Rangeland monitoring staff are responsible for the mapping, assessment, monitoring and reporting of land condition across the Northern Territory pastoral estate. Should rangeland monitoring staff identify poor land management practises on a property during inspection staff will initially discuss these matters with the respective land manager, as I previously pointed out. Following property inspections the pastoral lessee is provided with a land condition report for their property.

The rangeland monitoring branch produces an annual land condition report at a district level for the Northern Territory Pastoral Lands Board each year. This report includes details related to the property's land condition and matters of interest to the Pastoral Lands Board. The PLB has the authority to undertake further action under the *Pastoral Land Act*, which can include voluntary management plans or remedial plans. As such, no sanctions in regard to poor land practises were commenced by the PLB in the reporting period.

Mr McCARTHY: Thank you minister, thank you to the department officials.

Madam Chair, the questions I had to skip over because I only had two hours I will put into a written format. I will take the minister up on his offer of a briefing. Thank you very much for the opportunity on behalf of Territorians, minister.

Madam CHAIR: Thank you, member for Barkly. Are there any further questions on any of the remaining output areas for Land Resource Management? That concludes consideration of outputs relating to the Department of Land Resource Management.

On behalf of the committee I would like to thank the officials and departmental staff for their assistance to the minister today. We will have a quick shuffle of officials.

The committee suspended

OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT

Madam CHAIR: We are back with the Minister for the Office of the Commissioner for Public Employment. Minister, could you please introduce the officials accompanying you today, and if you would like to make an opening statement please do so.

Mr WESTRA van HOLTHE: Thank you, Madam Chair. I introduce Mr Craig Allen, the Commissioner for Public Employment. We also have a number of other departmental staff, but we will only be calling upon them if there is no way we can answer questions from the table.

Madam Chair, as the Minister for Public Employment I am responsible for the employment terms and conditions of Territory public sector employees. This is undertaken through the Office of the Commissioner for Public Employment. The officer is responsible for public sector workforce management and development, industrial relations, and public sector appeals and grievances. It supports the Commissioner's statutory employer role as defined in the *Public Sector Employment and Management Act*. In 2014-15 the office negotiated a suite of successful EBA outcomes including for police, nurses and midwives, teachers, corrections officers, marine pilots and maritime workers. Negotiations have commenced for Jacana Energy, Territory Generation and Power and Water. The office continues to negotiate with the Northern Territory Fire Service.

In other areas, the office undertook the People Matter public service survey. The results for agencies have been provided to senior management teams so individual agency response plans can be developed. The survey received a strong response of just under 8000, or approximately 38% of our workforce, which is an excellent response rate. Although the analysis is still being undertaken we know more than 80% of employees agree that their workplace practises NTPS values and principles. A total of 67% of employees are proud public servants and 64% of employees are satisfied with their job.

The information will help to shape future workforce policy and has already highlighted the need to develop a transition to retirement policy as a strategic issue for 2015-16. This looks at assisting employees into retirement whilst ensuring corporate knowledge is not lost. It also provides strategies to ensure processes are in place to recruit staff to replace those exiting through retirement.

One of those strategies has been establishment of a Future Leaders Network. This network assists to identify the best and brightest in the public service and assist in their development into the future leadership of the public service.

In a response to a 2014-15 review of Indigenous employment, the office created an Indigenous Employment Unit responsible for implementing the Indigenous Employment and Career Development Strategy. The strategy outlines an ambitious target of 16% Indigenous employment in the public sector by 2010. All chief executive officers have been given a target specific to their agency, and the Office of the Commissioner for Public Employment will work with agencies to help them meet their goals. This is an area I have a specific interest in and will carefully monitor implementation of this strategy.

Significant work has also been undertaken in the area of recruitment and selection, with development of the Chief Minister's simplified recruitment initiative and the training of over 2000 public servants in merit selection.

I look forward to developments as they unfold in the area of public employment as our public servants are an extremely valuable asset and their work is highly regarded by this government. These funding initiatives are designed to make the Northern Territory public service an employer of choice and help make the Territory safer, simpler and smarter.

Madam Chair, that is my opening statement.

Madam CHAIR: Are there any questions relating to the statement?

Ms WALKER: Minister, thanks for your opening statement. Commissioner, it is good to see you here today. I only had a briefing with you a couple of months ago, but this is a good opportunity to ask a few more questions. I may ask questions similar to what I asked in the briefing, but the difference is this time it is a public hearing and the questions I ask and your responses go on the public record.

You talked about the suite of successful EBA outcomes and you mentioned the firefighters' EBA is still outstanding. What is the progress with that given it is now overdue from September 2013?

Mr WESTRA van HOLTHE: Yes, we are still in negotiations with the firefighters and their union over the EBA. It has been a long process without a doubt, but we believe we are making some progress. We have reached the stage a couple of times in these negotiations where we felt there was not a lot more to give, probably from both sides. Nonetheless, we are still working to resolve any outstanding issues in that negotiation and it is progressing. There is not much I can say in specific details because I do not want to jeopardise what is going on. The relationship with the firefighters and the union is very good, and we are engaged in very productive talks. In fact, the Commissioner for Public Employment has become personally involved in these negotiated outcomes so we get the best resolution in the most timely fashion. I understand your point, it has been a while.

Ms WALKER: Have you been involved in any of those meetings, minister?

Mr WESTRA van HOLTHE: No, I have not been specifically involved in any of the negotiations. That is best left to the Commissioner and his staff.

Ms WALKER: You may not know the answer to this, but how many NT firefighters are we talking about?

Mr WESTRA van HOLTHE: About 213.

Ms WALKER: We do not have a target date? Is this matter with the Fair Work Commissioner at this stage?

Mr WESTRA van HOLTHE: It is not with Fair Work. It is still being negotiated between the OCPE, the firefighters and their union,

Ms WALKER: Thank you very much, minister. Let us hope we see it resolved fairly soon.

Mr WESTRA van HOLTHE: I can assure you the government is also keen to reach a resolution with the firefighters, and the Commissioner is not leaving a stone unturned in dealing with this issue. They can be quite sensitive. We have a great working relationship with all parties and are hoping for a resolution soon.

Ms WALKER: Including their union representatives, United Voice.

Mr WESTRA van HOLTHE: Yes, certainly.

Ms WALKER: Can you tell me a bit about - this is a relatively new entity - Territory Generation and Jacana? How is their EBA process going? What time frame are we looking at? How have they transitioned from their former employer of Power Water into these new entities?

Mr WESTRA van HOLTHE: The transition has gone remarkably smoothly.

Ms WALKER: As of what date did they become part of the new entities?

Mr WESTRA van HOLTHE: As of 1 July last year, the cut-off date for the structural separation. In regard to requirements from the public service side of things, we now have to negotiate three EBAs as opposed to the one under the old structure. Cabinet has considered this and approved the bargaining parameters around these three EBAs.

We have some very fruitful discussions going on with all three representative groups. The commissioner might be able to give us some details on timing, but things were progressing well at the last briefing I had.

Ms WALKER: It is close to a year now that they have been part of the new entity, so presumably they are protected under their previous EBA. Commissioner, I welcome any update from you.

Mr ALLEN: Craig Allen, Commissioner for Public Employment. The three entities are being dealt with separately and progress is very good in all three areas. Jacana Energy is probably a bit further along because they are separate in their business. They are more of a retail business, as compared to the operational and maintenance areas of Power and Water and T-Gen. My last briefing around how the meetings went showed we have received a lot of claims. We have worked through a lot of claims and are of the view that there are no serious impediments to us getting an outcome in a timely manner. We are trying to get all three of these wrapped up before the end of June.

That is our target, member for Nhulunbuy. We do not know what will crop up in the meantime, but we want to work closely with the stakeholder groups and get a good resolution for everyone.

Ms WALKER: That is good to hear. I know this is not your area of responsibility, but the Commissioner will not be surprised to hear me mention – I will take it up with the Health minister – the ongoing and long overdue EBA negotiations with paramedics through St John, the employer. I wish it was in your portfolio, minister, because we might have seen a more swift resolution to it. It is a serious matter as they are providing a contracted service to government. They are struggling to meet an agreement with the entity, which is St John, which holds that contract because St John does not have adequate funding to meet the requirements of a reasonable EBA. Their costs of operating have increased over the time they have had the contract so it is a no win for anybody. You are welcome to make a comment on that if you want.

Mr WESTRA van HOLTHE: I would be delighted to see a swift resolution to that as well. Our paramedics and ambulance officers in the Territory do an amazing job under very difficult circumstances and they deserve all the support St John can give them.

Ms WALKER: That would be good. Perhaps you might have a word in the ear of the Health minister along the way.

Mr WESTRA van HOLTHE: I will have a word with him, member for Nhulunbuy, and find out where it is at if I can.

Ms WALKER: I will be having a word with him next Tuesday in this room.

Minister, you talked about the staff survey and mentioned some good results. Has it gone back to the agencies yet?

Mr WESTRA van HOLTHE: We have distilled the parts of the survey relevant to those agencies and provided agency-specific details to the agency chief executives. We did not want agencies comparing each other across the public service. Those CEs have been provided with information relevant to them. It is up to them to devise a plan to deal with any of the issues arising out of the survey.

Ms WALKER: Some global results have gone back to the public service, but where they are agency-specific they have just gone to that agency through the CE, is that correct?

Mr WESTRA van HOLTHE: I will ask the commissioner.

Mr ALLEN: Some high-level data has gone out to the public service. The survey we are using is used pretty much in every jurisdiction in the country at the moment. It was designed specifically for individual agencies so the global pulling it all together, which is our intention, has to be done manually by our staff. There are 400 divisional reports, so we have a gentleman trying to pull it all together. We are hoping to get the overall outcomes out in a very short time.

Agencies have their individual reports, and many agencies have fed back to their staff the outcomes of those reports. Every agency has a response template to complete. That has to come to my office by the end of June so we can look at what is happening across the whole of the public sector to deal with any challenges that may have arisen.

Ms WALKER: Does a template come back to you where each agency basically draws up an action plan of how to improve results?

Mr ALLEN: Yes.

Mr WESTRA van HOLTHE: Correct. Member for Nhulunbuy, I will be asking each chief executive to report to me on their implementation plan and what they propose to do about issues raised in the survey. I will be monitoring it quite closely.

Ms MANISON: Can I ask a question with regard to that? The NTPS staff survey was conducted in 2009 and again in 2011. We had a change of government in 2012 and the survey was conducted last year, three years later. A report was placed on the OCPD website so everyone could see the overall results of the staff survey. I appreciate that at the individual agency level you are dealing with that on a case-by-case basis with the agency, but will the overall report be available soon?

Mr ALLEN: Yes, the intention is to have the report sitting on our website so everyone can access that high-level overall report every other jurisdiction in the country has.

Ms MANISON: Has the time frame changed? It was every two years.

Mr ALLEN: We are going back to a two-year cycle. There was a delay for a variety of reasons, but we are going back to a two-year cycle. This report is slightly different to the report we used in 2009 and 2011. The reason for that is because we also wanted to compare how we are going nationally, what areas we have to improve in, and if we are doing well in the national environment. By doing it nationally we could also use more standardised reporting.

Ms WALKER: When minister Elferink had responsibility for OCPE my colleague, the member for Nightcliff, asked how much money was dedicated to this task. He said enough. Now you have completed the survey design and rolled it out, what was the cost of the survey?

Mr WESTRA van HOLTHE: It was \$35 350 and that was as of 31 March 2015.

Ms WALKER: Does that involve some consultancy work once you get the data back to grapple with or was that done in-house?

Mr ALLEN: Because we are using a national report we have been able to get information from the provider in Victoria. They are part of the Victorian government so we have not had to pay additional fees, but manipulation of the data has been in-house.

Ms WALKER: There is clearly an expectation that CEs need to work through their agencies and some agencies are a lot bigger than others. Generally is it an e-mail to people? I believe people should have an opportunity for a workplace meeting to talk through the results and be actively engaged in how certain results might be addressed and turned around. Is that your expectation, minister?

Mr WESTRA van HOLTHE: My expectation is that the chief executives will formulate an implementation plan to deal with it. I would be very surprised if it does not contain all those elements, member for Nhulunbuy. The chief executives are pretty smart cookies and quite a number of them would have been through this process before. They would have a pretty good feeling for what works in this context, what does not, what is a good idea and what is not. I expect those implementation plans to be quite robust to deal with any issues from the survey.

Ms WALKER: It could be good questions for estimates next year ...

Mr WESTRA van HOLTHE: Could be.

Ms WALKER: ... to see how each agency has managed that and the lessons learnt from driving important change.

One of your strategic issues is developing the NTPS transition to retirement policy. What budget is it attached to? Can you tell me more about this?

Mr WESTRA van HOLTHE: Yes, it is important that we get appropriate workforce planning otherwise we will face some significant shortages of skilled employees across the spectrum of job classifications in the coming decade. No doubt a lot of that would be due to the outflow of retiring employees. Work has commenced on development of a transition to retirement policy and it is in the early stages. It is still a fairly complex and significant piece of work which will set the stage for how we manage the challenges and opportunities that present themselves over the coming decade. There will be issues like what holes need to be filled in the absence of retirees and how we keep employees in the workforce longer. A whole range of work has to be done to get policies that will work for the public sector.

I cannot give much specific detail because it is ...

Ms WALKER: No, that is fine.

Mr WESTRA van HOLTHE: ... a work in progress.

Ms WALKER: I understand what you are saying, but I was wondering if we are trying to reduce our public service numbers by finding ways to transition people out of the workforce into retirement through a natural

attrition process. You are saying quite the opposite, and that it is about succession planning and making sure we have retention of knowledge and skills.

Mr WESTRA van HOLTHE: Absolutely. There might be contained in this, for example, more opportunities for full-time employees to transition into part-time and job share. Nothing will be left unturned as we work through the issues we know will affect us.

Ms WALKER: I must have been in opposition too long, minister, I have a suspicious mind.

Mr WESTRA van HOLTHE: You are forgiven.

Ms WALKER: In developing this policy - I always ask this question - who is involved in the consultation? Are unions involved in this?

Mr WESTRA van HOLTHE: Most certainly unions will be involved. I might throw it to the commissioner and he can probably give more details on that.

Mr ALLEN: The unions will be involved in development of the policy. To give you some background, we surveyed every government employee over the age of 50. Some people liked that and some did not ...

Ms WALKER: I did not get that survey.

Mr ALLEN: We also worked with Government Skills Australia to help with that survey, which has given us a rich amount of data about how we will shape the transition policy. As the minister indicated, this is about making sure if corporate knowledge goes over the next five to 10 years how we capture that corporate knowledge. It is a transition to retirement policy, but it is more about how we recruit to make sure we fill the spaces as people retire.

Ms WALKER: Yes, okay.

Mr WESTRA van HOLTHE: I imagine, member for Nhulunbuy, they will even consider mentoring programs and using people close to retirement to mentor younger people to transfer some of that corporate knowledge, upskill them, and bring them to a better standard of corporate knowledge in the organisation. A lot will be involved in this over time.

Ms WALKER: It sounds like it is good for public servants and good for government service delivery across agencies. We will watch it with interest.

You raised the Indigenous Employment Strategy. I have the document, and we spoke about that when I came to your office for a briefing but I have a few more questions. As at June 2014, 8.7% of our public servants are Indigenous across the agencies. Can you provide me with a breakdown of agencies and Indigenous employment? Typically, perhaps, Parks and Wildlife will have higher Indigenous employment than other agencies. Do I need to take that on notice?

Mr WESTRA van HOLTHE: Member for Nhulunbuy, we can provide that information because I know it exists. We will take it as a question on notice and get back to you as soon as we can.

Question on Notice No 4.12

Madam CHAIR: Member for Nhulunbuy, please restate the question for the record.

Ms WALKER: Can you advise, by agency, what the Indigenous employment statistic currently is?

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: I accept the question.

Madam CHAIR: That question will be number 4.12.

Mr WESTRA van HOLTHE: I think you quoted 8.7% from June last year, member for Nhulunbuy?

Ms WALKER: Yes.

Mr WESTRA van HOLTHE: It has not substantially changed as of February 2015. It is still sitting around 8.7% across the public service.

Ms WALKER: It is an ambitious target to almost double it by June 2020, and there is nothing wrong with being ambitious, that is great. I represent an electorate where a lot of Indigenous people I know would embrace this. I know we currently have a lot of hard-working Indigenous Territorians in the public service.

Given the different nature of each agency, will each agency have to scope out their own strategy because of different demands in the service they deliver?

Mr WESTRA van HOLTHE: Absolutely correct. The agency CEOs have already started working on that. Each one is tasked to come up with an operational plan of how they propose to increase Indigenous participation in their agency up to the right levels. In the last few months, notwithstanding that percentage figure has not changed, some agencies have begun employing more Indigenous people, which is a sign. Some have dropped through natural attrition processes, but some agencies have already taken up the cudgel and are working towards this target.

Ms WALKER: Is the strategy applying a test of level for Indigenous staff?

Mr WESTRA van HOLTHE: I will go to the Commissioner for the correct terminology, but it will provide a clearer pathway for Indigenous people to join the public sector. The correct terminology is special measures provisions. This means when Indigenous people apply for employment with the public sector, if they meet all the essential selection criteria they will be given the job. It is as straightforward as that.

There will be no mucking around the edges with this. All applicants, as a first point of call, will need to meet the essential criteria before they are considered. If no Indigenous applicants for a job meet the eligibility criteria, we will go to the normal recruitment process and non-Indigenous people will be considered. However, we can identify positions that will be set aside specifically for Indigenous employees. Under those circumstances, if we do not get suitably qualified Indigenous people in a round of applications we can declare the job open again, readvertise and try to find Indigenous people who fit the bill.

Ms WALKER: Would literacy be one of those requirements?

Mr ALLEN: Depending on the particular job set. As the minister quite rightly said, special measures will apply to jobs but it is not all jobs across the public service. Some agencies have applied it to all their positions, other agencies have picked classes of employment, and some agencies do not have it all. It is a tool developed to help chief executives with their targets. Ideally this would be for a short period of time, and then we would have normalised employment where we are representative of the 30% of the Aboriginal community in jobs. As you say, it is an ambitious target and we are working hard to do it.

Ms WALKER: Would it also include - I am not sure whether it comes under a special measures provisions consideration for the cultural obligations of Indigenous Territorians? In my electorate sorry business obliges people to be away from their workplace to attend ceremony. Is that under consideration in this strategy?

Mr WESTRA van HOLTHE: Yes, it certainly is.

Ms WALKER: It is about flexibility, I guess.

Mr WESTRA van HOLTHE: Yes, that is right. It will be taken into consideration in the recruitment side, but more about the retention side of how we engage with Indigenous employees to keep them in work bearing in mind their special needs and circumstances - you cited sorry business and those things. We would like to be a flexible employer if we possibly can, but at the same time we need to get some balance in the system as well because we still have a public service to run. Getting the balance will be quite a challenge but we are up for it.

Ms WALKER: On a similar note, it is important for the public service and the people who work in it that it is an inclusive work environment given we are looking to double the number of Indigenous Territorians employed. Where in the strategy does cultural awareness for non-Indigenous employees working with Indigenous colleagues while also providing a service to Indigenous Territorians - it is, as far as I am concerned, cultural awareness is an important part of the workplace.

Mr WESTRA van HOLTHE: Cultural awareness training already takes place across the public service. In fact, when I was being examined this morning about Primary Industry and Fisheries I talked about some of the consultancies given out to a number of organisations to conduct cross-cultural training. That will be an important component to make sure non-Indigenous employees are trained and upskilled in this area.

The other thing also to be considered as a part of this is mentoring programs within the public sector where more senior Indigenous employees will be mentoring younger ones, and non-Indigenous employees will be provided with an opportunity to mentor some of the young Aboriginal people we bring into the service.

Ms WALKER: This is perhaps not your area and the Business minister is coming in after you. In his budget there is \$1m in partnership with the Commonwealth to create 100 traineeships for Indigenous people. How will that strategy link in with OCPE?

Mr WESTRA van HOLTHE: Without knowing the specifics of that program you are referring to, I imagine there is a major focus on traineeships in the private sector applicable to that program. However, that is not to say the public service would not consider being part of it as well. I am sure the commissioner will see if there is some relevancy to that program and whether the public service is eligible to be a part of it. If it is we will have a good look at it.

Ms WALKER: Fast forwarding a bit around Indigenous employment, what leadership programs do you have in place that provide professional development for Indigenous people seeking to get into executive contract level positions, or for those already in executive contract level positions, to process through the ranks of the public service so they have a career path?

Mr WESTRA van HOLTHE: I will ask the commissioner to address that one.

Mr ALLEN: We are in the process of developing those leadership courses. We will not deliver them ourselves but are working with ICICI, Batchelor Institute, and a number of providers across the country and have specifically asked them the question you have asked. One of the other targets within the strategy is 10% of our leadership be Indigenous by 2020. We obviously have to pay a lot of attention to our existing Aboriginal workforce and provide them with the skills.

We have set up a reference group with people at the AO6, AO7, SAO level as a starting point to get ideas from those people, but we are also asking tertiary providers to come back to us with some courses where we can say to agencies, 'We believe if you utilise these courses it will assist that development'. It is about a development phase from entry into the public service to career progression through.

Mr WESTRA van HOLTHE: I will clarify a point. Recently we launched the Future Leaders Network within the public sector which gives an opportunity for 50 high flyers to take advantage of mentoring and other programs within the public sector to bring them up to be future leaders. We are now identifying the 50 applicants. It is quite possible there will be Indigenous people in that group who will be naturally carried along in the Future Leaders Network program as well.

Ms WALKER: Sounds interesting. Madam Chair, that is all my questions on the statement.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

Madam CHAIR: The committee will now consider the estimates and proposed expenditure contained in the Appropriation Bill 2015-16 as they relate to the Office of the Commissioner for Public Employment. Are there any agency-related whole-of-government questions on budget and fiscal strategies?

Ms WALKER: Do I ask here or at Output 7.1 about disability issues? I want some ...

Madam CHAIR: Are you asking where disability issues ...

Ms WALKER: Yes, workplace issues such as stress leave, bullying ...

Mr WESTRA van HOLTHE: In the interests of time, Madam Chair, the commissioner and I are happy to open the floor to questions on any output group to make it easier for you. We do not have long to go.

Ms WALKER: Thanks, that makes it a little easier.

Madam CHAIR: Thank you, minister.

Ms WALKER: The member for Wanguri has a question on this matter as well. In your KPI statement in Budget Paper No 3, page 87, you provided the percentage of staff who report having a disability at 1.5%. What are you doing to ensure this is an accurate reflection of staff levels?

Mr WESTRA van HOLTHE: I will ask the commissioner to address that.

Ms WALKER: That was the member for Wanguri's question.

Mr ALLEN: We have identified that as a major one. We have the Indigenous strategy and are developing the disability strategy alongside that. The special measures provisions I spoke about previously can apply to people with disabilities as well. It does not necessarily have to be Indigenous people. We are a member of a national disability organisation across the country.

This week we had a member of that group talk to specific agencies about strategies they can implement within their agency to ensure people with a disability are accommodated within the workforce. We are one of the few jurisdictions in the country where agencies contribute to a levy we administer to fund people with a disability in employment. Next year we are funding 12 people with a disability directly in employment. Those people, we hope, will be in jobs that will convert to permanent jobs and allow them to continue their career.

Ms MANISON: Following the Willing and Able Strategy, you have the EmployAbility Strategy 2013-17. I have constituents in their secondary years at a special needs school and their parents want to see them in a job. They want to see them doing something every day that is stimulating and where they feel they are contributing. The Northern Territory Public Sector is a wonderful employer that could offer this opportunity to so many people.

I was concerned when I went through the *State of the Service Report* and saw in June 2014 we hit the lowest level, with 1.1% of people in the NTPS identifying with a disability. This was despite the fact we had a new employment strategy to get more people with disabilities into the Northern Territory Public Sector. I am glad to see you have it at 1.5%. It has never been fabulous and never over 2%. If there is something wrong it is good to hear more work is under way to get more people with disabilities into the public sector.

Mr ALLEN: We have a very passionate officer working on this. We are linked to a national organisation so we can have the most creative ideas available to assist employees and employers to enable people with a disability to transition into the workforce. I have set a personal goal to improve Aboriginal employment and employment for people with a disability.

Ms MANISON: That is great to hear, commissioner.

Ms WALKER: It is a particular challenge in our remote areas where employment opportunities and the appropriate support services are limited. I know that firsthand where I live. It is an ongoing challenge.

Regarding those with a disability in our workforce, what follow-up do you do with these staff to determine their satisfaction with their workplace? I imagine they would need more follow-up than a two-year employee survey.

Mr ALLEN: As you indicated, that is why we have brought a specialist up to talk with the agencies about the best way to manage the staff. Follow-up discussions with them are fundamental to ensuring they stay. We need to ensure we cater for all the things we think are just a normal part of the workplace and make those necessary adjustments for people with disabilities.

Ms WALKER: Do you investigate whether staff with disabilities feel they have been unable to progress through agencies because of their disabilities?

Mr ALLEN: Yes, we do.

Ms WALKER: I will tell you one of the barriers to disability in the building I work in in Nhulunbuy. I have the Department of Children and Families next door to me and Aged and Disability on the first floor of a building with no lift access. It is ironic and something needs to be worked out.

Professional development generally - Budget Paper No 3, page 87, notes that only 190 people have undertaken leadership courses offered by the Northern Territory public service. This seems like a low number in a public service of about 19 000?

Mr WESTRA van HOLTHE: I will hand over to the commissioner.

Mr ALLEN: Just over 20 000 is the number. It is 190 in the courses we deliver ourselves. Most of the agencies have their own leadership and development courses. For example, Health, Police, Education and almost all the agencies run middle management courses and higher level courses. The number reflected here are the ones we deliver ourselves. Yes, 190 is a very small number compared to the whole of the public service.

Ms WALKER: Do you keep data across the NTPS of staff taking stress leave?

Mr ALLEN: Our office does not. Each individual agency would have information on their particular circumstances. Sometimes it is hard to define what is personal leave and what component of personal leave would be as stress leave because sometimes it is not identified in that area. People will have personal leave, and if people have long periods of personal leave it is up to each of the agencies to follow-up with those people to find out the circumstances. We would not have that information globally collected in our office.

Ms WALKER: What - perhaps this is not an OCPE thing but might be by agency given what you have just told me - programs do we have in place to counter stress in the public service?

Mr ALLEN: You will probably need to look at that by agency. If it is okay with the minister we can do some follow up on that.

Mr WESTRA van HOLTHE: Happy to do that. We can take that as a question on notice and see if we can obtain that data for you, member for Nhulunbuy.

Mr ALLEN: The programs that are offered, because off the top of my head I cannot do that.

Ms WALKER: You do not think it is possible to gather the data but could get something on programs for me?

Question on Notice No 4.13

Madam CHAIR: Would you like to restate the question for the record.

Ms WALKER: What programs do the public service and/or OCPE have in place to counter stress in the public service?

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: I do, Madam Chair.

Madam CHAIR: I am conscious, commissioner, that answers to questions on notice are due by 17 June. Is that fine for you?

Mr ALLEN: This one might take a little longer.

Ms WALKER: That is fine.

Madam CHAIR: That is fine.

Mr ALLEN: If I can add something in response to that. Every agency has an employee assistance service so a lot of stuff is managed confidentially through that service. We do not know the individuals using it, which is the way it should operate. A large component might sit outside our purview as well.

Madam SPEAKER: The minister accepts the question. The member for Nhulunbuy accepts that it will not be back on time but the information will come through. That question will be number 4.13.

Ms WALKER: Can you indicate what surveys, if any, you have done to establish perceptions of bullying in the public service or harassment? Is that part of the survey just completed?

Mr WESTRA van HOLTHE: In the reporting period there were six grievances alleging bullying and three more about agency handling of bullying complaints. In only one of the bullying matters was there a finding of bullying and appropriate action was taken. Of the remaining eight grievances one was withdrawn, one was satisfactorily resolved, two were returned to agency and resolved internally, and four resulted in a finding of no bullying or inappropriate workplace behaviour.

Ms WALKER: Out of those only one matter was proved?

Mr WESTRA van HOLTHE: Correct.

Ms WALKER: Who mediates those?

Mr ALLEN: They are dealt with in our appeals and grievances area.

Ms WALKER: Are you able to highlight agencies that are the upper end of concerns? I know the Health department has received quite a bit of bad media around bullying and harassment. Are there any other agencies that ...

Mr WESTRA van HOLTHE: You are asking me to step on ground I do not want to. There are some pretty good reasons we do not want to identify the results of certain agencies, not even to other agencies or chief executives. We want a workforce where people feel they are part of a good, strong team and are not being singled out or denigrated in any way by the agency they work for. We are pretty careful around disclosing that information.

Ms WALKER: Okay, thanks.

Mr WESTRA van HOLTHE: I am sure you understand why.

Ms WALKER: I understand. What are you doing to work with agencies around the perception and reality of bullying?

Mr WESTRA van HOLTHE: We are asking the chief executives to implement responses to the surveys that have been done, especially the bullying side of things. It is important that we create a workplace that is safe and secure and where people feel comfortable. The chief executives, as I said earlier, will report to me on implementation plans from the results of the survey and bullying will be part of that.

Notwithstanding that, there is ongoing work within the agencies to identify and stamp out bullying wherever possible. There are training courses available and undertaken within agencies to educate people about bullying, what it does to people, the effects, how to recognise it and how to stop it from occurring.

Ms WALKER: How many women hold chief executive positions in the NT public service? What is the percentage of the total?

Mr WESTRA van HOLTHE: Four.

Ms WALKER: Out of a total of how many?

Mr WESTRA van HOLTHE: I will hand over to the commissioner to give you the details.

Mr ALLEN: I think we found another one while we are sitting here.

Ms WALKER: Another woman in a CE role, that is wonderful.

Mr ALLEN: We have Jodie Ryan, the Under Treasurer; Kathleen Robinson, CEO of DCIS; Anne Bradford, Children and Families; Leah Clifford, who is in Housing; Clare Gardiner-Barnes in Transport; and Julie Crisp, who is the Auditor-General. They are our senior women and we have 32 – we will take that one on notice – around 30.

Mr WESTRA van HOLTHE: Thirty-plus agencies.

Ms WALKER: Do you need to take that on notice?

Mr WESTRA van HOLTHE: Yes.

Question on Notice No 4.14

Madam CHAIR: Please restate the question for the record?

Ms WALKER: How many women hold executive contract positions?

Madam CHAIR: Minister, do you accept the question?

Mr WESTRA van HOLTHE: I accept the question.

Ms WALKER: Can I add to that question? How many women hold executive contract positions and what is that as a percentage of the total?

Madam CHAIR: Yes, I think that is very clear. That is question number 4.14.

Mr ALLEN: I can advise 47% of women in our workforce hold senior level positions and above, which is one of the highest of any jurisdiction in the country.

Ms WALKER: What professional development programs do you have which target women's leadership?

Mr ALLEN: One of the programs we offer out of my office is called Discovery, which is aimed solely at women and is a very powerful program. I went to the conclusion event of that program. We had a number of women. It is our most over-subscribed leadership. That is an example from within our agency. A number of other agencies provide specific programs.

Ms WALKER: When you say it is over-subscribed, are you opening it up to more people?

Mr ALLEN: We try to run the course as many times as we can, but sometimes it is a little difficult. We are reviewing all our professional development offerings and looking at the popular ones, like that one.

Ms WALKER: We have reached 4 pm. Chair, if the minister ...

Mr ALLEN: Phil has just reminded me we also have the Lookrukin program for Aboriginal women.

Ms WALKER: Minister, are you prepared to table the global written questions sent to you or do I have to wait for ...

Mr WESTRA van HOLTHE: No, I am not tabling them.

Ms WALKER: The Speaker tabled hers. What is it with you guys?

Mr WESTRA van HOLTHE: Sorry.

Madam CHAIR: Thank you. That now concludes consideration of all output groups relating to the Office of the Commissioner for Public Employment. On behalf of the committee I thank the minister and the commissioner for attending today, all the officers who attended and departmental staff who assisted. Minister, thank you very much, that concludes your appearance at estimates.

Mr WESTRA van HOLTHE: Thank you, Madam Chair. I thank the committee members for their indulgence and also all my departmental staff who assisted with the preparation of our estimates hearing.

Ms WALKER: Thanks, minister. I also pass on my thanks to all of you.

Mr WESTRA van HOLTHE: Thank you, member for Nhulunbuy.

Madam CHAIR: We will take a short break while we wait for the Department of Business people.

Mr ALLEN: Member for Nhulunbuy, I have been chastised because I left Anne Bradford and Brenda Monaghan off that list of senior women in the NTPS.

The committee suspended

MINISTER STYLES' PORTFOLIOS

DEPARTMENT OF BUSINESS

Mr DEPUTY CHAIR: Minister, I welcome you to this hearing and invite you to introduce the officials accompanying you.

Mr STYLES: Thank you, Mr Deputy Chair. We have Chief Executive Officer, Mr Michael Tennant, to my right, to my left the Deputy Chief Executive, Andy Cowan, and Chief Financial Officer, Lisa Strohfeldt.

Mr DEPUTY CHAIR: Minister, I will invite you to make an opening statement of no more than five minutes. I will then call for questions relating to the statement. The committee will then consider any whole-of-government budget and fiscal strategy-related questions before moving on to output specific questions and finally non-output specific budget-related questions. I will invite the shadow minister to ask questions first followed by committee members. Finally, other participating members may ask questions. The committee has agreed that other members may join in on a line of questioning pursued by a shadow minister rather than waiting for the end of the shadow's questioning on the output.

Minister, do you wish to make an opening statement regarding the Department of Business?

Mr STYLES: I do, Mr Deputy Chair. Firstly I would like to acknowledge the dedication and hard work of the 300-plus departmental employees who come to work each day committed to driving the right environment for business industry and workers, and also the work they have done in preparing for these estimates.

As Minister for Business I am very proud of what my department has achieved this year. The Territory economy is in great shape and the future prospects are bright. The Territory's economy had the highest growth of any Australian jurisdiction in 2013-14, and the government is committed to maximising the opportunities for business and the community to benefit from this economic growth. The Country Liberals government is doing what the previous Labor government failed to: delivering initiatives designed to facilitate opportunities beyond the cycle of major projects. The cornerstone of these opportunities is continuing commercial industrial land development projects and funding incentives to ensure business can employ more people.

The business sector is a key contributor not only to our economy but also to our community. Business creates jobs and opportunities for individuals to grow their skills. It provides goods and services to the public and other businesses and supports various community, cultural and sporting activities. They are the people who generate wealth. Governments do not, we consume and regulate it. We are getting the environment right for business and making it easier to invest with confidence by reducing unnecessary red tape. We are a small economy that relies on external investment, so we are working to attract investment, grow our key industries and support the development of new ones.

The Country Liberals government is focused on the economic enablers that support the private sector to get on with creating economic growth and employment opportunities in the Northern Territory. The Department of Business supports this by developing Territory businesses and industries to start, run and grow, to simplify doing business in the Territory through balanced regulation, managing the Territory's training systems to meet the Territory's current and future needs, and attracting new investments to the Northern Territory and connecting local businesses with national and international opportunities.

Many Territorians dream of starting and running their own business. The Department of Business offers a range of services and programs to help Territorians start and continue running their businesses. During 2014-15 the Department of Business supported Northern Territory businesses and workers by providing grants, advice, workshops, information sessions, licence approvals, training support, and workforce growth support. This included 101 185 client transactions through Territory business centres, 38 109 business and occupational licence applications processed in Territory Business Centres, 398 grants to Territory businesses totalling over \$5.1m, 2689 workplaces visited by NT WorkSafe, 127 work health and safety education sessions, 266 workers compensation mediations, 25 information sessions for Territory businesses on skilled migration options, participation in 13 national and international employment and

migration events profiling the Northern Territory as a desirable destination to live and work, and endorsement or nomination of 730 applications for skilled overseas workers with a total of 1432 visas.

The department has further strengthened its commitment to the regions and will soon open a pop-up Territory Business Centre on the Tiwi Islands. This will provide a range of business-focused services. It has also supported 38 businesses to help 235 local Aboriginal people across the Northern Territory get or stay in jobs. This commitment will continue next year with additional support for businesses in the bush, including introduction of a Territory-wide network of business development officers to support individual businesses and non-government organisations.

In 2014 the department held the 20th anniversary October Business Month in conjunction with the Chamber of Commerce NT, which attracted more than 9000 people to events across the Territory. This year we will celebrate the 21st anniversary of this event and we have planned a full program of activities across the Territory to engage further with businesses and celebrate the strength and diversity of our business community.

Over the past 12 months the department has embarked on an extensive reform agenda including internal reform, legislative reform and red tape reduction across government. Regulatory costs have increased significantly over the past decade and are a barrier to growth and investment for the Northern Territory economy. Deloitte estimates that as of 2011 the cost of administering and complying with rules and regulations in the Northern Territory was approximately \$4bn per annum. The Northern Territory is dominated by small business which can rarely afford to have staff deal with regulatory compliance. This means that efforts to reduce unnecessary regulatory costs are particularly important for the Territory economy.

A red tape abolition squad has been established and is coordinating the implementation and reforms across government to reduce regulatory costs including extending licence terms, moving transactions online, increasing information sharing and collaboration between agencies and reduced duplication, centralising licensing databases and reducing reporting requirements. Almost 200 initiatives to reduce red tape have been completed or are under way across government. For example, high risk work licences can now be processed over the counter at Territory Business Centres across the Territory, saving applicants and their employees up to 20 days in processing time.

The department has modernised and streamlined its licensing system, creating a new, faster licensing decision-making structure, and replaced the Licensing Commission with a Director-General of Licensing.

In this year's budget we have committed to continue the work of the red tape reduction squad to make doing business and working in the Territory easier. The department will also continue procurement reforms to streamline processes and make it easier to do business with government.

In August the department completed a major review of our workers rehabilitation and compensation scheme to improve the long-term viability of the scheme and ensure fair and balanced outcomes for businesses, injured workers and insurers. The final review made 58 recommendations for changes to the scheme, all of which were accepted in principle, as well as some additional changes suggested by NT WorkSafe.

Changes to the Workers Rehabilitation and Compensation Act are now being introduced in two stages. The first bill was passed through parliament on 25 March 2015 and will commence on 1 July 2015. The second bill is scheduled for introduction in June 2015. Highlights of the new legislation include the introduction of presumptive legislation for career and volunteer firefighters, introduction of a 260-week cap on weekly payments to claimants with a permanent impairment of less than 15%, and renaming the act the Return to Work Act to emphasise the primary focus of the act is to support the rehabilitation of workers so they can return to the workplace.

Work health and safety legislation has also being reviewed to reduce red tape for Northern Territory businesses and workers. In this year's budget we have committed \$7.2m to continue to support Territory employers and workers to have safe workplaces and to manage the Territory's workers compensation and rehabilitation system.

The Department of Business continues to deliver a balanced policy of regulatory framework that supports industry, business and community needs. On 1 January this year gambling and licensing reforms to cut red tape and simplify processes for licensees came into effect. The Northern Territory Licensing Commission was abolished, and the Director-General of Licensing position was established, supported by

the Licensing NT division. Since its establishment, Licensing NT has administered the Territory's licensing regimes for a range of gaming, liquor, racing, consumer and trading activities, including leading the development and coordination of alcohol policy and strategy across government to reduce alcohol-related harm.

From 1 January 2015, the Territory-wide cap on the total number of electronic gaming machines was lifted, restoring an even playing field so that new entrants are not competing at a disadvantage. The cap was replaced with a rigorous process for approving any new electronic gaming machines which includes community consultation, examination of socio-demographic densities and an independent community impact statement.

In 2014-15 support was provided through gambling amelioration services totalling \$1.223m. This year's budget also delivers \$11.9m, including an additional \$8.7m for the Community Benefit Fund to provide community grants and continue gambling amelioration and research programs. In 2014-15 the Community Benefit Fund approved eight major grants totalling \$413 000, 64 small grants totalling \$273 000, gifted six and loaned one vehicle valued at \$157 000, and awarded two research grants totalling \$836 000.

In partnership with the Australian government, this government is delivering \$1.7m to continue alcohol harm minimisation initiatives in the coming financial year.

Our government is continuing to support and work with the local racing industry. There has been some conjecture about whether or not Fannie Bay race track may be relocated. I have stated publicly before, and will confirm again, I am not moving Fannie Bay race track. I said that before people started putting petitions together. Given it has been made public and people are supporting a petition for something that will not happen is quite amazing.

By providing over \$15m to the racing industry in the 2015-16 budget, the Northern Territory government is continuing to commit and build on funding allocated to the Darwin Turf Club and Thoroughbred Racing NT. We have also committed \$400 000 towards a pedestrian underpass, making it safer for Territorians at the track as well as jockeys and officials. Darwin Turf Club will contribute \$250 000 towards that pedestrian underpass, which will be welcomed by the 45 000 people per year expected to visit the Darwin Cup.

We have extended the current NT Totalisator licence which covers TAB betting in the Northern Territory to the end of August ensuring that racing programs, including the upcoming Darwin Cup, are not affected. Awarding the NT Totalisator licence is a significant decision and one that the Northern Territory government does not take lightly. We are focused on ensuring the best value for money outcomes for Territorians, punters, our racing industry and our pubs and clubs. I look forward to announcing the outcome of this competitive process before the end of August.

The Territory continues to out-perform other Australian jurisdictions with our relative levels of exports and inward investment. In March 2015 export of goods was valued at \$6.5bn. For the same period imports were \$4.1bn, making for a very healthy trade surplus. Our primary export products continue to be oil and gas, mineral ores and livestock. Our largest export partners are Japan, China and Indonesia, where we have a solid base, but we need to work on diversifying our export profile.

The Northern Territory government is finalising an Asian engagement trade and investment strategy to leverage the Northern Territory's position, exploit future trade and investment activities and broaden the engagement with the Asian region. The Northern Territory's high growth and rich natural resources base continues to attract strong interest from foreign investors. Earlier today I announced we will continue to advance the NT's trade and investment, political, economic and social interests in our near region through new in-country representation in Indonesia. We will be adopting a new approach of a locally engaged representative in Jakarta supporting the interests of government business and the wider community.

In addition to in-country representation, I will continue to prioritise engagement with Indonesia as a close and important partner. Ministerial colleagues and the Office of Asian Engagement, Trade and Investment will continue to promote the Territory's interests throughout the region.

This financial year the office has promoted the Northern Territory as a preferred location for investment through leading and organising 10 outbound missions to Malaysia, Singapore, Vietnam, Timor-Leste, India, Taiwan, Indonesia and Japan in the sectors of agribusiness, education, infrastructure and resources, hosting over 51 inbound visits from Australia, China, Vietnam, South Korea, Indonesia, Malaysia, Japan and the EU, and exhibiting in six major industry conferences in Australia.

The Territory labour market remains tight, characterised by high participation, low unemployment and ongoing employment growth. One of the key roles of the Department of Business is to develop a capable labour market through appropriate training and education opportunities. By working with business the department is able to tailor programs to the needs of industry.

The Department of Business administers the *Northern Territory Employment and Training Act* and provides funding for vocational education and training, known as VET, to support current and future skills needs to Territory industry, individuals and the broader community. The majority of training provided is nationally accredited in accordance with the national VET regulatory framework.

To support NT's growing prosperous economy an increase in the number of apprentices and trainees, including school-based apprentices and trainees, is needed to help grow a larger, skilled workforce for the future. Financial incentives are currently available to eligible employees and the private sector to encourage employment of apprentices and trainees in areas of identified occupational shortage and for disadvantaged groups. In 2014 apprenticeships and traineeships commenced increased by 360, from 2575 in 2013 to 2935 in 2014. School-based apprentices and trainee commencements increased by 24, from 208 in 2013 to 232 in 2014.

There were 5514 apprentices from skilled shortage trades who received the Workwear/Workgear Bonus, and 9868 other apprentices and trainees also received bonuses of \$300 each. This year we will introduce The Training for the Future - Employer Support Scheme, which will provide financial support to businesses that employ apprentices and trainees at the Certificate III and Certificate IV levels. The scheme incentivises and compensates businesses for the sum of the operational costs associated with employing and training apprentices and trainees.

There are three grants. Firstly, a \$1000 commencement grant when an apprenticeship or trainee contractor is identified as registered, a \$2000 completion grant when the apprentice or trainee contract is recorded as complete, and a \$500 recommencement grant when an employer employs an apprentice or trainee at some other time throughout their apprenticeship or traineeship.

A key priority of the Northern Territory government is to increase the capacity and capability of Aboriginal Territorians to actively participate in the economy. In the 2014 calendar year, 92 training programs supported 1131 Aboriginal people to undertake training activities in 45 communities across the Territory. Of that, 229 participants gained employment. This year 53 programs across 33 communities have supported 593 people to undertake training activities. Of the 25 071 students undertaking vocational education and training in the Territory during 2014, 9997, or approximately 40%, were Aboriginal.

The Department of Business has also done its part to help the Territory respond to challenges, and was active in the response to Cyclone Lam and continues to assist with recovery efforts. Responsible for critical goods and services, the department worked with businesses to ensure preparedness and assessment of stocks of critical goods in communities. In the immediate response to Cyclone Lam the department was active in the whole-of-government effort for affected communities by contracting and working with businesses to ensure their capacity to operate, assist in resolving issues and re-establish supply chains and normal operations, and assessing stock levels of bottled water and food and arranging for emergency delivery of bottled water and gas for boiling water during boiled water alerts.

In the recovery phase the department was active in the whole-of-government effort to assist affected communities by offering a range of procurement, business development and liaison services.

As the Chief Minister pointed out yesterday, this is an exciting time for the Territory and government's work in a range of policy areas is delivering results for Territorians. We have wrestled back the budget from the brink of disaster under Labor's watch. We are building the new \$150m Palmerston hospital. We are also funding upgrades to Royal Darwin Hospital and Alice Springs Hospital. We are investing in roads across the Northern Territory. We are pursuing large-scale infrastructure projects across our regions. We are backing Territorians in regional areas. We have been looking at a possible new rail link between Tennant Creek and Mount Isa. We are pursuing the construction of the new gas pipeline to the east coast. We are investing in tourism infrastructure and marketing. We are easing the hip pocket of pressures through our hugely popular Back to School payments and \$7.4m Sport Voucher Scheme. We have increased funding for peak sporting bodies by \$5.3m.

A lot is happening and a lot is working. We have a bright future in the Territory for our children, grandchildren and those who follow us. It is the place to be in Australia.

Mr DEPUTY CHAIR: Thank you very much for that five-minute opening statement.

Mr STYLES: I may have taken a bit longer than five, thank you, Mr Deputy Chair.

Mr GUNNER: It was only 20 minutes, mate.

Mr DEPUTY CHAIR: Are there any questions relating to the minister's statement?

Mr GUNNER: One question to the statement. The rest of my questions can be captured in the outputs and whole-of-agency.

You mentioned red tape and 200 initiatives. Can you provide a list, tabled preferably, of the 200 initiatives?

Mr STYLES: I do not have a list of those at the moment.

Mr GUNNER: I am happy for it to be taken on notice.

Mr STYLES: We will take that on notice, Mr Deputy Chair.

Question on Notice No 5.1

Mr DEPUTY CHAIR: Would you please state the question again for the purpose of Hansard.

Mr GUNNER: Can the minister please provide a list of the 200 initiatives of the red tape squad?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Mr STYLES: Yes, I accept the question.

Mr DEPUTY CHAIR: The question will be allocated number 5.1.

Mr GUNNER: How many staff are in that unit, minister?

Mr STYLES: From my recollection there are four staff.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategies

Mr DEPUTY CHAIR: The committee will now consider the estimates of proposed expenditure contained in the Appropriation Bill 2015-16 as they relate to the Department of Business. Are there any agency-related whole-of-government questions on budget and fiscal strategies?

Mr GUNNER: Minister, could you please provide details of the progress of all CLP election commitments including all commitments and policy announcements made to Territorians, the CLP policy documents, summary snapshots, media releases, announcements, costings and savings documents, media advertisements and other printed materials?

Mr STYLES: Progress on the implementation of all signed written contracts with the Territory communities - the Department of the Chief Minister is responding from a whole-of-government perspective.

Mr GUNNER: No, that was not the question I asked. I asked about the election and policy commitments.

Mr STYLES: You want to know our election commitments. I will go through the lot if you like.

Mr GUNNER: How much paper do you have in front of you?

Mr STYLES: About five pages. How much do you want?

Mr GUNNER: I would like an answer to the question, but I do not want to spend 45 minutes with you reading something out.

Mr STYLES: Where are we in relation to our election commitments?

Mr GUNNER: We are asking about progress. It is not about repeating an answer you might have given in the previous Estimates Committee, but progress on the commitments.

Mr STYLES: That will require some detail. This one is done, this is ongoing ...

Mr GUNNER: We provided the question in advance so work could be done for today.

Mr STYLES: I have the questions and answers here and will work through them. Our election commitment in relation to a Cabinet subcommittee overseeing Asian relations and trade matters is completed. Establishment of an Office of Asian Engagement within the Department of Business is completed. A whole-of-government Asian engagement strategy with a focus on Indonesia – that is in progress and I can advise that a draft Asian engagement, trade and investment strategy has been developed for consideration by the Minister for Asian Engagement and Trade. That is very close to being announced. The first international visits by the Chief Minister will be to Jakarta and Japan – that has been completed. To meet with the Indonesian Ambassador in week two of the first term has also been completed.

Mr GUNNER: Some of these answers have been given at a previous Estimates Committee. We asked for progress. If it has already been done and answered, we do not need that answer today.

Mr STYLES: I have a list of our election commitments and am working through them.

Mr GUNNER: The question we provided in advance related to progress. If it has been completed and the report is completed it is obviously done. If you do not have it broken down that way, perhaps we can take it on notice and get the answer.

Mr STYLES: Let us work through the ongoing ones and take the rest as completed.

Work closely with the government of Indonesia to build ties with eastern provinces – that is ongoing. Northern Territory engagement with eastern Indonesia continues to grow via bilateral ties and the development of trilateral links between eastern Indonesia, Timor-Leste and the NT. We have seen delegations from eastern Indonesia. I have been to eastern Indonesia on a couple of occasions where I met the Governor of Ambon. We have ongoing discussions with various ministers in Timor-Leste. I visited there at the end of March and also the beginning of May to have ongoing conversations for developing not just with Indonesia, but also Timor-Leste, as part of the eastern region of Indonesia.

The new independent procurement board and chairman to draft new guidelines – that is partially complete. A Cabinet submission is being finalised recommending appointments to the board and implementation of a new principles-based procurement framework. An internal and external consultation framework will be undertaken over the coming month prior to its consideration by the Procurement Reform Steering Committee, the minister and Cabinet.

The reconfiguration and streamlining of DBE is almost complete. Following the department restructure in February 2015, a regional and remote network to further support NT business is being developed. The Department of Business' strategic plan will be finalised by the end of May 2015.

In relation to reinstate social clubs and poker machines in some communities, this is being addressed as appropriate. A licence to operate poker machines can only be provided if the venue holds a liquor licence. The most remote communities are in alcohol-protected areas. The Australian government has jurisdiction over liquor licences in those areas, and to date there have been no applications for poker machines from remote communities. If any are received, the Northern Territory government will process and consider those applications, including seeking the views of the Australian government and a community impact statement. It is all about communities, what they want and how they want any gambling in their community to proceed.

In relation to expand the Small Business Advisory Service to help remote communities, the Department of Business is recruiting additional officers to deliver business support services throughout all NT regions for Indigenous and non-Indigenous business clients. Two new business support initiatives were announced in the 2015-16 budget, being Business in the Bush and Business NT, to deliver new and enhanced support programs to business. The increased programs include the business growth program, the smarter business solutions program, the Indigenous business tendering support program, the NGO business support program, the Tiwi Islands economic development program and the Gove business assistance.

In relation to reduce business costs, red tape, carbon tax, skilled worker programs - they are partially complete and ongoing. The carbon tax has been repealed. The ecoBiz program has helped businesses adopt cost saving measures. Work by the red tape abolition squad within the Department of Business will further reduce business costs across government. In 2014-15, \$98.015m is committed to training support in the vocational education and training sector. The workforce attraction program helps fill local workforce shortages and broadens the NT's labour skills pool.

The preliminary Designated Area Migration Agreement, also known as DAMA, was implemented in August 2015 under an MOU with the Australian government. Negotiations for stage two of the DAMA are ongoing to achieve an agreement that meets the needs of the Northern Territory.

The next one is working closely with the private sector to encourage downstream investments. An active program is being pursued to engage existing and new investors in future investment opportunities in the Northern Territory, including raising the level of private sector skills for investor readiness. An enormous amount of work is happening in that area. We are looking at a whole range of things from Ord stage three to the northeast gas pipeline connector to the east coast. There is the railway line from Mount Isa to Tennant Creek, there are opportunities for phosphate mines, there is a myriad of things going on as we speak to make sure the Territory has a future and there are jobs and more jobs.

The re-engagement with Indonesia and the work to double live cattle exports has been completed during the estimates period. We are happy to report that has now been done.

Do you have any others in relation to our election commitments?

Mr GUNNER: Can you please provide the details and cost of advertising and communications for 2014-15?

Mr STYLES: I will go by expense type then give you a figure. Expense type: newspaper \$73 800, radio \$14 549, television \$17 612, magazine \$23 082, online advertising \$1668, outdoor advertising \$11 399, consultants \$20 450, graphic design \$14 683, displays production \$9771, exhibits, conferences and events \$138 645, document production \$24 139, brochures \$11 911, multimedia design production \$50 438, marketing and promotional under other \$32 486, sponsorship \$39 418, promotional items including gifts, plaques and medals \$3162, photography shoots \$11 378, websites maintenance \$29 750, and media services including media monitoring \$15 962.

Mr GUNNER: Can you please provide the details and costs of all government advertising that contained either the image or voice of the minister or Chief Minister or the name of the Chief Minister or minister?

Mr STYLES: Nil.

Mr GUNNER: Can you please provide details and costs of all consultancies undertaken by the agency?

Mr STYLES: The consultancy activity: audit and assurance, Gaming Associates Pty Ltd is \$46 400, KPMG Australia \$54 009, MDS Partners \$9000, and Mr Iain McGregor Summers \$4800. When we move on to marketing and events: ICMI Speakers and Entertainers is \$63 994, CRM Central Pty Ltd \$10 990, and Gray Consulting NT is \$77 513. In relation to HR, Mercer Consulting Australia Pty Ltd is \$4218.

Training workshops: Biz North \$25 609, Business and Community Development Pty Ltd \$38 956, HW Consulting \$8000, Major Training Services Pty Ltd \$40 433, Quanxi Pty Ltd Trading as Michels Warren Munday \$4780, Rowe Training and Consulting \$700, S Beard \$2240, Tactical Coach \$1000, Team Ambrose \$7500; Yellow Edge Pty Ltd \$61 341, Business Enterprise Centre Darwin Region Incorporated \$15 000.

Research and reports: ACIL Tasman Pty Ltd \$5563, Agilis Consulting Pty Ltd \$600, CDC Consulting \$22 326, Charles Darwin University \$38 663, Deloitte Touche Tohmatsu \$4200, Hamish Gidley-Baird \$45 123, Human Impact Engineering \$5075, Ian Crundle \$1149, Karen Sheldon Catering Pty Ltd trading as Karen Sheldon Training \$182, KPMG Australia \$30 280, Mr Allan Philip Langworthy \$800, McTaggart Consulting \$7950, Merit Partners \$400, Safe Business Systems NT Pty Ltd \$13 300, Safe Work Australia \$4789, SRA Information Technology Pty Ltd \$600 and Wildlife Management International \$28 798.

In relation to ICT: Caign Group Pty Ltd training as Glo Digital \$1198, Deloitte Touche Tohmatsu \$77 000, IT Business Solutions \$3490, MIP Australia Pty Ltd \$9730, NEC IT Services Australia Pty Ltd \$26 234, Radical Systems \$128 234 and SRA Information Technology Pty Ltd \$81 210.

Under the heading of 'other' were the following: FCM Travel Solutions \$1667, helloworld Darwin \$786, Latitude 12 Pty Ltd record and management services \$16 695 and Fragomen Australia Pty Ltd \$4550.

Mr GUNNER: That is the list, minister?

Mr STYLES: That is the list.

Mr GUNNER: Do you have any more detail on the \$16 000 for Latitude?

Mr STYLES: That is Latitude 12 Pty Ltd for record management services not Latitude Travel.

Mr GUNNER: We have a Latitude question coming.

Mr STYLES: I have a good answer for you as well.

Mr GUNNER: We gave it on notice so hopefully you have a prepared answer.

Were any of those consultants not selected through competitive tendering?

Mr STYLES: Only the consultancies listed above. The only tier three and above consultancy selected without going through the competitive tendering was Radical Systems, which was due to an existing panel contract.

Mr GUNNER: Were there any certificates of exemption?

Mr STYLES: Three certificates of exemption were issued for the Department of Business in 2014-15 and one was cancelled due to no response received on time.

Mr GUNNER: For each certificate of exemption can you tell us the description of the goods and services contracted, the value, why the certificate was required, who recommended the certificate and who approved the certificate?

Mr STYLES: Number one is Nhulunbuy and the provision of cleaning services for the training centre for a period of six months. This was not a tier three, but we treated it as such for transparency and to make sure it was rigorous. The value was estimated at \$24 000 including GST. It was cancelled due to no responses received.

The rationale for the exemption was that the training centre is currently under review and due to the uncertainty regarding its future the agency does not wish to enter into a long-term contract at this stage. To ensure continuity of service until a review is complete, the current supplier will be approached to set up a formal contract for a period of six months.

Number two is in Darwin for supply, installation and delivery of licensing compliance software solution support services for a period of 36 months. The estimated budget for this was between \$1m and \$1.5m. The award value is currently under assessment. The limited suppliers that can provide these requirements meant conducting a public tender process would impose unreasonable costs on tendering to suppliers who have been confirmed but are unable to meet the system requirements.

The third one is in Nhulunbuy for provision of cleaning services for the training centre for a period of six months. The estimated cost of that is \$24 000. The contract award value is \$17 835.40 including GST. The tender reissued due to no responses received on time. The training centre is currently under review. Due to the uncertainty in regard to its future, the agency does not want to enter into long-term contracts. To ensure continuity until the review is complete, the current supplier has been approached basically to set up a formal contract for a period of six months.

If those cleaning services are still required by the Department of Business upon completion of the review, a competitive public quotation process will be undertaken to set up a long-term contract.

Mr GUNNER: The first and third were the same, but you had no response so you had to do it again.

Mr STYLES: That is right.

Mr GUNNER: Minister, how many staff are in the department by full-time equivalent, permanent part-time, contract and temporary contract?

Mr STYLES: Full-time equivalent is 338 plus 1.8 of a person.

Mr GUNNER: Plus 1.8?

Mr STYLES: Yes, 1.8 of a person, so it is the top half.

Mr GUNNER: Do you mean 0.18?

Mr STYLES: Yes, 0.18 of a person. So it is 338.18. For permanent part-time we have 6.14 and temporary contract we have 60.72.

Mr GUNNER: How many staff at ECO1 level and above detailed by classification?

Mr STYLES: At ECO1 level we have 12. Are you talking about temporary? These are temporary. At ECO1 level there are 12, at ECO2 level there are eight, at ECO4 there are two, ECO6 is one, giving a total of 23.

Mr GUNNER: How many staff resigned in 2014-15 and what is that as a percentage of the agency's total staff?

Mr STYLES: Thirty-four staff resigned out of 361 staff and the head count - it is not full-time equivalent - is equal to 9.4%.

Mr GUNNER: How many staff were made redundant in 2014-15?

Mr STYLES: One staff member accepted voluntary redundancy.

Mr GUNNER: Can you please provide the total cost of travel broken down into international, interstate and intrastate? Please provide details and costs of all travel undertaken by the minister paid for by the department, including travel on charters.

Mr STYLES: The international travel by the agency was \$129 483, interstate travel was \$150 165 and intrastate was \$530 049. There was no travel undertaken by the minister which was paid for by the Department of Business.

Mr GUNNER: None by ministerial staff either?

Mr STYLES: Only one ministerial staff member had travel paid by the Department of Business. That was a senior ministerial adviser to me, Gary Shipway, at a total cost of \$14 895. This travel was a small delegation of senior government, community and industry representatives travelling to Greece on 30 October 2014. The purpose of that trip was to develop training employment opportunities in the NT for trade workers from Greece under the skilled migration initiatives.

Mr GUNNER: How long was that trip for, minister?

Mr STYLES: It was one week.

Mr GUNNER: Detail all travel and costs undertaken through Latitude Travel?

Mr STYLES: The agency only had one trip booked through Latitude Travel between 1 July 2014 and 31 March. That was for a small delegation of senior government, community and industry representatives to travel to Greece between 30 October and 8 November 2014. The total payment to Latitude Travel was \$74 410 for five delegates. The purpose of that trip, as I said in the previous answer, was to develop training employment opportunities in the NT for trade workers from Greece under the skilled migration initiatives.

Mr GUNNER: Who were the other four delegates?

Mr STYLES: They were John Anictomatis, Nathan Barrett MLA, Mr Andy Bruyn and Michael Tennant.

Mr GUNNER: Thank you, minister. Can you please provide details and costs for all hospitality expenditure in the agency or authority undertaken on behalf of the minister or events which the minister attended?

Mr STYLES: The only hospitality expenditure the department has undertaken on behalf of the minister was a dinner function which Minister Tollner attended for the Business Advisory Council on 7 August 2014. The department paid \$139 for his meal and that was when he was the minister. The total hospitality expenditure for the department in 2014 to 31 March 2015 totalled \$23 392. What else do you need on that?

Mr GUNNER: I missed that last bit.

Mr STYLES: The total expenditure on hospitality for the department between 1 July 2014 and 31 March 2015 is \$23 392.

Mr GUNNER: Which CEs or former CEs used government-issued credit cards in 2014-15?

Mr STYLES: Alastair Shields had a corporate credit card with nil transactions on it. Michael Tennant had seven transactions with a total spend of \$4499. That is all that was spent.

Mr GUNNER: Can you please provide details and costs on any transactions that involve hospitality or entertainment?

Mr STYLES: There was a business meeting with Mr Paul Henderson at the Hanuman Restaurant for \$107, there was a business meeting with Mr C Hoffmann at the Hanuman Restaurant for \$107, Business at Sunset function and working dinner with the Chamber of Commerce and the Business Advisory Council at the All Seasons Katherine for \$1894, working dinner for the Business Advisory Council at Knotts Crossing for \$1778, and a working dinner with the Director Central Australian Development Office and Deputy CEO at the Hanuman Restaurant for \$176.

Mr GUNNER: Can you please detail all the boards and advisory boards in your agencies where the chair and/or members attract remuneration?

Mr STYLES: The Agents Licensing Board for real estate and conveyancing, the chair is Mr John Tsoukalis and Mr Tom Berkley is the alternate chair, Mr Gareth James is the department representative and Mr Jeff Stewart is the alternate to Mr Gareth James, Ms Lea Aitken is the consumer rep and Ms Jo-Anne Pulsford is the industry rep for the southern region, Ms Stephanie Hart is the alternate to Jo, Ms Diane Davis is the industry rep northern region, Ms Denise Meaking is the alternate to Ms Diane Davis, Ms Diane Jarrett is the conveyancing representative, Ms Rosemary Sullivan is the conveyancing representative and Mr Col Gerring is an alternative to Ms Rosemary Sullivan. Remuneration for the chair is \$959 daily and for members is \$304 daily.

For the Agents Licensing Fidelity Guarantee Fund of the Northern Territory the current members are Ms Karen Avery as chair and registrar of Lands Business and Conveyancing Agents, Mr John Tsoukalis is a member as chair of the Agents Licensing Board, and Mr Alex Pullon is a member appointed by the minister. Only the chair is remunerated at \$959 daily.

For the Architects Board the current members are Mr Ross Finocchiaro as chair, Mr Richard Layton is the deputy chair, Mr Robert Cova and Ms Lynette Bennett are members and the non-architect member is currently vacant. Remuneration for the chair is \$304 daily, for a member \$228 daily, and an industry member \$228.

The Building Practitioners Board is currently chaired by Ms Penny Whinney-Houghton, Mr Peter Naylor is the deputy chair, also Mr John Stewart, Mr Bede Rodeghiero, Mr Brendan Meney, Mr Graham Lockerbie, Mr Paul Nowland and Mr Robert Cox. Again, remuneration is \$959 daily for the chair and \$719 for members.

The Business Innovation Support Initiatives Voucher and Grants Program Assessment Panel members are Mr Allan Langworthy, Ms Chloe Ammah, Mr Mike Fowler, Mr Stephen Lay, Mr Colin West, Mr Greg Ewing, Ms Helen Usvery, Mr Stephen Rowe, Mr Michael Hawkes, Mr Wayne Croft, Ms Karen Sheldon, Dr Graham Webb and Mr Steve Brauer. The remuneration is that each assessor receives \$200 for each completed assessment.

For the Community Benefit Fund, Ms Sharon Wilson was appointed chair on 29 September 2014. Prior to that the chair was Mr Doug Phillips, who resigned on 21 January 2014. Mr Paul Davis resigned on 2 February, Mr Austin Chin's term expired on 23 July 2014, Ms Vicki O'Halloran was appointed on 29 September 2014, Ms Jennifer Lillis was appointed on 29 September 2014 and Mr Sean Parnell was appointed on 27 January 2015. Remuneration for the chair is \$304 daily and for members \$228 daily.

Desert Knowledge Australia current members are Dr Ken Johnson is chair, Mr Robert Liddle is the deputy chair, Mr Paul Ah Chee, Mr Neil Ross and Mr Scott Lovett are members. The chair is remunerated at a rate of \$405 per day, members \$304 daily.

The Electrical Workers and Contractors Licensing Board chair is Mr Colin Freeman and other members are Mr Ken Kernich, Mr Jamie Houldsworth, Mr Howard Pullen, Mr Pat Nolan, and Mr Anthony Berrill, Mr Geoffrey Cowie and Mr Andrew Whitty are deputy members. There is one vacant deputy member position. The chair is remunerated at \$304 daily and members at \$228 daily.

NT Build Chair is Mr Barry Chambers, Mr Craig Graham is the NTG employee and the ministerial nominee, Mr Dave Malone is the employer organisation nominee, Mr Dick Guit is the employer organisation nominee, Mr Michael O'Hare is an employee organisation nominee and Mr Michael Huddy is an employee organisation nominee. The chair of that organisation is remunerated at \$959 daily and members receive \$719 daily.

The Northern Territory Employment and Training Authority and Advisory Board current chair is Mr Andrew Bruyn, members are Ms Karen Sheldon, Mr Peter Barclay, Mr Gary Coleman, Mr Greg Ambrose-Pearce, Mr Wayne Croft and Mr Nathan Barrett MLA. Remuneration is \$304 daily and members receive \$228 daily except for public servants and MLAs.

The Northern Territory Licensing Commission ceased in 2014 and all responsibilities have been transferred to the Director-General of Licensing. However, at the time it ceased Mr Richard O'Sullivan was the chair, Mr Alistair Shields was the legal member, and other members were Mr Sean Parnell, Ms Brenda Monaghan, Ms Cynthia Lee Bravos, Ms Helen Kilgariff, Mr John Briers, Mr Paul Fitzsimmons, Mr Peter Carew and Mr Doug Phillips. The remuneration prior to its closing was \$763 daily and for members \$540 a day.

The Plumbers and Drainers Licensing Board chair is Mr Richard McElwee, Mr Travis Miezis is the deputy chair and members are Rodney Cryer, Armando Padovan and Mr Justin Busse. Chairs are remunerated at \$304 and other members are not remunerated.

The Racing Appeals Tribunal current chair is Mr Tom Pauling, Mr David Brooker is the deputy chair, Mr James Debellan, Mr David Scott-Wilson, Mr Geoffrey Robert, Ms Nadine Rosemary, Mr Phillip Timney and Mr Paul Mugda are the other members. The chair is remunerated at \$719 daily and members \$540 daily.

The Racing Commission has Mr John McBride as chair, Mr John Boneham, Mr David Loy, Mr James McNally and Mr Andrew Maloney are members. The chair is remunerated at \$830 daily and members at \$540 daily.

The Surveyors Board has Mr Craig Sandy as chair, Mr Rob Sarib is the deputy chair, Mr Brian Blakeman, Mr Warwick Bryant and Mr Richard Purnell are members. The chair is not remunerated. Members receive \$228 daily.

In the Work Health and Safety Advisory Council, Mr Paul Baxter is the Deputy Chair. Members are Ms Louise Bilato, Mr Ian McMurtry, Mr Justin Gill, Mr Arthur Hamilton, Mr John Schofield, Ms Belinda Howie, Mr Brian Fowler, Mr Adam Gollow and Mr Steve Gelding. Mark Crossin was the chair of this but he resigned on 30 November 2014. The chair is remunerated at \$304 daily and the members receive \$228 daily.

The Workers Rehabilitation and Compensation Advisory Council is chaired by Mr George Roussos, Mr Colin Chilcott is the deputy chair and members are Dr Gerry Goodhand, Ms Rachel Cassar, Ms Sharon Roxby, Mr Brett Hagan, Ms Tracy Haige, Ms Vicki Cassaris, Ms Lisa Trehair, Mr Anthony Vido and Mr Steve Gelding. The chair receives \$304 daily and members \$228.

Mr GUNNER: How often did each board or body meet in 2014-15?

Mr STYLES: The Agents Licensing Board for real estate and conveyancing - the number of meetings held in 2014-15 was three. The Agents Licensing Fidelity Guarantee Fund - meetings held in 2014-15 was three. The Architects Board - the number of meetings held in 2014-15 was five. The Building Practitioners Board met 13 times in 2014-15. The Business Innovation Support Initiatives Voucher and Grants Program Assessment Panel - assessments were all done online so that is slightly different to having group meetings.

The Community Benefit Fund met three times. Desert Knowledge Australia met five times in 2014-15 and the Electrical Workers and Contractors Licensing Board met seven times in 2014-15. NT Build, in 2014-15, met nine times. In 2014-15 the Northern Territory Employment and Training Authority Advisory Board met four times.

The Northern Territory Licensing Commission - the number of meetings held in 2014-15 was one official agenda meeting and eight matter determination meetings. The Plumbers and Drainers Licensing Board met four times in 2014-15. The Racing Appeals Tribunal met once in 2014. The Racing Commission met six times in 2014-15. The Surveyors Board met twice in 2014-15. The Work Health and Safety Advisory Council, in 2014-15, met on two occasions, and the Workers Rehabilitation and Compensation Advisory Council met on three occasions in 2014-15.

Mr GUNNER: Can you detail fees and charges levied by your agency, the revenue raised and whether any of these were increased in the 2015-16 budget?

Mr STYLES: Fees and charges levied by the Department of Business for 2014-15 to 31 March 2015 totalled \$1 653 672. Do you want a breakdown of that?

Mr GUNNER: Yes.

Mr STYLES: The Territory Business Centre digital printing income fees for duplicates of documents and licences totalled \$31 216. The association registration lodgements totalled \$47 673. With the association registration lodgements there has been an increase, which is \$47 673. Regulatory fees and charges for NT WorkSafe had an increase in fees \$578 356.

The electrical workers licence is \$150. The electrical contractors licence is \$430 and the plumbers and drainers licence is \$163. Security licences has had an increase in its figure - that is \$316 363. There has been an increase in the security firm licences to \$39 534.

The pawnbroker and second-hand dealers licence has increased to \$4650. Liquor licence fees are \$14 960. There has been an increase in the tobacco licence fee to \$81 306. There has been an increase in the gaming machine licences and fees to \$62 898.

The casino employee licence fee is up to \$17 477. Commercial and private agents fees have increased to \$45 658. Motor vehicle dealers licence has increased to \$36 364. There has been an increase in auctioneer licences up to \$15 061, bookmaker permits are up - \$199 800, racing licences, fees and permits are also up at \$156 120, court-ordered fines are \$4145, on-the-spot infringement notices and penalties are \$400, and freedom of information application fees and charges of \$948.

Mr GUNNER: That is it?

Mr STYLES: That is it.

Mr GUNNER: How many internal audits or financial investigations were conducted in 2014-15?

Mr STYLES: There have been two internal audits completed and one in progress for the period 1 July 2014 to 31 March 2015 as determined by the Risk Management and Audit Committee. The internal audits are completed as part of the agency's governance system in accordance with the Australian standard - \$31 000 risk management. The internal audits were not conducted as a result of any suspicion or fraud, anomalies or breaches of financial regulations or NT government policy. The internal audit area scope was for a corporate services review on the extent to which ICT project governance procedures and practices are compliant. The findings are that appropriate internal controls are in place as set out in the Department of Business Risk Register. There are now project governance procedures in place in the Department of Business which are well structured and supported by the Department of Business Information Management Committee.

However, not all program areas within DoB are fully aware of these procedures, although it was noted during the audit that awareness is growing. The major priority now is to communicate the ICT project governance procedures to all programs within the Department of Business. There were nil breaches. That was done by NDS Partners.

The internal audit area and the scope - the Business NT review of the effectiveness of compensating controls within the Business NT division, which highlights the need to develop and drive diversification and innovation of Northern Territory businesses - the findings were there were no significant findings noted in the review. The programs that had been established by the Department of Business appear adequate and also cover off on the priority areas that lead to greater innovation and diversification of businesses in any jurisdiction. There were no breaches, and Stantons International did that one.

The other ongoing one is Licensing NT and it is to review the effectiveness with which the Licensing NT division is meeting its responsibilities for regulation under the *Associations Act*. That is being done by BDO, and we do not have an outcome for that at the moment.

Mr GUNNER: Were any ex gratia payments made in 2014-15?

Mr STYLES: Nil.

Mr GUNNER: Can you detail the cost of any legal services provided by public legal firms in 2014-15?

Mr STYLES: The cost of legal services provided by public legal firms for the agency was \$23 889 in 2014-15 up to 31 March 2015. The breakdown of that was Cridlands MB Pty Ltd \$555, Peter d'Abbs \$3000, Hunt & Hunt NT \$9334, Minter Ellison \$9045 and Sonia Brownhill \$1955.

Mr GUNNER: I am ready for output 1.1.

Mr DEPUTY CHAIR: That concludes consideration of agency-related whole-of-government questions on budget and fiscal strategy.

OUTPUT GROUP 1.0 - BUSINESS AND INDUSTRY DEVELOPMENT SUPPORT **Output 1.1- Business NT**

Mr DEPUTY CHAIR: We will now move on to consider Output Group 1.0, Business and Industry Development Support, Output 1.1, Business NT. Are there any questions?

Mr GUNNER: Minister, could you take us through how you will work with the American military on their possible investments in the NT to maximise local work for Territory business?

Mr STYLES: We have the rotational forces coming through. We are about attracting a whole range of industry, and Defence support comes into the equation of what we can do to provide services to the US military. There is a range of further development. They have various exercises which brings millions of dollars into our economy. The services at Robinson Barracks are being built upon. They currently have around 1100 or 1200, which will increase to 2500 when it is in full swing. Ships are coming in. There are arrangements with the air force in relation to the Joint Strike Fighter. Not only will we have American jets flying in, we also have our own. Nearly \$0.5bn will be spent in Katherine.

The arrangement agreed to by the Australian government in relation to US Marines has seen them rotate through Darwin for six-month periods. They are involved in a range of things between April and September each year. They will take it to a battalion landing team size deployment with 1150 US Marines, but the future increase to 2500 – a Marine Air-Ground Task Force will be based in Darwin. That will require extensive infrastructure to house and look after those people and will benefit local industry, the construction industry and the service industries.

Mr GUNNER: Minister, how are you working with them to maximise the benefit to locals?

Mr STYLES: The Department of Businesses has provided industry development and business engagement opportunities for the local defence support industry. This comes under Defence Industries, which is further along, but I am happy to answer it now.

Mr GUNNER: We are in Business NT are we not? It says specifically Defence support activity in the output description.

Mr STYLES: Wherever it is I am happy to do it now. The Department of Defence is working with the Americans and we are working with a collective group. The NT government and the *Defence* magazine - it culminated in the second annual Northern Australian Defence Summit being held in Darwin on 15 and 16 October. I do not know if you attended. There was successful interaction between local businesses and both the US and Australian Defence Forces. More than 160 delegates from across the defence industry and government met and canvassed a huge range of subjects, from the NT government's vision for infrastructure in the Top End to the issues of maintaining a viable defence industry in northern Australia.

When you look at development of the north, many things will happen with Defence moving north. It has in the past, is now, and will be in the future so we are working closely with those people. The Department of Defence's program for future infrastructure and development of large projects required to support the Defence Force - the US Force Posture initiatives and other Defence infrastructure in the Northern Territory. These works include construction of facilities to support the new Joint Strike Fighter at a cost of about \$470m which are expected to be carried out during 2016-22. There is a sustainable spend in the Top End.

This work is being spread out and should attract opportunities for local industry. We are making sure, through the ICN, that people who come here are looked after and have access to local organisations through the Chamber of Commerce to make sure our local businesses are exposed to the opportunities that will become available.

An industry brief was provided in Katherine and Darwin by the Joint Strike Fighter project managing contractor. There are ongoing negotiations and information is shared. The Australian Industry & Defence Network is funded to work with NT businesses and is a very active group of people who will make sure we continue to interact with them.

Mr GUNNER: Business NT looks after skilled migration initiatives. Do you have plans in 2015-16 to address the interstate migration problems we have?

Mr STYLES: We have been around Australia making sure people are aware of the opportunities in the Northern Territory. As I said in my opening statement, the NT is a land of opportunity. It was when I came here 34 years ago, is now, and will be for the next 200 years. As a government we have to make sure there is less red tape, there is an inviting opportunity, and we make sure housing is available, which is why we have released a record number of house blocks. That is why we are making investment in the Northern Territory easier. It is about government facilitating that then getting out of the way and letting private industry do what it does best.

As a result of releasing land we have brought down rent pressure. If you are paying attention to what is happening you will know that rents have dropped. Things are becoming more affordable. The price of petrol has gone down. The price of electricity is stable when you look at the wholesale price. A range of things have been done to make sure people feel more comfortable living here.

The cost of living in Darwin is about fourth down the list of capital cities for people wanting to immigrate to Australia as shown on the Immigration website. That is not the NT government; that website works out the cost of living in different cities and we fare quite well.

Mr GUNNER: Our overseas migration is good, but for interstate migration we had 4000 people more leave the Territory last year than arrived. What specific things will your department do in 2015-16 to address that?

Mr STYLES: We have the NT Workforce Attraction Program. We focus on increasing and diversifying the NT's workforce by attracting interstate and overseas workers, but as you say people leave for many reasons. People are transferred or they want to live near family. I have been in the Territory for 34 years and have seen a lot of people come and go. Those who love it stay, but we are about making sure they are not leaving because they do not like it. Most people I know who live in Darwin love it.

I hear stories of locals whose partners might not like the build-up. However, this government is trying to make sure it remains attractive to stay here and that we drive the cost of living down or at least contain increases in the cost of living.

The NT Workforce Attraction Program not only operates in the southern states, but also overseas. The program is made up of marketing promotion activities to profile the Northern Territory as a preferred place to work and live and to connect Territory employees with prospective workers. There has been one in

Melbourne, one in Brisbane and one in Perth attended by departmental staff to make sure people understand what the Territory has to offer.

Mr GUNNER: For 2015-16?

Mr STYLES: Sorry.

Mr GUNNER: That was 2014-15. What plans do you have for 2015-16?

Mr STYLES: I do not have the figure on that at the moment, but it is ongoing.

Mr GUNNER: We have Territory workers who are not necessarily residing in the Territory, and that was recognised in the budget book overview - the difficulties of capturing the mobile workforce. Are you working with local companies with a mobile workforce to have people stay in the Territory?

Mr STYLES: We promote, right across business, the NT as a place to work through advertising programs and participation in national industry bodies. Again, there is an international component to that, but in relation to the national stuff, in relation to industry groups, we are constantly ensuring that we promote the Northern Territory. The Territory workers database allows job seekers interested in working in the Territory to create employment profiles and upload CVs. Even if you are here you can do that to look for a different job. Over the year I have known many people who have come to the Territory for an experience - they come for a while then go. It is just an adventure for them.

I have not done the exit polls on people leaving the Territory, and I do not have it in front of me, but if the exit polls asked, 'Why did you leave?' the answer might be, 'I only came for 12 months. I just wanted a working holiday'. The government is focused on trying to retain people. That is the goal. We have been doing that and will continue do it to ensure the Territory is promoted as the place to be.

The other aspect of all this is making sure people understand the future they have in the Territory. As I said in my opening statement, we have a really bright future here. I say to my kids, and anyone else who will listen, 'The Territory is the place to be and where you have a future'. In the next 200 years we will ride a fabulous wave here. You and I, our children and our grandkids will all enjoy a very bright future. You just have to be here to be part of it.

Mr GUNNER: We have a problem, I do not know if you have noticed that. Interstate migration is heading south, which is not good. We lost 4000 more people than we gained last year. What specific things is the department working on to retain workers? The budget book notes it detracts from growth in the Territory. These are people who want to stay and spend money.

You talk about promoting the Territory, but is there something your department might work on this year to address what has become a trend of losing people down south? How do we keep these Territorians?

Mr STYLES: The Department of Business has regular contact with individual businesses and small- to medium-sized enterprises. Our business development officers are a one-stop shop and they work with people.

If we are losing people to interstate migration we will look at the trend and see if we can reverse it. Once you get all the business development officers across the Territory - we have just funded an extra five. These people will talk to businesses. This is one part of the many issues from business going to the Department of Business and which drives the focus our attention.

If we find a specific industry is not working well we will come up with a strategy, along with the businesses and the industry body, to help them. Proponents, in developing their industry development plan to maximise jobs in the NT instead of fly-in fly-out - you may have heard in the news recently a report in relation to problems people have with fly-in fly-out workers. We have known that for quite some time.

We have been encouraging people - in fact, one of the good things with INPEX is a number of people have bought properties and moved their families here because there is three or four years work. They want their families close to them. Within industry groups, with the ICN and the Chamber of Commerce, we encourage people to settle here as opposed to fly-in fly-out.

I do not have figures in front of me of who is leaving and what industries they are from, but our business development officers will probably have some idea. I am sure the Chamber of Commerce will have some

information, but I do not have it with me. The future workforce attraction activities will be guided by a three-year workplace attraction strategy currently being developed. It will go for at least three years so we can target the people you are talking about.

Mr GUNNER: Do you think those 4000 Territorians we lost might be responsible for why we had a blip in retail trade figures? In the last report you can see the Territory went backwards in retail trade and was the only jurisdiction to do so. Do you think losing 4000 Territorians might explain why we had that blip in retail trade?

Mr STYLES: I want to look at some more information before I comment on that.

Mr GUNNER: That is from the NT government's economic brief. Do you want to take it on notice?

Mr STYLES: No, that is an opinion.

Mr GUNNER: I am asking for an explanation. The Treasurer directed me to you regarding retail trade, and we thank him for the gift, but I asked him to explain why we had a blip in retail trade and during ...

Mr STYLES: I am happy to take that on notice.

Question on Notice No 5.2

Madam CHAIR: If you restate the question for the record, Opposition Leader.

Mr GUNNER: Can the minister please explain why the Territory is the only jurisdiction which suffered an annual year-on-year retail trade decline?

Madam CHAIR: Minister, do you accept the question?

Mr STYLES: I do.

Madam CHAIR: Thank you. That question is number 5.2.

Mr GUNNER: I have a similar question about motor vehicle sales going backwards. De you want to take that question on notice?

Mr STYLES: Yes, I will take that on notice as well.

Question on Notice No 5.3

Madam CHAIR: Please restate the question or the record.

Mr GUNNER: Can the minister please explain why the Territory suffered a 3.1% decline in new motor vehicle sales on a year-on-year basis?

Madam CHAIR: Minister, do you accept the question?

Mr STYLES: I accept the question, Madam Chair.

Madam CHAIR: That will be question number 5.3.

Mr GUNNER: My next question might fall more into Output 1.2. Minister, both those questions were for Output 1.2 so I appreciate you taking them on notice in Output 1.1. I want to talk about strategic policy next.

Madam CHAIR: Are there any other question on Output 1.1? That concludes consideration on Output 1.1.

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Output 1.2 – Strategic Policy

Madam CHAIR: We will now have questions on Output 1.2, Strategic Policy. Are there any questions?

Mr GUNNER: This flows on from our conversation about population and a conversation with the Treasurer.

Construction is a major generator of jobs. We want to keep jobs in the Territory and do what we can to respond to the post-INPEX construction phase. The Treasurer has flagged in the budget books that we will be cutting infrastructure spending after this year's budget.

With unemployment creeping up, will you be giving policy advice out of your section to coordinate whole-of-agency responses regarding local and national issues impacting business growth, including labour market economic analysis? Will you be looking at providing advice on how to deal with the post-INPEX construction phase, and in particular trying to do what we can to keep jobs in the Territory? Construction is obviously a major generator of jobs and the Treasurer's decision is to cut infrastructure spending after this budget.

Mr STYLES: I suppose the first part of your question is, yes, I will be giving a lot of advice.

Mr GUNNER: It might not be a good idea, Treasurer.

Mr STYLES: What sort of advice will I be giving the Treasurer? I give the Treasurer advice all the time.

Mr GUNNER: I appreciate that, minister. Regarding how you might be allocating resources with each department around strategic policy, will you be looking at construction in the Territory post-INPEX and what advice we can give? My opinion is we have to be careful about cutting infrastructure budgets directly after INPEX winds down, which is what has been flagged in the budget. Will you be doing work around the post-INPEX construction phase?

Mr STYLES: Member for Fannie Bay, an enormous amount of work will happen and in my opening statement I mentioned some of what is coming down the pipeline, if you will excuse the pun. One of those is the north east gas connector, a pretty large project. When we start that ...

Mr GUNNER: There is a time line on that, minister?

Mr STYLES: There is, and we are trying to get that happening as soon as we can.

Mr GUNNER: Do you have any idea how long it might take to get the land secured for a potential pipeline? It took two to three years to have the land secured for Blacktip. What type of time line will we be looking at with the gas connector? We do not know the preferred route yet.

Mr STYLES: No, we do not.

Mr GUNNER: Then add two to three years to that?

Mr STYLES: That is the Chief Minister's domain. I am generalising and just giving you a generic idea. I do not want to step on his toes, nor should I. Generically, it is something the government is looking at.

A range of other things is happening behind the scenes in relation to some good issues. Sadly, it is commercial-in-confidence. I look forward to announcing one of them because it is enormous. Because it is commercial-in-confidence it is for those people to determine when they announce it. However, I am excited.

Mr GUNNER: Do you accept that the lack of detail around a time line on the gas pipeline is why business confidence and policies of the NT government have dropped into the negative?

Mr STYLES: It is still okay. We are still ...

Mr GUNNER: It is minus-three.

Mr STYLES: My understanding is in the Sensis Business Index we dropped slightly, but we are still well ahead of everyone else. The 2015 Sensis Business Index showed small to medium business confidence in

the Territory dropped, but we are still well ahead of everyone else and second to New South Wales. When you come from a very high base - we are doing okay. I would not say the sky is falling in and it is all doom and gloom. We are travelling reasonably well.

Mr GUNNER: I am not a doom and gloom person, I am optimistic about the Territory but sometimes there are wake-up calls. Businesses are starting to worry about a few things post-INPEX. There is a wake-up call.

Madam Chair, I have gone beyond the time allocated to me as shadow, but I guess I have that prerogative as Leader of the Opposition. I thank the minister because a number of questions I had have been captured in 1.1 and 1.2 and I got 1.3 after the statement. I appreciate that but I have gone past my time. I would love to have a longer conversation about business, as always, but I am sure we will have opportunities for that. I want to thank the department for the informative answers today.

Madam CHAIR: Are there any questions on output 1.2? That concludes consideration of Output 1.2.

Output 1.3 – Red Tape Abolition Squad

Madam CHAIR: We will now consider Output 1.3, Red Tape Abolition Squad. Are there any questions?

That concludes consideration of Output 1.3.

Output 1.4 – Procurement NT

Madam CHAIR: We will now consider Output 1.4, Procurement NT. Are there any questions?

That concludes consideration of Output 1.4.

Output 1.5 – Asian Engagement, Trade and Investment

Madam CHAIR: We will now consider Output 1.5, Asian Engagement, Trade and Investment. Are there any questions?

Mr VOWLES: How many staff and at what level are in Asian Engagement, Trade and Investment?

Mr STYLES: In Asian Engagement, Trade and Investment there are 12.5 FTEs.

Mr VOWLES: ECO level?

Mr STYLES: There is one ECO1 and one ECO4.

Mr VOWLES: What are their roles and function?

Mr STYLES: The ECO4 is the Director of Asian Engagement, Trade and Investment and they run that unit. They are also responsible for putting together the Asian engagement trade and investment strategy which is currently being developed – we are not far off. Then we have the Director General, who is an ECO4 and there is a Director as an ECO1 level.

Mr VOWLES: What support staff and what are their roles?

Mr STYLES: There are two AO4s one AO5, one AO6 and 2.5 AO7s. There are three SAO1s and one SAO2. They put a range of programs together that involve the overseas component, the international promotion – as the Leader of the Opposition was alluding to when he was talking about other output groups. It is about attracting investment.

The Territory needs to be very active in this area. When I was in opposition I encouraged the government to travel more, engage with people and get plenty of investment. This country was built on that. With a small population and large area we need an enormous amount of foreign investment. You can imagine we are concentrating on developing relationships. When you look at available money - take Europe for instance. Europe is awash with cash but everyone is risk averse there to the point where European banks are issuing negative bonds. If you give them \$100m a year later they will give you \$98m back. They are charging 2% to look after your money.

One thing we are trying to do, through trade and investment, is attract some of that investment. To develop northern Australia we need an enormous amount of infrastructure. If you are getting minus 2%, in some cases minus 3% on your money, if we can give them 2%, even 1%, with no sovereign risk - that is the type of thing Asian Engagement, Trade and Investment is doing. You have to research it then you have to go to trade shows and investment seminars. There is one later this year I am trying to get to, although it is not looking good at this point in time. It is about talking to people and making sure everyone knows where the Northern Territory is.

At the end of 2013 I was invited to and had the privilege of attending the Hakka Association meeting. That is the who's who of the Hakka community world-wide. Someone tried to add up the wealth in the room. There were 5500 people in the exhibition hall in Jakarta and I was the only European in the room. I spoke to them and they all know where the Northern Territory was. In fact, almost every Chinese newspaper in Southeast Asia had a picture of me and other people in it. I had no idea what they wrote about me because it was in Chinese, but that is what Asian Engagement, Trade and Investment does. Staff constantly work with our neighbours.

People are working with Timor-Leste in relation to the trilateral agreements. A lot is happening. I wish I had the budget to have twice as many people there because of the importance of the area.

Mr VOWLES: Minister, are there investment opportunities coming and what are their expected yields?

Mr STYLES: Absolutely. Take the north east gas connector. The Chief Minister held a forum in Alice Springs where we catered for 45 to 50 people and 120 turned up from all over the world. It was amazing to see the interest. Because this country has a low sovereign risk, we have the opportunity to go to European banks and say, 'Have we got a deal for you'.

We have low sovereign risk and a very proactive Trade and Investment minister in Andrew Robb. He is currently overseas making sure the world knows about the investment opportunities in an extremely low risk place like Australia. My job as Minister for Asian Engagement and Trade is to make sure staff are engaging not only with local and Australian companies making Australian investors and superannuation funds aware of the opportunities in the Territory, but making sure our northern neighbours know and that we work with our northern neighbours to develop things they do well and make sure we trade with them.

Trade with eastern Indonesia is about making sure we develop our neighbours. One of the best things we can do for our neighbours is encourage trade because basic economics will tell you trade lifts the standard of living for people. Our northern neighbours form part of that group.

I will enlighten you in relation to some of things that are happening. In September this year we will be hosting the Australia Taiwan Business Council Joint Conference in Darwin. That is another opportunity to showcase what the Territory has to offer. Some of things I have alluded to in relation to the development of Ord stage three, and the railway line running from Tenant Creek to Mount Isa to get the extractive minerals put through Darwin - once you have a railway line you can start to seriously look at the opportunities existing for miners to transfer their product locally instead of from the coast of Queensland or South Australia. If you have to load it into a train keep it rolling through to Darwin. Once people look at those opportunities someone will want to build a new port to handle the prospective extractive minerals. There are phosphates there, and the list of what you can do goes on.

I have spoken to people in Queensland and South Australia, and if that railway line hooks up and we get the new port operational they will want to shift their minerals. Instead of going through Adelaide they want to ship them out of Darwin. They have an 11-day voyage from South Australia around the coast to China or anywhere else in Asia they want to send minerals to. You can see there is a massive advantage in doing that.

We have a number of staff there ...

Mr VOWLES: If I can direct you back to the question. It was fantastic hearing all that, but it was about what investment opportunities are coming to the Territory and what is the yield from those investments?

Mr STYLES: The prawn farm at Legune Station - about \$1.4bn will be invested there. That brings not only construction jobs, but it brings workers. There are local jobs for Aboriginal people. That is \$1.4bn, and anything up to \$1.2bn being spent on the pipeline and the railway is more money.

With the congestion on the east coast it makes sense for people to invest in the Northern Territory. We have to sell what we have to offer. Once we get there it is not too hard to sell it because of the opportunities that exist. World-wide many people probably do not know we exist, which is why we are considering in-country representatives in Indonesia, Singapore and China. That is a new way of tackling things as a result of the Trade and Investment Ministers' Conference I was at three weeks ago with Andrew Robb and my interstate counterparts. Some really good stuff came out of that in relation to investment opportunities. I will not go through everything Andrew Robb spoke about, but there are massive opportunities for investment in the Territory and Australia.

We are part of Team Australia, but I am primarily concerned about the Northern Territory and our kids and our grandkids.

Mr VOWLES: I think successive governments have worked very hard with our Asian neighbours to fulfil economic opportunities to invest in the Northern Territory.

You mentioned priority Asian countries we are dealing with. Can you update us on that and the expected benefits to the Territory?

Mr STYLES: When you look at what is happening in this region - we have not forgotten about the UK and Europe. There are numerous opportunities in Europe. People think we only need to travel to Singapore and our Asian neighbours to look for opportunities, but with the money and opportunities in Europe - if you give someone an opportunity to earn 2% on their money and add that to 2% or 3% negative, and it is a 5% return. That is a good return for them.

I encourage business delegations. There is a huge business delegation going to Italy in a few weeks. I would love to be going but cannot. Someone else might go to promote the Northern Territory because that is our job.

When the CLP was in government previously we had offices through Southeast Asia and were the go to people. Federal government members came to us. I was not a member of parliament but was a party member and remember our party actively encouraging that. They would come for contacts and entree into Indonesia and other parts of Southeast Asia. Sadly, your side of politics closed the offices, brought the people home and dismissed the in-country people we employed.

The current thinking is we will go back to that. All the trade ministers agree - South Australia, Tasmania - they have offices in several locations. We are dragging our feet a little, but we are currently searching for people to put there too make sure we attract foreign investment into the Territory.

The development of northern Australia is really open; it is a land of opportunity. Our job as a government – we did it when we were in government before and are doing it again - is to open those offices, get the in-country people and make sure they are aware of the priorities of this government. We need to sell the Territory and that is what will happen.

I visited Timor-Leste in March and again on 6 May and met with key Timorese ministers. They are interested in doing a range of things jointly, and ongoing discussions are occurring in relation to trade. I participated in Timor-Leste's first trade expo, which was really well put together for a country the size of Timor-Leste.

Trilateral economic cooperation between northern Australia, east Indonesia and Timor-Leste is a national government initiative exploring existing trilateral cooperation and practical opportunities to broaden and deepen business linkages in the future.

Basic economics says you need to get one country doing what it does best, and other countries doing what they do best then you trade. Trade can lift people's economic status in relation to other world countries.

I plan to visit Indonesia in the coming months to meet the new administrative leaders in Jakarta, and to talk about how we can improve our trade into Indonesia and Japan. We enjoy long-standing relations with Japan, which will be our latest trade and investment partner for the foreseeable future.

The largest single investment outside Japan is the INPEX site at Blaydin Point. The opportunities there are enormous. They are building train two and will build train three. The power station is of sufficient size to build seven trains. As a matter of interest, Australia will become the largest exporter of natural gas in the world by 2020. We are well on the way. The Territory will contribute to that. There is a lot happening in

the Territory at the moment. There are gas issues on the east coast and some of the wells feeding into Gladstone in Queensland will need excess gas.

Look at what we have offshore. Depending on who you talk to, there is between eight, 12 or over 13 trillion cubic feet of gas in the INPEX fields alone. People are talking about 260 trillion cubic feet in the Beetaloo Basin. There is enough gas in that field alone to power Australia and its projected requirements for the next 200 years. The northeast gas connector will change the face of the Northern Territory. Companies like Santos are exploring for more gas. Once we get that online the Territory will be in a good shape.

We have worked hard to make sure we attract the investment we need to develop things like Beetaloo Basin and a new port. What the Chief Minister has been looking at in relation to ports is all part of the economic development strategy for the Northern Territory. The Department of Business, especially Asian Engagement Trade and Investment, is very proud to be part of that.

Mr VOWLES: Can you take me through the process of your measurement on stakeholder satisfaction with advice on strategy policy and operational issues, and how much of this budget is geared towards that?

Mr STYLES: In relation to the stakeholder satisfaction, we survey the key people. As a result of the 2014 survey there is an estimated 80% satisfaction and the target for 2015-16 is 85%. You have to continue getting feedback from business and that is what we do. We are continually asking for constructive criticism and feedback so we can improve the service. I would like it to be 100%, but we ask people so we can improve the outcomes and look at tailoring what we do and how we do it to meet the needs of business.

There has been a lot of activity in the last five months. I have been pretty active, not only in engaging business but getting around. I have not taken a lot of overseas trips yet, but once estimates is over we want to organise trips to get the foreign investment you are talking about and making sure we contact all the stakeholders so our satisfaction level can reach 85%. If we continue to we engage stakeholders - and engaging them is what it is all about - it is better than 75%, and 85% is better, but 95% would be better.

Mr VOWLES: How many businesses has the Trade Support Scheme assisted in delegations - how many, where and the total cost?

Mr STYLES: I do not have those figures in front of me, so I am happy to take that on notice.

Question on Notice No 5.4

Madam CHAIR: Yes, please restate the question for the record.

Mr VOWLES: Can the minister please provide the number of Territory companies supported by the Trade Support Scheme, where, and the total cost?

Madam CHAIR: Minister, do you accept the question?

Mr STYLES: Happy to take that, Madam Chair.

Madam CHAIR: That question will be number 5.4.

Mr VOWLES: I heard in your opening statement, minister, there were around 51 trade missions. Is that right?

Mr STYLES: Yes, 51 incoming delegations.

Mr VOWLES: There were 10 trade missions and I assume local companies would have been involved with that.

Mr STYLES: There were 10 outbound missions to Malaysia, Singapore, Vietnam, Timor-Leste, India, Taiwan, Indonesia and Japan in agribusiness, education, infrastructure and resources. There was 51 inbound investor visits from Australia, China, Vietnam, South Korea, Indonesia, Malaysia, Japan and the European Union. We have exhibited at six major industry conferences in Australia. As I said, we are hosting the Australia Taiwan Business Council in their joint conference in September 2015.

Mr VOWLES: You have probably mentioned it but I am happy to hear it again. What have been the outcomes of the 10 trade missions? Have they brought any more business into the Territory?

Mr STYLES: I do not have a definitive answer at the moment. How long is a piece of string? You have to be doing business.

Mr VOWLES: I am fully supportive of that.

Mr STYLES: Also, when you look at the countries we visited, - European Union to a lesser degree. For Malaysia, Singapore, Vietnam, Indian, Taiwan, Indonesia, Japan, and Timor-Leste to a certain degree - we have a very good relationship with people from the Timorese community. All business there is done on relationships. Sadly, I suspect – it is something I have been aware of for many years, but people learn various things in university about cross-cultural management and cross-cultural trade, but everything there is done on relationships. You do not rock up and – there are more case studies than you can poke a stick at of countries going to Japan, for instance, and thinking they can do business the way they do in Australia or other western countries and that is not the case.

For 10 outbound missions - you might not get anything out of it the first time but you have to go back more than once. That is the way they do business whether we like it or not. Whether it is right or wrong, we have to go there and build relationships. I believe it does not matter where you come from, it is all about relationships whether in Australia or out.

We had great relationships with those countries when we had offices there back in the 1980s and 1990s. When those offices were closed after 2001 – we are about reopening them and rebuilding relationships. Even when you go on a trade mission or anywhere you have to sit down with people - go to dinner with them and that is where they decide whether or not they want to do business with you. It is not necessarily all about the money but whether they can trust you and are comfortable doing business with you.

Trade missions are difficult to measure because you cannot get for a report card or ask, 'How did we do at dinner? Did we eat the rice out of the correct bowl?' It gets down to that.

The Australia China Business Council runs courses on how to interact and how to do business in China. If we want to do business in their country we need to learn about that.

How did we go? I do not know, but often ...

Mr VOWLES: Has there been further discussions from any of those trade missions around bringing business to the Northern Territory?

Mr STYLES: As I said, you build relationships. Given we have come from an almost zero base – this is debatable, but my view is the previous government did not travel enough. They did not open offices there - sure we had people travelling there but not enough. When you have to rebuild those relationships there is a lag. You build the relationships, start the process, and then down the track you look at deals coming forward.

The Chief Minister started a range of things two years ago which are just coming to fruition. In business things do not always happen on the same day. You have to build relationships then start negotiations, start the dialogue, then you might send a trade mission and then you will see increased sales and exports.

We exported to the value of \$6.5bn last year and imported \$4.1bn. We have a healthy surplus, but we need to make sure we continue the trade missions and continue to engage with people and build relationships. Once you build relationships you will see the flow of business and exports, and in some cases imports. You will not see results overnight. I recall reports from the previous CLP government saying it took quite a few years. Look at what Frans Seda did for the live cattle industry in Indonesia. He and the previous government got that going. A lot of work was done there, but you need time to build these things.

Talking to people from Vietnam who have visited recently – the minister for Primary Industries and me, as minister for Trade, have spoken to Vietnamese people. Again, we are building relationships so we can build on the cattle and buffalo trade to Vietnam. Of course, once you build on that there are other opportunities for NT businesses to go into Vietnam in the construction industry and a whole range of service providers.

Mr VOWLES: Minister, we had a great Asian engagement strategy through the Arafura Games. The CLP government started that then took it away. It is interesting that you talk about building relationships and trust in Asia because it leads me to my next question. Did you dismiss Mr Terry Mills from his position as Asian commissioner?

Mr STYLES: No, it was the department. The department looks after those things. The model we were using in relation to Asian engagement with Indonesia - when a commissioner was first mooted the development of northern Australia was in its infancy. We looked at what we needed to do with Jakarta. A big influence on what we are doing right now has come from prior discussions with my counterparts interstate and with Andrew Robb in relation to how we will best proceed.

For some time we have been watching South Australia and Tasmania and the models they use for in-country representatives and the costings of those models. They work with the Australian embassy and the Austrade model to find an in-country person. There are reduced costs if you find the right people. For instance, the last person we had in Indonesia was Mr Frans Seda, who was a very good operator and was responsible for much of the trade the Northern Territory now does with Indonesia.

Mr VOWLES: Why was he dismissed?

Mr STYLES: A review was done after six months relating to performance. My understanding is the Department of Business performance manage all these people, be it agents or anyone who deals in this area. We have looked at a different model and are now expanding that. We want an office in China and one in Singapore.

You might recall the Chinese president now has \$110bn to reconstitute the overland Silk Road. The other thing he wants to do is reconstitute the maritime Silk Road. This is the type of thing you get from Andrew Robb and the federal government travelling overseas to encourage that investment. The Chinese see three hubs for the maritime stuff: Hong Kong, Singapore and surprise, surprise, Darwin. They are looking at Darwin being a major hub in this part of the world. It is not Surabaya, not Jakarta, but Darwin. Looking at distribution points and the future we have, we need to make sure we have people in Singapore and in China. That is why we are looking at an in-country representative to make sure we can be part of that. We have a lot of work to do to make sure we can spread ourselves around. Mr Mills was ...

Mr VOWLES: He was not doing that?

Mr STYLES: He had an interest in Indonesia. Again, the department performance manages all those arrangements. If it is not working for the department they do not renew the contract.

Given I have been to the trade ministers' conference, I had to look at whether we put someone in Singapore to do Jakarta. Indonesia is very important neighbour and partner not only for trade, but also for social interactions. A lot of Indonesians live here. Indonesia is our closest neighbour and we have a huge live cattle trade. There is a lot happening between the Northern Territory and Indonesia, so it is important that we have a representative in Indonesia.

I have a finite budget. Given the budgetary constraints this government had when it came into government with a projected debt of \$5.5bn and a debt to income ratio at 98%, which is totally unsustainable, and given there were no plans to get that down we had to look at what to do. Having a limited budget I have to look at how I spend that money. What will happen, as I said earlier today ...

Mr VOWLES: I have some more questions. You are saying the appointment of Terry Mills was done by the Chief Minister but he was sacked by the department?

Mr STYLES: No, he was employed by the Department of Business. There is a contract with Meridian Pty Ltd, a company Mr Mills is a shareholder of. That is my understanding. I have not looked at the share register, but I understand he is a shareholder of that company which was employed to provide certain services.

Mr VOWLES: You said in the media this morning it was not cost-effective and have repeated that here.

Mr STYLES: I did not say it was not cost-effective; I said there are different ways to do business. You must look at what happened then, what happens now and what changes have occurred. The federal government is pouring billions of dollars into development of northern Australia, which is a really good thing

and I am excited about that as well. I am excited about many things - the Territory is a great place to be. If we continue to go down the path we are it will be a really great place for our kids and grandkids to grow up.

If I recall correctly, in March you guys wrote to the government and received a pretty extensive answer. Many things are commercial-in-confidence and many things are confidential. As government, I will not put those confidential matters into the public domain.

Mr VOWLES: We do not want to break that commercial-in-confidence, but if I ask you some questions you can determine what is commercial-in-confidence.

Mr STYLES: The questions you are asking were answered in March this year. If my memory is correct, we wrote to you - I have seen the letter - with detailed information about what happened, but there are commercial-in-confidence and confidential matters that you do not put in the public domain. The questions you are asking have already been asked.

Mr VOWLES: I will ask them in again estimates and it can go on the public record as well. You can determine how you want to answer them.

What did Mr Mills cost the Territory to date with accommodation, the office in Jakarta - which would be paid by the taxpayer and would not be commercial-in-confidence - salary, any vehicle hire, and any air fares Territory taxpayers have paid? His accommodation - he was obviously resident in Indonesia.

Mr STYLES: The total amount paid in 2014 to Meridian was \$278 000. There are also pre-approved expenses in that as well.

Mr VOWLES: Was there an office in Jakarta?

Mr STYLES: My understanding is there was.

Mr VOWLES: Would that be leased by the NT government? Also, the lease for a private residence which I assume the Territory taxpayer paid ...

Mr STYLES: Office accommodation and all that came out of that fee of \$278 000. That was something Meridian did. We paid them a fee for service.

Mr VOWLES: They set up the office and the residence out of that \$278 000 ...

Mr STYLES: My understanding is we paid a fee for service. Whatever office space or accommodation they had Meridian Pty Ltd set that up and we paid them. We just paid them a fee for service. Feel free to ask them.

Ms MANISON: Was there an office, minister?

Mr STYLES: I have not been there. I do not know if it was a container, a shed or whatever. Meridian was paid to provide a service. My understanding is they had an office, but they made the office arrangements, they paid the rent, the lease, and we were ...

Mr VOWLES: There was an office in Jakarta?

Mr STYLES: My understanding is there was an office.

Mr VOWLES: We do not know what that cost taxpayers, apart from the \$278 000 global figure you have given?

Mr STYLES: No, because that cost is ...

Mr VOWLES: Is that a normal transaction to ...

Mr STYLES: If you were running a business and I came to you for some advice, I would not pay for your office. I would ask how much you would charge to provide the advice and do the job, give the parameters of the job, and tell you I want you to engage people, do this, do that and a range of other things the department wanted Mr Mills to do. If you pay a fee to do that I will not ask how much petrol you are putting in your car ...

Mr VOWLES: I asked about the negotiations around Mr Mills' appointment - I think it was an appointment. That is what your government did. Did Mr Mills, in those contract negotiations, say, 'I will sort my own my office out, my own residence, and you pay me this much'? Is that normal process ...

Mr STYLES: The department manages ...

Mr VOWLES: Considering it is an NT office?

Mr STYLES: The department manages this ...

Mr VOWLES: You are the minister.

Mr STYLES: Yes, that is true, but the department manages it on a day-to-day basis. As with anyone who provides a service, I do not pay Mr Mills' petrol bill, his car bill, his office staff or whatever. It is not the way it is set up. The negotiated terms of reference say what we want them to do and there are negotiations regarding how much they will do.

If you ask me to do something I will come back to you with all my costs. I will say, 'I will do it for \$X per annum or \$X per week'. That is a normal course of business. You do not say, 'By the way, I will do this and you need to pay for my petrol, my phone, and my electricity'. That is not the way it is done.

Mr VOWLES: I am not worried about that, more about the physical office the company was paying. Considering it was an NT government service ...

Mr STYLES: The company was paying for the office.

Ms VOWLES: ... he was providing and was appointed by the NT government ...

Mr STYLES: He had been contracted by the Northern Territory government to do a job. It is just a contract arrangement to provide a service.

Madam CHAIR: Member for ...

Mr BARRETT: A point of order, Madam Chair! The minister has answered the question which went to the arrangements. A bill was provided for those services, the department paid it and that is the number. The breakdown of what Meridian chose to pay for on their account has nothing to do with the Department of Business.

Madam CHAIR: Is your question for ...

Mr VOWLES: My concern is Mr Mills was appointed by the NT government ...

Mr BARRETT: A company was appointed.

Mr VOWLES: ... to be based in Jakarta and have an office representing the Northern Territory. The company was paying for it and sorted it out. It is like I come to you, minister, and say, 'I want to go to Fiji and I would be a great ambassador for the Northern Territory government, but let me sort it and I will just give you a bill'. That is generally what happened?

Mr STYLES: We would negotiate with you. If you want to go to Fiji and provide services we would be saying 'What would you do for the Territory?' If you did not come up with a good number it might be we pay you \$2.50 or we pay you \$250,000 depending on the desired outcome, what contacts you have and what level of expertise you have. This is not an employee of the Northern Territory government, this is a company contracted to provide a service.

If Mr Mills wants to invite 15 people to work for him and spends more than that, under the negotiated service delivery it is providing a service. We did not pay for the office, we did not pay for electricity; we did not pay for that. That is a part of the contracted service. When you negotiate these contracts you say, 'This is your contract to provide a service and these are the objectives we need to achieve'. You performance manage a person on a contract.

Madam CHAIR: I think that clarifies the answer.

Mr VOWLES: The total figure for this contract was \$278 000?

Mr STYLES: The total itemised expenditure for 2014-15 is \$278 000.

Mr VOWLES: Did that include any additional payout costs for the termination of his contract or relocation costs of breaking leases?

Mr STYLES: All that was answered in that letter.

Mr VOWLES: I am asking to put it on the public record.

Mr STYLES: You have the answer in the letter we wrote to you in March. That is on the public record.

Mr VOWLES: Are you able to answer that question on the public record?

Mr STYLES: You already have the answer to that question.

Mr VOWLES: Did he get additional payout costs and relocation costs. He might have moved his family there - breaking of leases. What was the actual figure? Is that included in the \$278,000?

Mr STYLES: As I said before, member for Johnson, there is a whole range of answers included in the correspondence in March, but I will add there was no payout.

Mr VOWLES: Relocation costs?

Mr STYLES: My understanding is that relocation costs were paid but there was no payout.

Mr VOWLES: What were the costs of relocation?

Mr STYLES: Relocation costs were \$9600.

Mr VOWLES: Did Mr Mills have any support staff who were public servants or were they under contract? I am talking about any departmental people – public servants - supporting him based in Darwin.

Mr STYLES: As I said before, Mr Mills' company was contracted to provide a service. What happens there is he takes care of that. That is part of the negotiated payment for the provision of service. How he goes about providing that service and obtaining those outcomes is his business. Obviously, we performance manage him and, as with any contractor across government, we say, 'You not meeting your obligations under the contractual agreement'.

Mr VOWLES: I am fine with that. It is just around someone based in Darwin who was coordinating his work. Following on from his work in Jakarta, has anyone's role been re-assigned or have they lost their job?

Mr STYLES: The chief executive does not performance manage that contract every day. That is done in the office of Asian Engagement Trade and Investment. There are people who would have been managing whatever was happening at the direction of the chief executive to say ...

Mr VOWLES: That is the point of my question. I assume there would be but have their roles changed, have they lost their job or have they been reassigned?

Mr STYLES: No, no one has lost their job.

Mr VOWLES: Considering there is no commissioner or contractor in Jakarta any longer.

Mr STYLES: Not at the moment, but we have been seriously headhunting a replacement in-country person who understands the Northern Territory and will look after our interests and make sure the engagement remains. Within that finite budget I have for that portion of engagement in Asia, we want to spread that out and share the love around so we have people in Singapore and people in China who can work with us to make sure we become part of that hub of the Silk Road maritime trade.

Mr VOWLES: I suppose the \$278 000 and \$9600 question is what have you learnt from the experience with Mr Mills and how will you plan around ...

Mr CONLAN: A point of order, Madam Chair!

Mr VOWLES: I have not finished my question. How will you plan with this new model ...

Madam CHAIR: Sorry, member for Johnston, on the point of order.

Mr CONLAN: It sounds like an opinion is being sought from the minister. Member for Johnston, asking for an opinion is completely out of order.

Mr VOWLES: I have not finished the question.

Ms MANISON: It is government expenditure.

Mr CONLAN: Keep in mind that asking for an opinion is out of order.

Mr VOWLES: You cannot call a point of order when I have not finished the question.

Ms MANISON: Agencies should look at how they spend money and make sure they spend it appropriately.

Madam CHAIR: Perhaps you could rephrase the question.

Mr VOWLES: I have not finished it.

Madam CHAIR: I know that.

Mr VOWLES: It is pretty hard to rephrase it if I have not finished it.

Madam CHAIR: It was just the first bit.

Mr VOWLES: With the loss of Mr Mills, what is your new planned model?

Mr STYLES: I launched the new planned model today. We had a media conference and it is on the news as we speak – 6.10 pm.

Mr VOWLES: That is if you are good enough or not on it.

Mr STYLES: Well, that is your opinion.

Mr VOWLES: I am sure you were.

Mr STYLES: When we look at our new model - I have explained this several times so I have answered this and given you what we plan to do, but I will give it to you again.

We will have an in-country person in Indonesia, and we will be headhunting for a good person to work in our interests with Indonesia as part of that trilateral agreement between Indonesia, Timor-Leste and the Northern Territory. Within the budget I have I will look at getting an in-country person in Singapore and one in China. When I look at working with the Australian government and Andrew Robb, and also working with those things espoused by the Chinese president, we want to be part of that game.

The dynamics of what is happening has changed given that he wants to reconstitute the Silk Road maritime routes from Europe and the Americas down through and into Southeast Asia and Asia in general. We want to be part of that. We need to spread our wings further but again, with the debt levels we have and the things we have had to deal with as an incoming government, it has been a bit difficult. I have a budget and am trying to utilise it to meet contemporary practices.

As I said, Tasmania and South Australia have picked up some really good stuff in relation to trade and contracts as a result of their in-country person. We have looked at what we had in Jakarta, and some really good things came out of that but the game has changed.

The role of government is to make sure we stay relevant and change with the times. Otherwise we would all be living in caves and reading things on walls by firelight. We have changed and need to adapt.

Mr VOWLES: What budget appropriation have you given this new model?

Mr STYLES: It is the same budget appropriation as before - within that budget for the rest of this year, then a similar appropriation for next year. We have some left over from this year which will hopefully roll over into next year, and then we will make sure we do the very best for the Northern Territory.

Mr VOWLES: Well done, minister. I am finished with that output, Madam Chair.

Mr STYLES: Pleasure.

Madam CHAIR: That concludes consideration of Output 1.5 and Output Group 1.

OUTPUT GROUP 2 – TRAINING

Output 2.1 – Training NT

Madam CHAIR: We will now move to consider Output Group 2.0, Training, Output 2.1, Training NT. Are there any questions?

Mr McCARTHY: Minister, thanks for the opportunity to have this conversation.

Mr STYLES: Always a pleasure.

Mr McCARTHY: I would like you to visualise, as I work through these budget appropriation areas, 200 people busily going about their ways in Tennant Creek from Monday to Friday between the ages of 18 and 60 but not employed. We can take that to many regional centres. I do not know how far you go into the bush, but I could take you to remote towns and see this similar pattern. It is great to see the budget appropriation. It does not look like there is much of an increase, but you have some good money to work with.

I want to ask you questions about each appropriation area with that in mind and about how things can be done differently and what is new. What will be new in 2015-16 to address enormous challenges across the regional remote areas in the Northern Territory? Let us start with the \$1m in partnership with the Commonwealth to create 100 traineeships for Indigenous Territorians.

Mr STYLES: When I was the Minister for Infrastructure I started a process of changing the way we engage with regional, rural and remote Northern Territory to ensure we looked at Aboriginal people especially, and Aboriginal businesses. I started discussing issues with a business in Timber Creek which said, 'We would like you to start breaking down some of those large contracts, for instance, slashing the road. We have people with equipment, skills and capacity, but they probably do not have the skills and capacity to do the whole contract.'

I then broke it down. In the Department of Business I have encouraged my colleagues and we have – it is about creating training. We have a budget for Indigenous workforce initiatives in 2015-16 of \$1.461m. It is about training and engaging people. The government funding, through the Indigenous workforce initiatives program and the local jobs trainee program, which is where the 100 comes from - we have jointly supported 235 people progressing with their jobs in 2014-15. It is not about the 100, it is about the 1000 because we would like to see this program rolled out to the point where there will be smaller contracts up and down the highway to slash the highway.

There is a range of other initiatives. A total of 38 businesses and organisations have developed Indigenous workforce through those two initiatives alone. I look forward to seeing these people. They come into my office and say, 'We have a great idea'. I talk to my colleagues and make sure we implement that. Along with that comes training, but along with training you need jobs. It is no good training people then everybody just sitting down. You would have heard talk about the Australian government reintroducing CDEP, and people have raised that in a community. I will not name the community, but they want something like CDEP back. They want everyone working in their community even if it is just doing the gardening. They want people to get up and go to a job. There has been a change. You represent a bush seat and I am sure you have seen that change - people do not want a handout they want a hand up. The Department of Business is about doing that.

Talking about training - I do not know if this is the right output, it is business development. I was fortunate enough recently to see a lady in a small community about 18 km out of Alice Springs, just past the Simpsons Gap turnoff named Kathleen Buzzacott. She is one of many but this one stands out. She came to the department with an idea and a dream. We gave her some help and training for one of her sons. Out of that we created four jobs. The lady had been a very successful hairdresser in Alice Springs for 22 years.

She did not have enough money to kick-start a jewellery and Aboriginal art business. She had two sons who were doing various jobs. She has now created an industry for herself and employs her sons. Out of that we have created four jobs: hers, her two sons, and the new apprentice hairdresser in Alice Springs. That is one of many things we have been doing - encouraging Aboriginal people and rural people to do that. There is a range of other things we could go on all night about ...

Mr McCARTHY: Minister, can I get clarification because I have \$81m worth of initiatives. Is that first \$1m to create 100 traineeships for Indigenous Territorians in government in partnership with the Commonwealth? Are they government jobs - traineeships in government?

Mr STYLES: My understanding is it is right across. It is additional money to support local jobs and help businesses and organisations that want to employ Indigenous Territorians. We are about giving people a hand up not a handout. Then you have to have the jobs. I am working very hard with the Department of Business to make sure there are jobs for people and small businesses start up.

There is another example where a gentleman at Maningrida has been trained in an apprenticeship in refrigeration and air conditioning. He has gone home to Maningrida and now runs a small business there. Everybody loves him because he lives there, and if your air conditioner breaks he will fix it the same day. These are the opportunities we are creating. We do not have a fly-in, fly-out refrigeration air conditioning guy in Maningrida at the moment because a local is doing it.

There is another large contract - because of the commercial-in-confidence issue I will not use the name. We have been approached by people in the Territory to keep a larger contract because they want to employ between 28 and 32 Aboriginal apprentices so they can run through the four-year term of this contract and at the other end have qualified people.

If we can achieve that it will be a fantastic outcome because these apprentices live in regional, rural and remote area of the Territory and stay there. There are people who want to participate. That \$1m is being driven by the departments of Business and Infrastructure to make sure we have jobs available for these trainees. If we can do that with the \$1m and by keeping those contracts in place we can say, 'This is what we want to achieve, this is an outcome. We want 28 or 32 trained people at the end of this.'

Mr McCARTHY: Minister, there is \$4.4m for Territory employers to support employment of apprentices and trainees. Is it correct you have received \$4.4m by taking the payroll tax exemption from trainees and apprenticeships?

Mr STYLES: That should have gone to the Treasurer, but I am happy to answer it. There has been a change in the way the Treasurer is doing business. This is a more direct way where everyone can benefit. If a small business wants to employ an apprentice or trainee, some of the feedback we have been getting from small businesses is there is a cost.

Everything a business does costs. If mum and dad run the business, dad might be out working all day and mum is in the office keeping the wheels turning. This is extra. They are at home doing it at night time. Some people work pretty hard during the day and need to have a break but there is a cost and a time factor. The training for the future scheme has three grants available: when you commence an apprentice or a trainee and it is registered as a commencement the business will get a \$1000 payment to cover the time it takes to do the paperwork and the effort people have to go to. On completion of that apprentice or trainee, if their contract is recorded as complete then that business will get another \$2000 grant to cover the time they have had to put into it. If in mid-stream an apprentice changes his employer, there will be another \$500 grant to the person who takes over.

The \$1m you are talking about, in partnership with the Commonwealth to create 100 jobs, is for Aboriginal Territorians. We have exceeded 100 jobs and the retention rate is about 80%. It is not a bad effort to keep those people in jobs and keep them working.

Mr CARTHY: Thank you minister, you have confirmed that ...

Mr STYLES: The industry standard is about 50%, so we are achieving well above the industry standard.

Mr McCARTHY: We can discuss apprenticeship completion rates later. You have confirmed the Treasurer, who took the payroll tax exemption from apprentices and trainees, has created about \$4.4m. That has surfaced in this initiative. How much did you pay employers to encourage them taking on apprentices and trainees in 2014-15?

Mr STYLES: The payroll tax and the support given to apprentices was only for – the payroll tax only went to people who had a payroll over \$1.5m, so some people missing out. We have made it equitable across the board so it does not matter whether you employ 20 people or one, everyone is now equal and gets the same bite at it. It has changed the way small businesses and mums and dads can cover some of their costs as opposed to the payroll holiday on businesses and the \$1.5m magic number.

Mr McCARTHY: Minister, what was it in 2014-15 that you paid out to encourage employers to take on apprentices and trainees?

Mr STYLES: This starts on 1 July 2015 at \$4.4m per year.

Mr McCARTHY: Minister, that is the new scheme. What did you pay out in that incentive in the last financial year?

Mr STYLES: The same amount was paid out in 2014 15. That is \$4.4m, but it is now more equitable - everyone as opposed to some. The system, we believe, is far more fair and equitable and is across the board for all apprentices and trainees.

Mr McCARTHY: Minister, the same figure. It is obviously a gain by Treasury and the same in this initiative – \$41m, including Commonwealth funding, to registered training organisations to continue to deliver skills and training to Territorians. What is new in your policy for 2015-16?

Mr STYLES: Are you taking about vocational education and training?

Mr McCARTHY: The \$41m appropriated, including Commonwealth funding, to registered training organisations to continue to deliver skills training to Territorians. I asked you to visualise those – just Tennant Creek - 200 people.

Mr STYLES: We have \$41m for Charles Darwin Batchelor and other service providers. We have aggregated the lot and the 2015-16 budget is \$89.074m. Do you want to go line by line on this?

Mr McCARTHY: No, I would like to have a conversation - I only have 30 minutes left - about what is new, minister. Inspire me, I love learning and I want to see this appropriation, which is considerable, delivering for disadvantaged Territorians, Territorians with high support needs and those 200 unemployed people wandering the streets in Tennant Creek every day between the age of 18 and 60.

Mr STYLES: Let us look at some of the people who may be able to get to Batchelor Institute. As I said, \$41m to Charles Darwin University Batchelor Institute and other service providers to deliver VET programs across the Territory. I understand there are facilities in Tennant Creek, and it would be great if we could engage some of those people in training. The Tourism minister is putting some money in for tourism. There are opportunities.

Also, when we look across the Territory - you ask me to visualise Tennant Creek, but let us take the Territory. There are people in Ngukurr and Borroloola who have jobs but travel. A mining company employs people from that area, so there are jobs but people might have to travel. Those people in Tennant Creek - there are opportunities to become engaged. We are doing our best to make sure we keep certain contracts aggregated so we can employ people and give them a future. We are breaking down some contracts to make sure people can be employed.

For instance, a group in Elliott will become employed, if they are not already, - there is an equipment sharing arrangement. We went to the Commonwealth for a grant to buy some new equipment which will move around the place and various people will use it. It might be here for a couple of weeks and then somewhere else for a couple of weeks. People will use it for a particular job then it will go to other jobs. The people at Timber Creek have a number of contracts and are doing quite well employing local people. They look after the Bradshaw Firing Range and do a whole range of services I will not bore you with.

In Tennant Creek there is a facility to engage people and they are able to – again, I do not want to give it away, but these 28 to 32 jobs are in your part of the world. I would rather not say exactly where it is, but they are there.

Mr McCARTHY: A total of 32 jobs is 32 jobs, minister. I like people I learn from, and you have lectured us many times in parliament that it is not about money, it is about the output. That is what the CLP continually

lecture. What is new? Can you inspire the RTOs to try something different? How will they deal with issues of disadvantage and high support needs – unemployed?

Mr CONLAN: A point of order, Madam Chair! The minister has articulated the answer. He said he was quite happy to go through the \$41m line by line. Member for Barkly, you rejected that. The committee should feel satisfied with the minister's response. If the member for Barkly wants to discuss policy initiatives he can seek a briefing. This is not the forum for policy, notwithstanding your enthusiasm, member for Barkly. Madam Chair, I would ask that you rule we move on.

Madam CHAIR: Minister, do you feel you have answered the question?

Mr STYLES: We are going to future years. Estimates are about what we have done. I am happy to talk about it, but we are just going over the ground. We are making sure people are inspired. Part of my job as the minister is to talk to people and make sure they are aware of what government is doing and that we are looking at how we issue tenders, and aggregating or de-aggregating particular tenders so people have opportunities. We will not fix the problem overnight, but we are making sure rural and remote Territorians have opportunities to engage.

Mr McCARTHY: Minister, one agency able to articulate a lot of new initiatives is Charles Darwin University. Can you outline the funding in the appropriation for 2014-15 it received for training to employment?

Mr STYLES: Do you want me to answer what Charles Darwin University has done with its \$41m?

Mr McCARTHY: No, minister. Can you outline the figure it received in 2014-15? The appropriation the university received from the Northern Territory government in 2014-15?

Mr STYLES: As part of the training NT?

Mr McCARTHY: Yes, as part of the training package.

Mr STYLES: It was \$41m for Charles Darwin University Batchelor.

Mr McCARTHY: No, just Charles Darwin University at this stage.

Mr STYLES: I will take that on notice because I have a figure from when they worked together to deliver services.

Mr McCARTHY: Minister, could I add to that?

Mr CONLAN: Member for Barkly, as a member of the Public Accounts Committee I remind you this is to discuss the appropriation bill 2015-16 and operational matters surrounding that. The figure for Charles Darwin University for 2014-15 would be in a number of annual reports and, no doubt, it is available in the *Hansard* from last year's estimates. I feel this is a bit tedious and repetitive, and I do not think it is good use of the committee's time.

Mr McCARTHY: Minister, I want to add to that comparison of 2015-16. That was the next part of my question, before I was interrupted. In 2014-15 and 2015-16, a comparison in the funding Charles Darwin University received for training, which has many new and innovative programs it can articulate.

Mr STYLES: That is true. A range of money comes from government for Charles Darwin University, but we have not aggregated that so I cannot give an answer. I am happy to take that on notice.

Madam CHAIR: Are you happy to take both portions of the question on notice? Obviously the member for Barkly can get the first component, but if the department is willing to dig out ...

Mr STYLES: We are happy to try to give that breakdown. For 2014-15 we will provide what we did and the amounts of money we put to Charles Darwin University.

Madam CHAIR: Member for Barkly, can you clearly restate the question for the record?

Mr McCARTHY: Minister, could you provide funding details for Charles Darwin University training in 2014-15 and the figure in the 2015-16 appropriation, please.

Madam CHAIR: Minister, do you accept that question?

Mr STYLES: We will do it for 2014-15. We will not have the figures at this point in time. In relation to 2015-16, they will not be available until later. We will just it for 2014-15 and I am happy to give you a briefing on those things as they come along.

Mr McCARTHY: Why are they not available now, minister, if you are appropriating training funds to RTOs?

Mr STYLES: In relation to the last question, Charles Darwin University is funded on a couple of things. One is negotiation, the other is performance. If they do not do very much, they do not get very much. If they perform and work hard, they get more. It is a variable figure, so we cannot give you a definitive answer at this point in time. Later in the 2015-16 year we will have a better idea of what is going on.

Mr McCARTHY: In your budget lines, do you have an indicative figure put against Charles Darwin University?

Mr STYLES: What I cannot give you is a definitive answer, but we are very happy to give you a briefing on what we know and how those negotiations and performance agreements are put together.

Madam CHAIR: Should we take on notice the 2014-15, member for Barkly? Do you want to restate that question?

Mr McCARTHY: Minister, if you can provide the funding for the Charles Darwin University training for 2014-15, and the 2015-16 figure will be provided by briefing is that correct?

Mr STYLES: We will give you a briefing on that, but as I said, it is performance based and by negotiation. The other thing we have to remember is Charles Darwin University operates on a calendar year not a financial year. For instance, in 2014 the training delivery was \$33.9m. We are expecting the same in 2015, but obviously if the university performs better and gets more people and does a whole range of things we negotiate for further funding to go through. We are expecting it to be the same. If they do better than expected that is a good problem to have.

Madam CHAIR: That answers the question we were to take on notice?

Mr STYLES: That answers the question for ...

Madam CHAIR: For \$30m-odd for 2014-15?

Mr STYLES: The projected figure is \$33.5m but that may change if they do better ...

Mr McCARTHY: We have an actual for 2014-15 on the record. You are now saying there is a projected figure for 2015-16?

Mr STYLES: There is a projected figure of \$33.5m.

Mr McCARTHY: Minister, there are a couple of appropriations for apprentices. There is \$22.4m, \$6.2m and \$6m. One of my concerns when reading the budget books was completion rates. Out of the enrolment of apprenticeships and trainees – you are expecting in 2015-16 a total of 2800. If we go back a year approximately 1600 dropped out, which is a real concern to me. Can you elaborate on that dropout rate?

Mr STYLES: There is a bit of information about this. The NT completion rate for apprenticeships and trainees is currently 52%. Other employment and interstate relocations are major contributors to apprenticeship and trainee cancellations. In 2015-16 we have committed \$33.1m to support apprentices, trainees and their employers.

There are a few other things. For instance, at 30 April 2015 a total of 3898 apprentices and trainees were in training across the Territory, and of these 1876, or 48.1%, are in traditional trade occupations. Of the 3898, 1170 or 30% are women and 992 of that 3898 are Indigenous, which is 25.4%. Across the board we are achieving. If you go back, say to 2014, apprenticeship and training commencement increased by 360 to 2934, which was up from 2013 which was 2575.

Mr McCARTHY: I am particularly interested in the large dropout rate. Where I was going is whether there is any difference in adult apprentices to the traditional school leaver. In the appropriation - and once again flavouring it with anything new - are we targeting adult apprentices? Is there a better completion rate with adult apprentices? Should we be going to adult apprentices?

Mr STYLES: I do not have a definitive answer for that question, so I am happy to take it on notice and get back to you.

Question on Notice No 5.5

Madam CHAIR: Member for Barkly, please restate the question for the record.

Mr McCARTHY: In the 2014-15 year, how many adult apprentices were in the intake and how many adult apprentices were represented in the dropout rate compared to how many traditional apprentices in the school leavers and their dropout rate? I am interested in that analysis.

Madam CHAIR: You accept the question, minister?

Mr STYLES: I am happy to take the question on notice, Madam Chair.

Madam CHAIR: That is question number 5.5.

Mr McCARTHY: Minister, in the \$6.2m to continue support services for apprentices, trainees and employers, can you give us a breakdown and outline those initiatives?

Mr STYLES: We have aggregated those so we are trying to give you a breakdown on that. We do not have that level of detail available so I am happy to take that on notice as well.

Madam CHAIR: Yes, member for Barkly, please restate the question for the record.

Mr McCARTHY: Minister, in the budget highlights 2015-16 there is an entry of \$6.2m to continue support services for apprentices, trainees and employers. Could you outline those initiatives, give us a breakdown of the budget allocations and any other interesting information you care to provide.

Madam CHAIR: Minister, you accept the question?

Mr STYLES: We may be able to give you that breakdown and save a question on notice. We continue to provide financial incentives to eligible employers in the private sector to encourage employment of apprentices and trainees in areas of identified occupational shortage and for disadvantaged groups. Now 340 Northern Territory occupational shortage employer incentives are available annually at the value of \$4000 each, and 100 disadvantaged groups employer incentives are available annually at a value of \$2000 each.

There is the work wear work boots bonus, a one-off grant to eligible apprentices and trainees to assist with the cost of buying work wear, safety gear and other necessities during their first year. Again, there is \$1000 for apprentices training in identified N T occupational shortage areas and \$300 for all other eligible ones.

Disadvantage groups are identified as people with a disability, Aboriginal Territorians or migrants. A new round of 140 occupational shortage and 60 disadvantaged group employer incentives was released in April 2015. Those incentives are released in two rounds each financial year, aligning with peak periods of apprentice and trainee commencements. The total Workwear/Workgear Bonus claimed at 30 March 2015 was 5501 skilled shortage apprentices of \$1000 each and 9868 other apprentices and trainees at \$300 each. Does that go some way to answering your question?

Mr McCARTHY: That is great information to work off. Once again, the dollar appropriation - I am really interested in drilling into the outputs and new ways of doing business, minister. I hope I have impressed that upon you this evening?

What is the department doing to match skill sets across the Northern Territory?

Mr STYLES: We engage business. We have business development officers and have just funded another five. They are out on a one-to-one basis through the ICN and the Chamber of Commerce. The Department of Business is gaining information on a daily basis as to where the skills are. We do a survey to find out where the skill shortages are. That informs the next rounds of Designated Area Migration Agreements. We sometimes struggle, and this became very apparent at the trade and investment ministers conference, where the issue of attracting people to various places was discussed.

We have a number of skill shortages in the Territory. The Northern Territory Education, Employment and Training Authority is looking at that issue. It advises government when the industry training and advisory boards provides information, and we have quite a number of those boards. That is fed up through NTEETA, and NTEETA will say to government, 'We have a skill shortage here so we need to increase the number of trainees in this area'. We are getting that information constantly through the industry training advisory boards, and they bring it up through NTEETA. They advise government and the Department of Business will then look at how we incentivise various industries to take more people on. We talk to the training providers, both private and public, to make sure they are aware of the training initiatives we need.

If we are short on cooks and have too many plasterers, we will slow down on incentivising plasterers and incentivise people to take on more chefs, or we will get GTNT to take on more. The department has a range of options to incentivise industry to take care of those shortages. Where we cannot fill it locally the Designated Area Migration Agreement - the first one came into effect in August last year and was supposed to go through until February this year when number two was supposed to take effect. That has not quite been signed off, so we are still negotiating with the federal government. Once that is signed off it will take effect, but Designated Area Migration Agreement one is to continue until number two has been signed.

There were 16 occupational areas in number one, and that allowed 500 people per year to come in. I do not know if we reached that 500, but Designated Area Migration Agreement number two takes in about 63 different occupations and 500 people a year will try to fill those roles. They are for overseas workers. Obviously, if we can source people at home by training we do so, or people coming from interstate. We run industry attraction models around Australia. We have recently held them in Brisbane, Melbourne and Perth. They are attracting workers. We have also been to Ireland and Poland to get people to work here and fill those roles.

Overall, across our major towns there has been an improvement in the number of jobs filled in 2014 compared to say 2011. For instance, in 2014 in major remote towns there were 5100 jobs identified, an increase of 532 or 11.5% compared to 2011. Of those 5151 jobs, 4715 were filled and 436 were vacant.

In relation to those, Aboriginal people accounted for 2978 filled jobs, which is a pretty good effort at 63.1% compared to the 2597 filled jobs of 61.2% in 2011. The public sector accounted for 44.3% of all those jobs excluding public sector jobs funded in the private sector. That is compared to 51.2% in 2011. There are 2624 private sector filled jobs compared to 2170 in 2011. That is 55% in 2014 and 48.8% in 2011.

Persons aged between 15 and 24 years accounted for 8.4% of filled jobs compared with 7.7% in 2011, representing a net additional 68 youth in jobs. A total of 2817, or 59.7%, of filled jobs were permanent compared with 2627 in 2011, which is 69.1%. There were 2996 or 63.5% filled full-time jobs compared with 3025 or 71% in 2011. Males accounted for 49% of filled jobs and females accounted for 51%.

Maningrida experienced the largest increase in filled jobs, increasing by 112 or 43% to 398 jobs in 2014. This is attributed to a broad increase in jobs across most businesses and government departments at Maningrida. The individual MRT jobs profile can be accessed on our website so anyone can see what those figures are.

There are some good stories in that, some good increases. We will keep working with the Chamber of commerce in each town, and generally they are quite happy. I did a roadshow recently starting in Alice Springs then Tennant Creek, Katherine and the Darwin Chamber of Commerce. They are generally quite happy with what we are doing and the direction we are going, which is good feedback for us.

Mr McCARTHY: In discussions with regional industry and RTOs, industry is telling me that if we go down the traditional role of the accredited training pathway that is the best outcome but is the big picture. We need to deliver this quick response and immediate need of industry to support an employee. I am zoning in on the high-support needs employee. Is there any movement possible back to that style of training delivery, which is a quick response to what the employer needs and not enrolled in a national accreditation and that more local supportive opportunity?

Like I have said, industry has requested it. RTOs are keen to revisit this and say they can deliver it in the regions. I am interested to know if there is any opportunity for that.

Mr STYLES: In relation to Aboriginal training, it is one of our key priorities. You have probably heard the Chief Minister talk about this on many occasions. We are very interested in tapping into a workforce of people who now - there is a massive shift in the desire for a hand up not a handout, so we are very interested in providing training to make people work ready.

The Indigenous Responsive Program has an annual allocation of \$2.4m to support training of Aboriginal people, especially those located in regional and remote areas. The objectives of the program are to support the training activities delivered in communities which lead to employment opportunities, increasing work-ready skills for job seekers and supporting upskilling activities for employees.

Quite often you need to run these programs just to give people the basics, and I think that is what you are talking about if I am correct. That is about giving people the basics so they can start. There is a range of activities occurring in rural and remote Australia and there is \$2.4m to do that.

For the 2014 calendar year, 92 training programs were supported with 1131 Aboriginal participants undertaking training activities in 45 communities across the Territory, and 229 of those people gained employment. There is an outcome for this, and it is about getting people ready to go into these programs.

In 2015 to date, 53 training programs across 33 communities have been supported, with 593 participants identified to undertake training activities. Aboriginal Territorians can also access training through general skills development funded programs, but this is specifically for Aboriginal people. Of the 25 071 students undertaking vocational education and training in the Territory in 2014, 9997 or 39.9% were Aboriginal. That includes those in the Indigenous Responsive Programs we are talking about. That is a pretty good record. Given they are about 30% or 31% of the population, we have more people in that percentage of the population in jobs.

The other thing is the Local Jobs Traineeship Program currently has an employment retention rate of about 80% in the bush, which exceeds the general industry benchmark of 50% for the NT for all trainees. That is a pretty good result. Everything can be improved and we are continually looking for ways to improve that. We had an 80% retention rate, as opposed to 50% for the NT for all trainees.

Mr McCARTHY: Thank you, that is the work-ready stuff. Is there any room to move on the big end of town, the sheet metal workshop at Winnellie, with a quick response and identified need for an employee in the budget appropriation or in the ideology of the department?

Mr STYLES: We have the capacity to fund a range of initiatives to work with people to do those things. When we look at, for instance Shell Prelude, there are quite a number of Aboriginal people working in that program. In partnership with Shell Prelude, a number of people are becoming diesel engineers and fitters. We are able to work with people on quick response grants to get people into work. There is, to a great extent ...

Mr McCARTHY: Not necessarily Aboriginal, minister.

Mr STYLES: Not necessarily Aboriginal, but Prelude has a fair chunk of Aboriginal people in the 22 apprentices they have put on. Government, in conjunction with Prelude, is funding those positions to make sure those people are trained. At the end of that, they should be able to go straight into a job with Shell to maintain the equipment. The timing of the floating natural gas process plant is all coming together. Obviously there is some coordination. We want to make sure those people have a job to go straight to, which they do. That is another fantastic outcome. These are just some of the initiatives. Crowhurst Engineering in Katherine is doing some innovative things with apprentices.

They are all good news stories. We continue to negotiate with industry, industry bodies and industry training advisory boards to see how we can improve. The NTEETA board, which the iTab works to, can give us that feedback and make sure we are targeting the right areas. In short, yes, we have quick response grants to do the things you are talking about.

Madam CHAIR: I will interrupt as it is now 7 pm. We have half-an-hour allocated for the dinner break. We will see everyone back here ...

Mr McCARTHY: Madam Chair, do you want to wind this up? I could finish this off. Minister, I thank you and all the department officials. I have run out of time. As I said, I will take you up on that offer of briefings and we can submit questions. The opposition has a tight timetable. It is such a valuable area. I hope you do not run me down in a media release and say that I only participated for an hour, like the Chief Minister does. Thank you very much for the opportunity.

Madam Chair, I do not have any more questions in that appropriation.

Madam CHAIR: Does anybody have any other questions for the Department of Business? If that is the case we will let the Department of Business go home. Thank you very much for coming this evening.

Ms FYLES: Just to clarify ...

Mr CONLAN: Just the training component, not the department.

Ms FYLES: Yes, just the training component. We will move on to Output Group 3.0.

Madam CHAIR: Okay. I asked and no one said anything.

Ms FYLES: Lucky Mr Deputy Speaker was there.

Madam CHAIR: We are closing Output Group 2.0. I am sorry to false alarm or excite you. Let us have dinner and we will come back at 7.30 pm.

The committee suspended

OUTPUT GROUP 3.0 – POLICY AND REGULATORY SUPPORT

Output 3.1 – Licensing NT

Mr DEPUTY CHAIR: We will now consider Output Group 3.0, Policy and Regulatory Support, Output 3.1, Licensing NT. Are there any questions?

Ms FYLES: Minister, how many staff and how many dollars are budgeted for modernising and streamlining licensing for liquor, racing, gaming occupations and other licences?

Mr STYLES: We are just dragging out the information we need to give you. I can report to you that government is very keen to reduce red tape and cut down the cost of doing business. The more we can save the more money we can put into jobs, apprenticeships, building infrastructure and stuff that generates wealth instead of consuming it. We are very keen on our red tape reduction and have four people working in that area to reduce red tape.

Ms FYLES: That is a contradiction in itself, is it not? Four people working on reducing red tape.

Mr STYLES: When you look at the last decade and the amount of red tape that was put in place, I think it is in excess. The cost of red tape and regulations is around \$4bn. That is a lot of money, so we are trying to do whatever we can to reduce red tape.

In relation to licensing and those issues, we are actively working in this area to reduce it. In relation to how many people work in the policy and regulatory support area, there are 142.61. In Licensing NT it is 84.13, and at NT WorkSafe 58.48.

Ms FYLES: Minister, in your rush to reduce red tape in such a critical area can you tell us how many staff and how many dollars are budgeted for facilitating community-led solutions to reduce alcohol harm?

Mr CONLAN: Member for Nightcliff, are you able to clarify that question for me? I am unclear about what you are after.

Ms FYLES: We have heard comments from the minister in the past around community-led solutions for reducing alcohol harm. I am wondering how many staff and how much budget allocation there is for that.

Mr STYLES: I will see if I can answer the question. If you are not happy with the answer we will take part of it on notice.

Alcohol management plans are a great way for local communities to fix local problems. The other you would be well aware of is the temporary beat locations, which have been very effective. It is not community-led, but the community is very pleased with it. When I drove from Alice Springs to Darwin a number of weeks ago, the feedback from communities was great in relation to reduction in crime.

If you go through Tennant Creek there is no rubbish in the main street. There is no one lying around in the main street; it is an amazing transformation. When you look at some of the reductions - the temporary beat location is done in conjunction with local alcohol management plans and get everyone on board. It can have a dramatic effect in the community on reducing crime, especially domestic violence and bashings, so it is a success story

Alcohol management plans develop local solutions to alcohol harms and are developed by communities in conjunction with business, community organisations and other stakeholders. That includes police and government, so you get everyone around - the local council, elders if it is in an Aboriginal community, or if you have a large proportion in population.

The number of alcohol management plans signed off by the community in 2014-15 is 24, and 35 are being developed and implemented. In relation to money we are putting into developing alcohol management plans which are community-led solutions, in 2014-15 it is \$1.304m as at March 2015. That is the 2014-15 expenses we have spent on developing these community-led initiatives.

The budget for 2015-16 is \$2.183m, which is nearly double. We see a great value in community-led plans to resolve alcohol harm and come up with alcohol management plans.

Ms FYLES: Minister, are you able to provide any details on how many staff are involved in that?

Mr STYLES: In the department working on that?

Ms FYLES: Yes, how many staff are working on this?

Mr STYLES: I will try to get the figure. Hopefully, within the next minute or so, I will have an answer for that. Can I say ...

Ms FYLES: Minister, I am sorry to interrupt you, but apart from alcohol management plans, any other examples of community-led solutions that have been facilitated by the department.

Mr STYLES: Let us stay on alcohol management plans for the time being. A total of 24 have been signed off at the community level. This includes Palmerston, Jabiru, Groote Eylandt and Katherine. I do not know if you have been to Katherine recently, but the main street of Katherine is a different place. In fact, Katherine is a different place. The positive feedback I have from multicultural groups and the Chamber of Commerce, and generally talking to people in the coffee shops and places in the centres is amazing. They feel a whole lot better about living in their town and walking down the street.

The emphasis this financial year has been on accessing alcohol management plans against the alcohol management plans minimum standards and progressing AMPs for the approval of the federal Minister for Indigenous Affairs.

In 2015 the approach will move away from assessment against the alcohol management plans minimum standards and approval by the federal minister. This emphasis will be ongoing in assisting communities to put in place as quickly as possible practical actions on the ground to reduce alcohol harms.

The alcohol reference groups in Alice Springs and Tennant Creek have completed draft alcohol management plans that are due to be put out for public comment shortly before they are finalised. Again, not only do the local people and community groups have the ability to have input into these alcohol management plans, but it goes back out to the public for consultation so anyone else can have input.

Recently an alcohol reference group was set up in Nhulunbuy, east Arnhem, to develop the new integrated alcohol management plan with harm, demand and supply strategies and to review the current supply plan.

I spoke to the CBD liquor accord group in Darwin recently. That was established in 2010 when members voluntarily agreed to a range of initiatives designed to make the central business district a safer place. I have to applaud these people because they have joined together in the liquor accord. It is a written document between licenced venues and other stakeholders with the purpose of working together to support one another on issues that are mutually concerning to them, their patrons, the general public, police and anyone else who has input into that issue.

The accord is part of a joint venture with the Australian Hotels Association NT, obviously the Territory government ...

Ms FYLES: Minister, sorry to cut you off but I am well aware of the accord. We are very restricted by time, but you mentioned some of the communities that had alcohol management plans signed off this year and named a few of the major centres. Would you be able to provide, in detail, the 25 communities that were signed off this past financial year?

Mr STYLES: In relation to which communities they are, I will have to take that on notice. We just have an aggregated number here of 24.

Ms FYLES: Okay, yes.

Mr STYLES: In relation to the FTEs, working on this there are 15.85 FTEs.

Ms FYLES: Working on facilitating the community?

Mr STYLES: Yes.

Mr DEPUTY CHAIR: I need you to restate that question for Hansard please, member for Nightcliff.

Ms FYLES: Could the minister please identify the 25 communities that had alcohol management plans signed off this year as per the budget paper. That is the first question.

You may or may not have this information to hand. Can you list the names of the 29 communities expected to sign off this coming year on alcohol management plans? Are they in addition to the 25 you have done this financial year or is it recounted each year?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Mr STYLES: In relation to the 29, 35 are being developed and implemented at the moment ...

Ms FYLES: I apologise.

Mr STYLES: We are expecting all of those to be signed off ...

Ms FYLES: Sorry, you forecast 29 and you only signed off 25.

Mr STYLES: There are 24 signed off and 35 are being developed or implemented.

Ms FYLES: Are you able to provide the details of those locations?

Mr STYLES: Yes, we can do that.

Question on Notice No 5.6

Mr DEPUTY CHAIR: Can you re-state the question so it is clear for Hansard.

Ms FYLES: You will be providing those on notice, minister?

Mr STYLES: Yes.

Ms FYLES: Please provide details of the communities that had alcohol management plans signed off this year and the communities expected to have them signed off in the coming year please.

Mr STYLES: There is an estimate that by the end of this year 35 will be developed. We do not know when they will be signed off, but ...

Ms FYLES: No, just the communities that have been identified.

Mr DEPUTY CHAIR: Do you accept the question, minister?

Mr STYLES: Yes. Those 24 have already been nominated, but we will take it on notice. If you want to check that it is in the regional highlights.

Mr DEPUTY CHAIR: That question will be allocated number 5.6.

Ms FYLES: Minister, what is the breakdown of Territory and federal funding for the \$1.7m allocated to continue alcohol harm minimisation?

Mr STYLES: There are a number of inputs into alcohol minimisation through a range of areas. There is federal money and there is also local money, but you are talking about the \$1.7m federal money that has been allocated?

Ms FYLES: In the budget papers there is \$1.7m to continue alcohol harm minimisation. What is the breakdown of Territory and federal funding?

Mr STYLES: I will have to take that on notice. We do not have the exact breakdown of that figure, but are happy to take it on notice.

Ms FYLES: Thank you, minister.

Question on Notice No 5.7

Mr BARRETT: Member for Nightcliff, if you could please restate the question for Hansard.

Ms FYLES: Minister, please provide the breakdown in Territory and federal funding of the \$1.7m to continue alcohol harm minimisation.

Mr DEPUTY CHAIR: Minister, do you accept the question?

Mr STYLES: I accept the question, Mr Deputy Chair.

Mr DEPUTY CHAIR: That question will be allocated number 5.7.

Ms FYLES: Minister, how many premises in the Northern Territory are licensed to sell takeaway alcohol, alcohol to drink at the establishment, and can you table that please?

Mr STYLES: Do you want the numbers or do you want a list? There are two questions there.

Ms FYLES: How many are there and at what locations. I am not sure what breakdown you have.

Mr STYLES: Mr Deputy Chair, we will take that on notice too.

Question on Notice No 5.8

Mr DEPUTY CHAIR: Member for Nightcliff, could restate the question for Hansard.

Ms FYLES: How many premises in the Northern Territory are licensed to sell takeaway alcohol, alcohol to drink at the establishment, and can you provide the locations?

Mr STYLES: We will take that on notice too.

Mr DEPUTY CHAIR: Do you accept the question?

Mr STYLES: Yes.

Mr DEPUTY CHAIR: That question will be allocated question number 5.8.

Ms FYLES: Minister, are you able to update the committee on where we are with removal of the cap on takeaway licences?

Mr STYLES: The removal of the cap on takeaway licences?

Ms FYLES: There has been talk in the community of removing the number of takeaway licences.

Mr STYLES: Are you talking about Sunday trading?

Ms FYLES: No, I had Sunday trading as a separate question, but if you want to combine them in the answer if that is easier then I am happy with that.

Mr STYLES: There has never been a cap, and I am not quite sure I fully understand the question. There has never been a cap on takeaway licences. In relation to licences themselves, there was a cap on liquor licences, if I am correct.

We have a whole policy shift here. A moratorium on takeaway licences was lifted last year, similar to gaming machines. It is about a change in attitude where there are now guidelines for takeaway licences. We have shifted from the Licensing Commission to the Director-General, who operates under some pretty specific requirements as to what he or she does. You have to have a good reason, you need community impact statements and there are hurdles you need to go through. It is similar with gaming machines. Because there is no cap does not mean there will be wholesale granting of takeaway licences, liquor licences, licences for electronic gaming machines or any other form of gambling. It is about issuing guidelines and making sure people are playing on a level field. When you have an increase in population - it is like taxis, if you double your population people want twice the number of taxis.

It is not about holus-bolus allowing people to have takeaway licences. These consider local impact, and that is all covered in community impact statements. We are keen on making sure the community is aware of what is happening and has input into what happens.

In relation to Sunday trading for liquor stores, we have some issues in the community and are trying to deal with them in relation to temporary beat locations. At this point in time to increase the number of premises selling liquor on a Sunday - we are not moving at this stage and have already stated that as a previous policy. We are not allowing any more Sunday trading licences in stores, corner shops or things like that. They have pretty generous hours for the rest of the week, but that is the current situation.

If that does not answer those two questions I am happy to continue.

Ms FYLES: Minister, when you said you have some issues in the community in relation to TBLs, can you elaborate on that?

Mr STYLES: There is a resourcing issue for a start. In relation to takeaway licences and Sunday trading for liquor stores, this has been a policy for 30 years and both sides of politics have pursued it. We kept it going when the Country Liberals were previously in government. When the Labor Party took government it remained, and they reiterated there would be no Sunday trading for liquor stores. We have continued on at this point in time.

At some stage in the future we might revisit that, but we do not have any plans to at the moment.

Ms FYLES: You mentioned earlier, and please excuse me if I am wrong, a moratorium that was lifted in relation to takeaway licences last year, is that correct?

Mr STYLES: Yes, it was lifted last year.

Ms FYLES: As a result of that moratorium being lifted have there been takeaway liquor licence applications?

Mr STYLES: I will take it on notice to give you exact numbers. I am not familiar with how many have been issued. I do not know which ones they are, but my understanding is some have been issued. Again it boils down to population movement. If you live in Nightcliff, you can duck down to the shop and get your bottle of wine, but if you are in Bellamack you have to drive 3.2 km. From your house you could just about walk or take the kids for a ride to buy a bottle of wine for dinner. Other people may not want to get into their car and drive 7 km or 8 km to get a bottle of wine or alcoholic beverage. We are about making sure that when the demographics change and people want to build premises - when they want to compete they can on a level playing field. If you have somewhere in a growing area like Palmerston, and someone wants to build a shopping centre and wants to have a TAB and a takeaway licence, the Director-General will consider that. There are many things the Director-General has to take into consideration when issuing licences.

Ms FYLES: Do you want me to repeat the question for the purposes of Hansard so you can provide us

Question on Notice No 5.9

Mr STYLES: If that does not answer your question then repeat the question.

Ms FYLES: Since the moratorium on takeaway licences was lifted last year, how many and what are the locations of the takeaway licences issued?

Mr STYLES: We are happy to take that on notice.

Mr CHAIR: Okay, that question will be allocated number 5.9.

Ms FYLES: Thank you, minister. You touched lightly on Sunday trading and then we started talking about something else. Are you able to provide an update of where things are at with Sunday trading?

Mr STYLES: Basically I alluded to it before, but successive governments on both sides of politics have not permitted liquor merchants or liquor stores to trade on Sundays. On 6 February this year the Director-General of Licensing and I met with representatives of the NT Liquor Stores Association and Sunday trading was discussed.

It was noted that the Liquor Regulations did not allow the Director-General of Licensing to approve Sunday trading for stores if he was convinced it would not create any alcohol-related harm. Subsequent to this meeting Cabinet considered the issue of Sunday trading for stores and confirmed government's position that licensed stores and liquor merchants should not be able to trade on Sundays, and that they should not be able to apply for a variation of licence conditions to allow Sunday trade.

They made applications on the off chance they would be successful. That led to a couple of applications coming in. We changed it so you cannot apply and that we do not have to accept an application at this point in time. If the situation changes in the future this or any other government in the Northern Territory has the option to change that, but both sides of politics have taken the same line.

Between the meeting in February 2015 and Cabinet confirming the government's position, a number of applications were received by Licensing NT through applications being advertised for public comment. A bill to amend the *Liquor Act* and the Liquor Regulations was introduced to parliament in the April 2015 parliamentary sittings to ensure government policy can be implemented and maintained. There is nil budget impact on that; however, it will be necessary to provide compensation for three applicants who spent funds on the advertising process.

That was just a misunderstanding by people who formed part of the Liquor Stores Association, but some compensation may have to go to those people.

Ms FYLES: Was it a misunderstanding or was there an anomaly in the legislation that they could apply previously, and then Cabinet made a decision and thus introduced legislation to change that?

Mr STYLES: Basically, anyone can apply for anything.

Ms FYLES: They were under the impression from that meeting they could apply, so they did?

Mr STYLES: No, you always had the right to apply, but the policy position was we would not approve them. As a result of that meeting they thought, 'We will push this and see what happens', so they did. Three applied. Rather than say to these people, 'This is the risk, this is the position, it hasn't changed for 30-odd years', someone in that meeting took - from my understanding and this is only an assumption - from that meeting an invitation to ...

Ms FYLES: Were you at that meeting or is that the previous one?

Mr STYLES: No, I was at that meeting. I was at the meeting with the Liquor Stores Association. I am very clear on what was said at that meeting, but someone has misinterpreted what I said and, as such, we received three applications.

I know what I said, and other people have claimed what they believe they heard. There is some debate on that, but as a result they did certain things and three applications came in. As a result of that, we made it very clear to the industry that we do not have to accept an application for Sunday trading. That can change in the future, but that has been the policy of successive governments. It is our policy and it will be until we find some reason to change it in the future.

Ms FYLES: Has there been a reduction in late night inspections? Are there any funding issues or is that a policy shift around ignoring late night licensees?

Mr STYLES: The situation is the licence inspectors have reduced the number of late night inspections in consultation with police. The police are going there anyway, so they are doing it on their behalf. Having been a former police officer I am aware of those types of arrangements. They work quite well as police are out there anyway.

As I said in my opening statement, when you are left with a pretty horrendous debt situation of 98% debt to income ratio you have to look for savings. Two groups were doing exactly the same thing. We have worked very closely with police and been able to negotiate with them to do the inspections and feed the information back to us. That is a situation the police are very happy with and we are happy with. We have been able to do other inspections and get the inspectors onto a whole range of different activities instead of doubling up.

Anywhere we can reduce the cost to government reduces the cost to the taxpayer as well. We are very keen. It is working quite well at the moment. If it stops working we will reassess it.

Ms FYLES: Obviously alcohol and licensing is a huge issue across the Territory. Are you planning to approve any licensed premises in Indigenous communities this year?

Mr STYLES: There are a couple of problems with that question. First, I do not approve them, the Director-General does. I am assuming you meant the royal 'we' as the government or those who work for the government. I am not aware of any applications. However, the policy of this government is if a community would like some type of licensed premises in their community the Director-General has to look at it in relation to a community impact statement. If you are talking about an Aboriginal community, there would have to be a desire from the Aboriginal community. You just do not say, 'We are going to do this'.

I have been vocal on this issue before. Rather than have people drinking irresponsibly next to roads, or walking on roads and having accidents, if you have licensed premises - I am not talking about a tin shed with a fridge, I am talking about proper well-designed licensed premises able to serve food and look after their clients, perhaps with a business plan that says all the profits go into the youth development officers who look after the youth - you can regulate quite well.

The other thing communities can do under those circumstances is self-regulate if you have a committee. You have to have some pretty strict rules around this sort of thing. Again, as a former police officer, I have seen some communities that work really well, but others become dysfunctional. It is all about management and the ground rules you set to give people a licence. If they cannot meet them the community does not get it.

You need a whole lot of input from the community, police and local health people. All the government services in any location will be consulted. Of course, the community has to be the driver. It would not be me, the Director of Licensing, or anyone else saying, 'I would like to set up a hotel in the middle of a community'. It has to be community driven. There are some good ones which function very well.

Ms FYLES: Minister, can you provide details on how many premises in the NT have pokies? Can you provide how many at each of the premises?

Mr STYLES: I would be happy to take that on notice. I do not have the exact figures, but we would be very happy to take that on notice.

Question on Notice No 5.10

Mr DEPUTY CHAIR: Would you please restate the question for the purpose of Hansard?

Ms FYLES: How many premises in the NT have poker machines? Can you provide details of how many at each of the premises?

Mr DEPUTY CHAIR: Do you accept the question, minister?

Mr STYLES: I accept the question, Mr Deputy Chair.

Mr DEPUTY CHAIR: That will be allocated question number 5.10.

Ms FYLES: Minister, are there any plans for a new casino licence for the Northern Territory?

Mr STYLES: No.

Ms FYLES: Minister, you have increased the Community Benefit Fund by \$8.7m to \$11.9m. What is the \$11.9m, as a percentage, of what the Northern Territory government takes from pokie taxes? Is it the 10% as stated in the *Northern Territory News* earlier this month?

Mr STYLES: The increase is 10% of what the two casinos take. It has been decided that the casinos would be contributing to the Community Benefit Fund. I met with Amity today – they are very pleased because it means there are more funds for amelioration and harmonisation of that small percentage of people who have an issue. The community fund will receive a significant boost in 2015-16.

Ms FYLES: Are you able to confirm the percentage and the figure?

Mr STYLES: The increase is what will come from the contribution from the casinos. Clubs are required to return around 10% of their total turnover in pokie machines back into the community, and that is where we get the footy socks and jumpers and all that stuff. Pubs are required to pay into the Community Benefit Fund 10% of their turnover, and that has now been applied to the casinos. The amount of money coming in is 10% of their turnover through their electronic gaming machines. That figure of around \$8.7m is 10% of the combined turnover of Lasseters and SKYCITY Casinos.

If you want a breakdown of that tax you will have to write to the Treasurer because that is what we have been advised we are getting in the Community Benefit Fund.

Ms FYLES: Thank you, minister.

Mr STYLES: That will benefit a whole lot of people.

Ms FYLES: Minister, have you earmarked a minimum of that amount to go towards problem gambling programs?

Mr STYLES: Somerville, Amity and organisations like that will make an application for grants. In relation to the Community Benefit Fund, we have now gone on four rounds each year from minor grants and four for major grants. We have doubled the size of the grants. The small grants are from \$5000 to \$10 000, and we have also taken the major grants up to \$200 000. I know, because I met with Amity today, that there will be an increased amount of money.

Ms FYLES: Minister, have you earmarked a minimum amount that will be ...

Mr STYLES: There is no minimum amount. They will tell us what they need. This is over and above what they have now. There are other applications they have made, and I am aware these things are ...

Ms FYLES: Over and above the \$400 000 they have been cut from the federal government?

Mr STYLES: Over and above what we give them from the Community Benefit Fund already.

Ms FYLES: Is any other money being spent on problem gambling programs?

Mr STYLES: About \$843 000 is being spent on investigations into how to best help problem gamblers.

Ms FYLES: Is government doing that or an NGO?

Mr STYLES: They have engaged people to do it. They are driving the study. That is Amity, and I think Somerville is doing some as well.

Ms FYLES: Where is that money coming from? Is that all Northern Territory government funding?

Mr STYLES: There is \$2m earmarked for 2015-16 but it is coming out of the Community Benefit Fund.

Ms FYLES: So, \$2m is coming out of the Community Benefit Fund towards problem gambling programs?

Mr STYLES: There are a number of sources Amity, Somerville and those organisations get their money from. I do not know the exact breakup.

Ms FYLES: I am not asking for a breakup of where Amity and Somerville get their funding from, I am asking what minimum amount you have earmarked of the additional, and what government money is being spent on problem gambling?

Mr STYLES: In 2015-16 at least \$2m out of the Community Benefit Fund will go to amelioration.

Ms FYLES: We are seeing significant increases to the Community Benefit Fund from casino revenue and additional pokie licences. Of that significant increase to the Community Benefit Fund, \$2m has been pulled out to deal with problem gambling. Is there any other NT government funding to support problem gamblers?

Mr STYLES: It is coming out of the Community Benefit Fund at this point in time.

Ms FYLES: That \$2m is all there is to support problem gambling in the Territory?

Mr STYLES: No, you cannot say that is all there is because once those funds ...

Ms FYLES: Of Northern Territory government funds?

Mr STYLES: It is Community Benefit Funds not NTG funds. It is coming out of the contribution from the casino. That extra is coming in.

Ms FYLES: There is \$2m from the Community Benefit Fund. Are there any other Northern Territory government funds to assist problem gambling programs?

Mr STYLES: If you take Somerville for instance - I do not know what Somerville does, but they get other monies from the federal government and other sources. I do not know how much of that is NTG money. I cannot give you a definitive answer, but when we are talking about the Community Benefit Fund I can say ...

Ms FYLES: It is a significant amount. We have an extra \$120m in revenue yet less than 10% is going to help people with gambling addictions.

Mr STYLES: There will be some other issues because you will find the casinos, from their community contributions – I do not know what they will do in relation to that. That will have to come out of the Community Benefit Fund as well.

Ms FYLES: I do not quite understand what you mean when you say what casinos do.

Mr STYLES: Casinos sponsor many things.

Ms FYLES: Yes, but we are talking about problem gamblers.

Mr DEPUTY SPEAKER: I will pull it up there. I really want ask a question, answer a question, ask a question, answer a question every time. Every time you ask another question when he is halfway through talking it throws the process. Can we keep it neat please?

Ms FYLES: I will state the question for the record. We have seen an increase of \$120m in revenue from poker machines and casinos and less than 10% of that is going to help problem gamblers.

Mr STYLES: I want to clarify ...

Mr DEPUTY SPEAKER: Where is the question in that? That is a statement.

Ms FYLES: I am asking if there is any more than 10%.

Mr DEPUTY SPEAKER: Okay.

Mr STYLES: For clarification, 10% of what casinos - the hotels contribute already, but 10% of the gross profit on casino pokies is what goes in. It is not the turnover; it is 10% of the gross profit. When you look at the increase the casinos - I will not go into what they may or may not do because that is up to them, but casinos spend a lot of money in the community as part of their community benefit and community payment obligations, just like clubs do. They are required to spend money in the community. We leave those clubs alone because they support mums and dads and make sure the kids have their socks and footy boots or whatever they do.

The casinos have sponsored many things. We do not know how much they will withdraw if indeed they do. They may choose not to, but when I met Amity today there is another program they want support for. I suggested they would probably get support from the Department of Business through the Community Benefit Fund committee, which would assess it.

I fully supported what they are proposing, and that is money coming out of the Community Benefit Fund. There is money over that \$2m that will come in. I imagine all sorts of communities will benefit from those extra dollars, but we will have to wait to see what the casinos withdraw, if they do. Because there are rounds, a whole lot of community groups have been encouraged publicly to get their applications in for the first round.

Ms FYLES: Is that to help with problem gambling?

Mr STYLES: Yes, one of them. I spoke about that today, it is about problem gambling. I suggest the committee would see that as a very viable grant to give to an organisation.

Ms FYLES: With the lifting of poker machine caps, last year the minister mentioned a review was taking place. Are you able to update us on that review?

Mr STYLES: A review of what?

Ms FYLES: He mentioned there was a review of everything around poker machines across the Territory and licences. The Department of Business was undertaking an investigation looking at licensing arrangements.

Mr STYLES: I was not the minister at the time, but my understanding is part of that review and the assessment of what was happening led to lifting the cap on poker machines.

Ms FYLES: Are you able to table a copy of that review?

Mr STYLES: I do not have a copy of the review. My understanding is the work done in that area led to the review. I do not think there is a document for the review, is there? There are assessments which provided advice through the government, which led to us lifting the cap on poker machines.

Again, the recommendations that have been put through to the government are that there are very rigorous hurdles to get over to get extra machines. A venue catchment area atlas has been produced, an excellent body of work. Some more work is about to be done once a certain organisation gets their application in. I feel very confident that they will get the money to do some work on problem gambling.

Ms FYLES: We have seen a significant increase in poker machines across the Territory. We have an increase, one would assume, in profit coming to the Northern Territory government, but we have got no real increases in the amount of funds to support problem gamblers?

Mr STYLES: I am a bit confused. On what basis do you say there has been a significant increase of gaming machines across the Northern Territory?

Ms FYLES: The cap has been lifted so now the numbers can ...

Mr STYLES: You said there is a significant increase in the numbers. Are you suggesting that ...

Ms FYLES: The cap has been increased.

Mr STYLES: The cap has been taken away, but there has been no significant increase in the number of electronic gaming machines.

Ms FYLES: One would assume we will see an increase, but in this budget we do not see a significant increase to support problem gamblers.

Mr STYLES: I do not accept the premise of the question. You are assuming there will be a significant increase. There has not been a significant increase. The hurdles people have to go through – the difference between the previous government and this government is we give people an opportunity to go through the process rather than having moratoriums.

Ms FYLES: You let them go through the process on takeaway licences and three have applied for them.

Mr STYLES: That is true, but if you are able to go through a process to demonstrate – that was government policy and has been for 30 years. There is no change. We had to clarify to some people who I believe were misinformed. That is sad, but some people got that wrong, they were misinformed and we have clarified that. We have not changed the policy; that has always been the policy.

With electronic gaming machines, when you have a population increase - in a new residential development area to service people a new supermarket and new schools will be built. A range of things occur when you have an increase in population. We have taken the cap off which means we will entertain applications, but there are a whole lot of hurdles.

The guidelines around getting more poker machines show you have to go through a very rigorous community impact statement. That is if you are at your limit. Even if you are not, you still have to justify why you want extra machines and the impact it will have on your community.

If you have a business in Mitchell Street and say, 'I have 10 machines, I can go to 20 now', it does not mean you will get 20 machines. You might not even get one. If you are in a pretty well saturated area – and the venue catchment area atlas is an excellent document and one of the tools the Director-General will use to determine whether they get any extra poker machines. They might not get any.

Mr CONLAN: Minister, as a point of order or perhaps to assist PAC members with this line of questioning, it is my understanding that the member for Nightcliff is interested in gauging how much money from gambling revenue is used to assist problem gamblers. I suggest a whole range of services is available from the Northern Territory government. Problem gambling assistance does not rest solely and squarely with the Department of Business, that is, the department of Licensing. There is a whole range of government services.

The member for Nightcliff is not quite satisfied with the amount the Department of Business is putting in. That is fine ...

Ms FYLES: I have not said that.

Mr CONLAN: ... and the prerogative and right of the member for Nightcliff. We have exhausted this line of questioning. You satisfied me, as a member of the PAC, minister. Madam Chair, if you would like to make a ruling so we can move on.

Ms FYLES: My point is it is important that we have seen significant changes. Problem gambling is a huge issue in our community. The implications are wide-reaching and felt every day by families. The words you used about the Director-General and the information he uses - we need to be careful here.

I thank staff from the department who are here tonight, and the ones behind the scenes, for their information. I look forward to receiving some more of the data afterwards. I thank the minister on this output. I do not have further questions.

Mr STYLES: I can give you one final answer. In 2014-15 \$1.2m was invested in problem gambling services, and we have earmarked \$2m, an increase of 66%, to invest in problem gambling services in 2015-16. I share your concerns. What you have said is not lost on me. I would not be allowing the Director-General to go out willy-nilly and put gaming machines all over the place. That is not the intent. The intent is to listen to people, and if people can put up a good argument the Director-General will consider it.

If the guidelines for the Director-General are not sufficient we will change the guidelines, and if necessary, change the legislation. We are not about flooding the place with electronic gaming machines. I make that very clear. I appreciate your questions and your concern. We share those concerns and that is why we put some pretty rigid hurdles in place to make sure that cannot happen.

Mr DEPUTY CHAIR: That concludes consideration of Output 3.1.

Output 3.2 – NT WorkSafe

Mr DEPUTY CHAIR: The committee will now consider Output 3.2, NT WorkSafe. Are there any questions on Output 3.2, NT WorkSafe?

Ms WALKER: Minister, did you have an opening statement on NT WorkSafe or are we heading straight into questions?

Mr STYLES: No, no.

Mr DEPUTY CHAIR: Straight into questions. Ministers make an opening statement on all output areas at the start.

Ms WALKER: Minister, can you please advise how many staff are assigned to NT WorkSafe and what level those staff are?

Mr STYLES: NT WorkSafe FTEs is 58.48.

Ms WALKER: Can you provide a breakdown at what level those staff are? That is coming?

Mr STYLES: Absolutely. I have one I prepared earlier.

Ms WALKER: Thank you, you are so organised.

Mr STYLES: An AO2 is one, AO4 is 9.46, AO5 is 3.97, AO6 is 20.1, AO7 is five, an AQF3A is one, a BM is zero, an ECO1 position is one person, an ECO2 we have one, SAO1 is 2.95, SAO2 is five, T4 is one, T5 is six, and T6 is one.

Ms WALKER: Of those positions, which would we identify as inspectors? I am trying to identify how many inspectors you have in the agency. I am not sure what their designation is in the system.

Mr STYLES: I will take that on notice, member for Nhulunbuy, because a range of people, depending on what area and what industry they are in, need different qualifications. We might have people at A06 or 5. A lot of staff are at the A06 level. One might assume they are the inspectors, but I cannot give you a definitive answer so I will take that on notice.

Question on Notice No 5.11

Mr DEPUTY CHAIR: For the purpose of Hansard, member for Nhulunbuy, would you kindly restate the question?

Ms WALKER: Can you please advise how many inspectors the agency has and the designation of each of those positions?

Mr DEPUTY CHAIR: For the purpose of Hansard, this question will be allocated number 5.11, assuming you accept the question.

Mr STYLES: I accept the question, Mr Chair.

Ms WALKER: Can you please advise how many companies, businesses or people were investigated in 2014-15 to 31 March 2015?

Mr STYLES: Perhaps I can answer it in this way. NT WorkSafe continues to investigate workplace incidents, accidents, fatalities and pursue sanctions as appropriate.

Ongoing investigations include the fatality of a member of a guided tour party in June 2014; someone who fell from a height of approximately 30 m at Kestrel Falls at Kings Canyon. There was an incident in Gunbalanya in April 2014 where a worker sustained serious injuries when a pallet of vinyl flooring fell on the worker while unloading a truck. There was an incident in March 2005 where a worker received a partial leg amputation while undertaking landscaping work in the Mary River National Park, and an incident in April 2015 where a worker sustained significant injuries after a fall from a height on a construction site in Darwin.

Applications for consideration of enforceable undertakings have been received in relation to an incident in Berrimah in May 2013 involving an explosion followed by an uncontrolled fire which occurred after a worker was directed to dewater recycled oil by heating the oil tank to eliminate any water in the oil. Sadly, there was the fatality of a maintenance officer in Gove in February 2014 who was caught in moving parts of a lime kiln while conducting maintenance work on it during its operation.

Prosecution has commenced for the fatality of a hot air balloon passenger in Alice Springs in July 2013 who was fatally injured when the passenger's scarf was drawn into the rear of a cold air fan while boarding the balloon.

In relation to work places and visitations, there were 2689 work places visited by NT WorkSafe.

Ms WALKER: What was that figure, minister?

Mr STYLES: It was 2689 over the last year. Workers and businesses – there have been 127 work, health and safety education sessions. You might be aware that NT WorkSafe is taking a very proactive role in educating people in safety on work sites and safety in the workplace. Rather than going out with a big stick to ensure everyone follows the rules they have been educating people. You, as an educator, would understand it is not necessarily about punitive action, it is about working with people to lift them and their standards. That is what NT WorkSafe is doing.

They continue to investigate incidents, accidents, fatalities and pursue sanctions. Basically they are appropriate while working under the National Compliance and Enforcement Policy. This policy sets out the approach work health and safety regulators take to compliance and enforcements under the model of work health and safety under the national uniform legislation act and regulations. They are about making sure people behave themselves, making sure they do the right thing, but that also encompasses teaching people and making sure they are aware of their obligations and, in most cases, making sure people learn about occupation health and safety and workplace safety.

Ms WALKER: Can I clarify something because the question was around seeking the data - a number around how many investigations there had been. I suggested in the 2014 financial year through to 31 March. I would not include in that, for instance, if I heard you correctly, the 127 work health safety education sessions. I am talking purely about investigations, whether they be incidents, accidents or fatalities.

Mr STYLES: I do not have a definitive answer to give you. I suggest we take that on notice.

Ms WALKER: Thank you, minister.

Question on Notice No 5.12

Madam CHAIR: Please restate the question for the record.

Ms WALKER: Please advise how many companies, businesses or people were investigated in 2014-15 through to 31 March.

Madam CHAIR: Minister, do you accept the question?

Mr STYLES: I accept that question.

Madam CHAIR: That question will be number 5.12.

Ms WALKER: Minister, I suspect with the next question I am about to ask ...

Mr STYLES: Before you go on, can I give you an answer to the question in relation to the breakdown on inspectors?

Ms WALKER: Yes.

Mr STYLES: There are 33 inspectors. A total of 20 are general, five are mining, six electrical, one major hazards and one director. Did you want to know what level they are?

Ms WALKER: No, what you have told me is fine.

Madam CHAIR: Was that a question taken on notice, minister?

Mr STYLES: It was, and we have an answer for it.

Madam CHAIR: Do you have the reference number?

Ms WALKER: If you have the designated level that would be helpful as well.

Mr STYLES: We will continue to take that on notice.

Madam CHAIR: That was your answer to question 5.11?

Mr STYLES: No.

Ms WALKER: Part of it, so we know there are 33 inspectors.

Mr STYLES: We will give you the whole answer as you asked.

Ms WALKER: Okay, thanks for that.

My next question follows on from the last question you took on notice. You may need to take this on notice as well. How many of those companies, businesses or people were repeat investigations and how many were repeated more than twice?

Mr STYLES: Madam Chair, we will have to take that one on notice as well.

Question on Notice No 5.13

Madam CHAIR: Member for Nhulunbuy, please restate the question for the record.

Ms WALKER: How many of those companies, businesses or people were repeat investigations and how many were repeated more than twice?

Madam CHAIR: Minister, do you accept the question?

Mr STYLES: We accept the question, Madam Chair.

Madam CHAIR: That is question number 5.13.

Ms WALKER: I guess it is important to understand what repeat offenders are not lifting their game for whatever reason. That is where the interest comes from.

How many companies, businesses or people were charged with offences against WorkSafe legislation in 2014-15? Again, if it helps, to 31 March - end of that quarter?

Mr STYLES: Madam Chair, we will take on notice as well.

Question on Notice No 5.14

Madam CHAIR: Please restate the question for the record.

Ms WALKER: How many companies, businesses or people were charged with offences against WorkSafe legislation in 2014 through to the end of the first quarter 2015?

Madam CHAIR: Minister, you accept the question?

Mr STYLES: I accept the question, Madam Chair.

Madam CHAIR: That question is number 5.14.

Question on Notice No 5.15

Ms WALKER: I suspect you will need to take this one on notice as well, minister. In that same period, how many were fined in 2014?

Mr STYLES: Take that one on notice. We accept that question, Madam Chair.

Madam CHAIR: That can be number 5.15.

Ms WALKER: I am sure you can answer this one. Can you talk me through some of the education programs the agency undertakes? You talked about that a little when I was asking you about the roles staff have, and I would like to know how you deliver those education programs in remote areas of the Territory.

Mr STYLES: Member for Nhulunbuy, it is a complex question because there are so many different answers to it, but I will give it a general answer and see if this is sufficient.

With the Cattlemen's Association, we are working through that. We have people from NT Work Health running education sessions. Various industry groups have identified some of their problem areas so we have people on the ground running information sessions, making sure people are trained and aware. The various industry training advisory boards provide feedback when they are looking for training in an area.

When they identify work health and safety, especially areas, practices or groups of people who are demonstrating risky behaviour, we need to attend. They do that on a one-on-one basis so we have people visiting businesses and industry groups. We train the industry groups so they can run their own training sessions. We give that training to say the Cattlemen's Association, so they have their field officers run through those things, but we also send our people out to do things.

A broad range of activities form part of the answer to that question. We are aware that when we identify problem areas or instances of serious accidents, or sadly fatalities, we make sure we look at how we can improve the work health and safety practices of that person, business or industry. Where people are negligent they are prosecuted. There is one happening at the moment in relation to that.

Ms WALKER: Thank you, minister. I appreciate the breadth of programs and striking that balance while trying to be proactive alongside, as well as the reactive work you need to do in relation to that.

Mr STYLES: It is a problem, but I know some of the people there and know their tenacity in making sure they are proactive, because it is not necessarily about going out after the event. They are being proactive and training people to ensure they fulfil their obligations relation to OH&S, but also ensure they have the information available to them.

We work in partnership with the commercial fishing industry. I do not know if you have seen the excellent booklet that goes to people who come into that industry. You would be interested in that because a lot use Nhulunbuy as a base. That is an industry booklet and is laminated and waterproofed so they can sit on the deck and if it gets wet it is not paper mache; it is useable tomorrow.

They are just some examples of what NT WorkSafe is doing in a proactive manner. They are making sure people have access to information. Proactive prevention is better than injury, or the worst case scenario of somebody dying in the workplace. That is horrific. We try to work with the industry to ensure we reduce not only injuries, but the possibility of death occurring in the workplace.

Ms WALKER: I also asked about remote areas. How does the agency work to respond to a phone call from someone saying, 'I've seen something unsafe, I am worried about this', and they might have photographic evidence. How does the agency work given you are all Darwin-based? Are people based in Alice Springs and other centres?

Mr STYLES: We have people in Katherine, Alice Springs and Darwin. As a former police officer and detective, we would get calls from all over the place. We would not base someone in Borroloola, but if something happened there requiring someone to visit we would send them out. It is about taking notice of what is happening.

I have met every single person. They are hard-working people who want to make it work and are passionate about what they do otherwise they would not be there. They are keen to make sure anyone who is not doing the right thing either undergoes some corrective process, or if they need to be prosecuted, as some do, they are. Not everyone wants to be compliant. If people are not compliant I have encouraged staff to fix the problem. If people do not want to listen my background in life, my attitude and my sense of justice is to back staff every inch of the way to make sure they rectify the problem.

As you would be aware, most people on this Earth are reasonable people. If you provide them education, they take it. It is not about going out with a stick, it is about making sure you make those corrective practices work and improve the situation. From my perspective, I would be happy if there is something going on at Yirrkala and we need to send someone. That person would investigate practices which are dangerous or not acceptable.

Ms WALKER: Except there is nobody based in the Nhulunbuy region.

Mr STYLES: No, there is no one based there at this point.

Ms WALKER: There is in Katherine. Is there in Tennant Creek?

Mr STYLES: Not in Tennant Creek, but in Alice Springs, Katherine and Darwin.

Ms WALKER: Okay.

Mr STYLES: Again, it is about trying to use resources. My understanding is they travel regularly looking at things. They do not just sit in Darwin, they visit places. It is a bit like Health ministers might go to a community to make sure everything is under control. I am led to believe that is what happens with us. We go out on a regular basis to make sure we can do the inspections and the one-on-one consultations I spoke about earlier.

Ms WALKER: In regard to education programs, the NT WorkSafe website is currently featuring the proposed truck industry work safe program. Can you tell me a little about that?

Mr STYLES: The Department of Transport is doing a lot in that area. From where we are in relation to work health and safety, we are working with some companies. I recently did some media at Directhaul in relation to what we are doing. Again, it is about proactive work to ensure the company is aware of its obligations, the workers are aware of their obligations, the staff who manage that are aware of their obligations and what they are required to do so everybody is across what needs to happen. Many people say these things are common sense, but sometimes we need to reinforce it with someone from our

department who has to work with not only industry, but the industry representative bodies in relation to the Australian Trucking Association. We were working with Directhaul and they very generously said we could look at that. A lot is going on in that area. I would be happy to give you a briefing on that if you want more information.

Ms WALKER: No, that is all right. I see the campaign has a fixed period from May through to August. What other campaigns will follow in 2015?

Mr STYLES: In relation to education? This is not just May to August, this is year round. My understanding ...

Ms WALKER: This is a targeted campaign featured on your website.

Mr STYLES: This is a targeted campaign for trucking ...

Ms WALKER: Is it a quarterly thing you are focusing on?

Mr STYLES: In relation to the trucking industry, that is a targeted campaign. It is about being proactive if we have identified areas of high risk.

Recently in the pastoral industry certain practices were considered to be high risk. We are working directly with the industry and industry groups to make sure we infiltrate the industry as far as possible to get some of the dangerous practices looked at and educate people about how to do things better and safer.

We are liaising with the fishing industry, the pastoral industry and the trucking industry. Those areas are identified as high risk, but we have not had an accident. We do not want an accident so we are looking at where the high risk areas are. Work Health is working with the industry groups, businesses, companies and company directors to make sure they are aware we need the training and they actually do the training.

A book was produced in relation to the targeted campaign in the trucking industry. There is a lot of information to go to these people to make sure they are compliant. There are several lovely ladies at Directhaul who are responsible for ensuring training is carried out for all employees. It is not just people driving trucks, it is people sitting in the office so they are aware of the requirements and can watch for poor performance or dangerous practices. Everybody has a duty to report dangerous practices to the general manager, to the board or whoever is responsible for making sure people behave in a safe manner. If they do not it is a reporting system for companies, but it is everyone's business. Safety is everyone's business and that is the message they are trying to get out.

Ms WALKER: Given you have taken it as a question on notice as to how many prosecutions there have been following on from investigation, I get feedback from people who suggest the balance between education, as opposed to prosecution for noncompliance, has perhaps gone too far in favour of education. I will not know that until I see the stats when you respond to that question on notice.

Mr STYLES: The other aspect of that, when making judgments, is there is an old saying I learnt early in my investigation career which says knowing and proving are two entirely different things. You can know things are occurring, but if the evidence is not there and you cannot get a conviction it is pointless running through the system.

That happens a lot in police investigations, and in work health and safety it may or may not happen; it is only an assumption. When you look at those figures, take into consideration that if you have a particular incident where you do not have a lot of witnesses or the evidence is very poor and the chances of getting a conviction - you have to say, 'If we don't get a conviction what do we do?' You do not walk out; you make sure you go through an education process. That occurs on a regular basis in police investigations, and I am sure it happens with these.

When somebody rings up, where there is no other witness, and says 'Joe Bloggs is behaving in a very poor manner' you might investigate but do not have sufficient evidence to prosecute. You then implement a training and education program with Joe Bloggs in the room and people can talk about that behaviour and he needs to be aware everyone is watching. If they know that you have achieved your outcome. You have fixed the problem by Joe Bloggs knowing everyone else in that room will be looking for poor behaviour because that is what these people will be training people to do. Safety is everyone's business.

That is what I would be doing, and as an educator I am sure you would do the same. You want everyone to get the feeling they got the message and will be reporting any poor behaviour. If we achieve that in the workplace we go a long way to preventing accidents.

Ms WALKER: I worked in the mining sector for 11 years, minister, and, as a communications person, had to deal with two fatalities. It is pretty grim process to work through, but I take your point. Can you advise who is currently on the WorkSafe advisory council? I believe it is an advisory council not a board. Are all the members current? Has anyone's term expired? It is not on the website. The most recent annual report for 2013-14 is not there.

Mr STYLES: The Work Health and Safety Advisory Council is part of the advanced questions, but I am happy to give it to you again. We have given it out but I will give it to you again. Mr Paul Baxter is the deputy chair. Mr Mark Crossin was the chair but Mark resigned effective 30 November 2014. There is also Ms Louise Bilato, Mr Ian McMurtrie, Mr Justin Gill, Mr Arthur Hamilton, Mr John Schofield, Mr Belinda Howie, Mr Brian Fowler, Mr Adam Gollow and Mr Stephen Gelding. Those people make up the Work Health and Safety Advisory Council. If you want the same information we gave earlier, the chair is remunerated at \$304 on a daily basis and members receive \$228. In 2014-15 to date they have held two meetings.

Ms WALKER: Sorry, what was that about the meetings being held?

Mr STYLES: Two meetings of the Work Health and Safety Advisory Council were held.

Ms WALKER: Over what time period?

Mr STYLES: That is to 31 March.

Ms WALKER: In the financial year?

Mr STYLES: Yes, in this current financial year.

Ms WALKER: Mr Doug Phillips is no longer on that board?

Mr STYLES: No.

Ms WALKER: They are required to meet quarterly?

Mr STYLES: I do not know if they are required to meet quarterly.

Ms WALKER: How many times did they meet in the calendar year 2014?

Mr STYLES: In 2014-15, to 31 March they have met twice.

Ms WALKER: I was able to obtain the 2012-13 annual report from your website. Most of those names are here and that is why I asked about Mr Phillips. I noticed that attached to it was the board prior to that which had quite a different makeup, and I am curious about the shift in membership. For instance, previous members of the advisory council included union representation, with someone from the National Tertiary Education Union, the CFMEU, a United Voice rep, an MUA rep and the NT Farmers Association. What has brought about the shift from having those employee representative groups? It appears none of those groups are now represented on NT WorkSafe?

Mr STYLES: I am not aware of where all those people come from. I do not have the information in front of me.

Ms WALKER: I have it in front of me, so I can see.

Mr STYLES: Do you know where Mr Ian McMurtrie is from?

Ms WALKER: He is from Top End Safety Solutions.

Mr STYLES: I do not know where Mr Justin Gill is from, or Mr John Schofield or Linda Howie. I know Steve Gelding.

Ms WALKER: Some are consultants. All I am saying is there is no union representative on the current advisory council.

Mr DEPUTY CHAIR: You are asking the minister for his opinion on why the board from the 2012-13 year is different from the 2015-16 year. I do not see how this is relevant to the Appropriation Bill for this financial year. The standing orders say you are not supposed to ask for opinions. I do not think the minister is able to answer this.

Ms WALKER: I take your point, Mr Deputy Chair. Clearly, with the change of government there has been a change in who they value as important on their advisory council.

Mr DEPUTY CHAIR: Standing Order 112 says we are not supposed to make epithets and arguments in the middle of statements.

Ms WALKER: Moving along ...

Mr STYLES: In relation to part of that question, they are not required to meet quarterly but they have met twice.

Ms WALKER: Can you make available a copy of the 2013-14 annual report because it is not on the website – the advisory council's. I may have missed it minister, but I spent some time on it.

Mr STYLES: Yes, we will provide it to you for the 2013-14 year. We need to make sure we know where it is. The current one is not due until October this year.

Ms WALKER: No, I realise that, but the most current one is not available.

Mr STYLES: We will get one to you.

Ms WALKER: Thank you. Minister, I have exhausted my questions on NT WorkSafe. Thank you for taking my questions, and to your staff around you for supporting you to provide me with the answers knowing there are still a few yet to come.

Mr STYLES: It is always a pleasure, member for Nhulunbuy.

Ms WALKER: Thank you, minister.

Mr STYLES: Madam Chair, are we able to have a comfort break?

Madam CHAIR: Of course we are. Are there any other questions for business? We have Output 4.1, Corporate and Governance, and then there are non-output specific budget-related questions.

That is all for Business. On behalf of the committee, thank you very much for coming this evening. We will resume at 9.05 pm with the Department of Corporate and Information Services.

Mr STYLES: Thank you, Madam Chair and members of the opposition.

The committee suspended.

DEPARTMENT OF CORPORATE AND INFORMATION SERVICES

Madam CHAIR: Good evening everyone, and thank you to the Department of Corporate and Information Services for taking your No-Doz and coming in at this hour.

Minister, I invite you to introduce the officials accompanying you today. If you would like to, feel free to make an opening statement.

With the minister is Kathleen Robinson, Chief Executive Officer, and Deputy Chief Executive, Chris Hosking. Thank you both for accompanying the minister. He has some officials behind him who will provide valuable backup, no doubt, if it is required. The composition of the committee is Natasha Fyles, Lauren Moss who is the shadow, myself, Nathan Barrett and Francis Kurrupuwu.

Minister, would you like to make an opening statement on the Department of Corporate and Information Services.

Mr STYLES: Thank you. Obviously, Kathleen Robinson and Chris Hosking and the other staff – firstly, I thank the departmental staff who, over the last nine months, have worked very hard to not only make sure the department works well but to produce the stuff we need when we are scrutinised by the opposition in relation to this estimates process. I congratulate them all, and I know some are listening to and watching this. To you guys, thank you very much for enabling me to provide the answers likely to be needed in relation to this estimates process.

The Department of Corporate and Information Services, or DCIS, is the Northern Territory government's shared service provider. In this capacity DCIS provides a range of shared corporate services to support agencies so those agencies can focus on their core business. The Northern Territory government has been a leader in the shared services field for many years, with DCIS providing effective services to agencies for over 16 years. DCIS also has responsibility for two government business divisions, being NT Fleet and Data Centre Services. Key areas where DCIS has policy responsibility in a growing role are ICT policy and governance and telecommunications.

The department is leading or participating in reforms and initiatives to reduce red tape, delivering savings to government and providing benefits for the broader NT community, including ICT governance reforms to ensure another asset management system failure does not happen through a more rigorous approach to ICT projects. These reforms include introducing the NT government ICT governance framework in 2014, establishing the ICT governance board with remit across government to oversight major projects, and setting up a ministerial ICT advisory council to provide external ICT expertise and advice. The first industry and Northern Territory government information share forum is scheduled for June 2015, and developing a new ICT series of Treasurer's Directions will commence in 2015-16.

Procurement reforms will assist the Department of Business to implement the government's procurement reform agenda, including improvements to reporting and procurement systems used across government. Across-government contracts, a strategy to increase the range of common use contracts, commenced in 2013. Since then DICS has grown from nine to 19 contracts, with over 100 contractors and a further five contracts in the pipeline. Across-government contracts provide benefits for both business and government.

In relation to budget 2015-16, DICS has two key initiatives. The first is remote telecommunications, a multiyear joint-funded and joint-managed program between Telstra and the Northern Territory government to build telecommunications infrastructure in remote communities to establish much needed mobile telephone services in these communities. This follows on the back of the highly successful Project 13 that saw mobile telephones and broadband services delivered to 13 remote communities across the Northern Territory. The government has committed \$9m over three years towards this program.

Data centre resiliency - the government is addressing the pressing need to establish a secondary data centre to provide disaster recovery capability. In fact, \$2m in capital funding is provided for the fit out of the facility.

DICS has managed its activities efficiently and within budget, and I expect this to continue in 2015-16. I look forward to the committee's questions in relation to my portfolio of Information Services. Thank you, Madam Chair.

Madam CHAIR: Thank you, minister. Are there any questions relating to the statement?

Ms MOSS: Thank you, minister, for your opening statement and to Chris, Kathleen and everybody else here to support the minister.

In regard to your reference to the telecommunications project, I know it is \$9m over three years in partnership with Telstra, but what portion of that \$9m is budgeted for this financial year?

Mr STYLES: This current financial year?

Ms MOSS: Sorry, the forthcoming year.

Mr STYLES: It will be about \$3m. It is over three years. We put \$3m in and are hoping the feds will put \$6m in and Telstra will put \$15m in. We intend to spend \$3m in the 2015-16 year, but we are here to

discuss what we have spent or what we will spend. That was in the opening statement and a good question.

Ms MOSS: Can you provide some details around the progress of that project in regard to the 13 remote communities that were the focus of the project? How is that progressing with mobile coverage and broadband?

Mr STYLES: To work through those communities, there are negotiations occurring with Telstra and we are still looking at maximising the number of communities we can get out of that \$13m. Obviously, some are more difficult than others, so we are looking at where the needs base is and how close we are.

The other thing the government has done is supported the Centre for Advanced Technology. I looked at a wonderful little device in Alice Springs about three or four weeks ago. The dish has been developed by the Centre for Advanced Technology, a stand-alone organisation that operates in the same area as the Desert Knowledge in Alice Springs. It is a metallic plastic dish on a base which cost about \$4000. A maintenance portion is included in that. It is something to put into various communities where mobile signals are reduced, and if you put your phone in the carrier the dish will magnify the signal coming out of a mobile tower.

You have to look at how far the communities are from a mobile phone tower. If you put one here, what is the likelihood of putting a repeater station and the signal magnification facility close by? We are still working with Telstra on where the signals are. There are 22 locations around Central Australia, and we have instructed the Centre for Appropriate Technology to test those 22 locations. We were looking at putting in about 12 or 13, but the government has since changed its mind and said, 'Make all of them happy, we will find the money somewhere'. There is not much maintenance and they do not need power to run. It is technology they have developed which does not consume energy; it is magnificent.

That is what we are doing in relation to where we will put mobile phone towers, and we are still negotiating with Telstra.

Ms MOSS: You referred to the expansion of across-government contracts. What are the 24 across-government contracts the government intends to award this year and what is the estimated value of those contracts?

Mr STYLES: We are still talking about shared services and there are a number here. Advertising in the NT - there are 26 businesses. Is this the information you are after? Do you want the shared services?

Madam CHAIR: Minister, we are just asking general questions on the statement at the moment. We have not moved into Output Group 5.1 yet.

Mr STYLES: There is a range of additional information: advertising in the NT, advertising services, car rentals, clothing and personal protective equipment, discounted schedule air services, electricity, employee assisted programs ...

Mr CONLAN: A point of order, Madam Chair! Would you like to clarify the question, member for Casuarina? It might help the minister.

Ms MOSS: Would that assist you, minister? I am happy to go straight to outputs if that is easier? In the interests of time I am happy to do that.

Madam CHAIR: Are there any other questions in relation to the statement?

Mr CONLAN: I have a question I would like to ask the minister. You mentioned the AMS, the infamous asset management system. I believe the previous failed AMS cost a significant amount of money to government and the replacement AMS has cost a significant amount. Can you provide the committee with those amounts? In particular, how much was lost on the failed AMS?

Mr STYLES: It is an interesting question. It was originally budgeted for about \$7.2m or \$7.4m. It escalated to about \$14m, and ended up costing us in excess of \$70m and we had to write that off.

Mr CONLAN: Was that \$7m or \$70m?

Mr STYLES: It was budgeted at \$7.2m or \$7.4m initially, but got totally out of control and ended up costing in excess of \$70m. We had a 1000% blowout on what they thought it would originally cost - these are rough numbers. It got to the point where we had to look at other avenues for the incoming government to rectify the problem. If I am correct, there is a shareware facility. Someone will hand me a paper showing the cost of implementing what we now have, which is a total budget of \$10.844m.

We went from something that cost over \$70m, which we had to get rid of because it was not functioning, and replaced it with a system for \$10.844m. That is one of the reasons the Department of Corporate and Information Services, under this government, now has an ICT overseeing role to make sure this does not happen again. The extra \$60m could have been spent on roads, schools, jobs, programs - everything. It was an unmitigated disaster that blew out by roughly 1000%. That is unacceptable.

We have put things in place and the Department of Corporate and Information Services now has an ICT oversight policy. We have an ICT Advisory Board that advises us on a whole range of ICT issues. Most importantly, there is an overseeing governance role by DCIS to make sure that never happens again.

Mr CONLAN: To clarify, \$60m has been lost as a result of that?

Mr STYLES: In fact \$70m, because we had to write the whole exercise off as a totally out-of-control bad investment we inherited. We have now spent another \$10m to fix that. It is \$70m that should not have been spent. We should have spent \$10m getting the shareware many other people use. Banks and other organisations use it, and we use it. It was one of those things, but we have put things in place to make sure it does not happen again. As I said, we inherited it; it was not of our making.

Mr CONLAN: Thank you, minister.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategies

Madam CHAIR: The committee will now consider the estimates of proposed expenditure contained in the Appropriation Bill 2015-16 as they relate to the Department of Corporate and Information Services. Are there any agency-related whole-of-government questions on budget and fiscal strategies? This is not outputs; this is whole-of-government. We can go straight into outputs.

Ms MOSS: I am happy to go straight to outputs, yes.

OUTPUT GROUP 5.0 – SHARED SERVICES **Output 5.1 – Finance Services**

Madam CHAIR: We will now move to Output Group 5.0, Shared Services, Output 5.1, Finance Services. Are there any questions?

Ms MOSS: Minister, in Budget Paper No 3, there is a reference to the \$3m to increase court capacity in Alice Springs. Could you provide some detail around that project?

Mr STYLES: My understanding is that is for the new Alice Springs court house.

Ms MOSS: Are there any further details on how that is progressing?

Mr STYLES: I do not have those details at my disposal, but it is on schedule.

Ms MOSS: That is all I have for Shared Services.

Madam CHAIR: That concludes consideration of Output 5.1. The committee will now call for questions on Output 5.2, Human Resource Services. Are there any questions?

Ms MOSS: You have skipped Finance Services 5.1. We had 5.0, Shared Services.

Madam CHAIR: Output Group 5.0, Shared Services is a broad topic. Within that is Finance Services, which we just did. We can go back if you missed it.

Ms MOSS: Sorry, would you mind?

Madam CHAIR: We will stay in Output 5.1, Finance Services.

Ms MOSS: I apologise.

Madam CHAIR: No, that is okay. Minister, you do not mind?

Mr STYLES: No, that is fine.

Ms MOSS: Thank you, I appreciate it. Why have you budgeted 10 000 fewer payments to be processed this financial year?

Mr STYLES: We have budgeted 10 000 ...

Ms MOSS: The budget papers show there is a 10 000 difference in the budgeted payments processed between last budget and this budget. I will see if I can find it.

Mr STYLES: Are you talking about accounts processed?

Ms MOSS: Yes, payments processed.

Mr STYLES: In relation to the changeover from the AMS to the new shareware system, is an enormous amount of processing was done by agencies. With the new system we are predicting less inputs and less activity because we are not running two systems. You had to change from one, and it was a nightmare trying to get all that information transferred across because – for the Department of Infrastructure about 10 million things had to go across, some of which was done manually, and some they were able to get across. When you have to get two systems, one that is virtually not working at all, onto a new system there is a lot of work and transactions. Fewer accounts are now processed.

Also, as part of our red tape reduction strategy we looked at doing a lot of things online. People can do it themselves online so we do not have to process it.

Ms MOSS: Yes.

Mr STYLES: Across the agencies there is a reduction in the number of things we have to process and it speeds up the process. People just do it, like registering your car. Mechanics do it for you now and you just pay for it. Someone in Motor Vehicle Registry does not have to input that information. That is an example of what we have been doing to cut down the cost of doing business, which obviously reduces our debt quicker – the one we inherited. That is a debt reduction strategy. It is about red tape and about being efficient and effective in delivering government services.

Ms MOSS: Are you able to outline the agencies that failed to pay their invoices within 30 days and how many times this occurred by agency? How much money was not paid from government in that timely fashion?

Mr STYLES: On average, the percentage paid within 30 days in the 2014-15 year was about 86%. The number of late payments incurring penalties was four. There are obviously some issues. Sometimes you have to wait to make sure things are complied with. I recall from my Department of Infrastructure days having to make sure people rectified things before you pay the invoice. You need to make sure they produce the goods. They may send you the invoice and if there is a dispute – it has been my experience in that industry there are lots of disputes. People say they have done things but it is not up to standard or does not meet the engineering standards. However, 86% is the figure and four late payments incurring penalties.

Ms MOSS: Of the ones you mentioned in the 4%, are there any stand out examples?

Mr STYLES: No, there are four.

Ms MOSS: Are there any stand out examples of agencies where this occurs regularly? Obviously Infrastructure is one, and you have given reasons why we might expect that. Are there any others that come up regularly which fail to pay invoices in 30 days for different reasons?

Mr STYLES: To 31 March 2014-15, the number of accounts processed was 366 035 and four received a late penalty. Most of the rest were negotiated and there were no issues. There were 13 in Health. Generally, when you look at 86% and the rest are negotiated, a number of people will complain, but it is a

bit like if you talk to these people they will say 'We're in the right and somebody has not done this'. There are probably disputes all over the place.

A lot of mediation goes on across government and industry in relation to what is happening. I remember when we took over the new goal, over 10 000 faults had to be worked through. Until those faults were rectified invoices were not paid. There is a drive to get there.

It is a bit like asking the inmates in gaol - 94% will tell you they are innocent, but that is their story. It is about trying to find that balance and rectifying those that are not paid within 30 days.

Ms MOSS: Thank you, minister, I am done with the output.

Madam CHAIR: That concludes consideration of Output 5.1.

Output 5.2 - Human Resource Services

Madam CHAIR: The committee will now call for questions on Output 5.2, Human Resource Services. Are there any questions?

Ms MOSS: There is a 1500 increase in vacancies to be published in the public service. I was wondering why 1500 additional vacancies will be published.

Mr STYLES: The projected increase in 2015 reflects the emerging agency trend to publish more temporary vacancies for existing positions. This estimate will be influenced by agency work practices and workforce dynamics in 2015-16. Contrary to what some people may be saying - we have sacked a lot of public servants - we have not. We have more public servants now than when we came into government in 2012. The population has increased, activities have increased, and we will see a lot more activity to the point there will be an extra 3000 INPEX workers in town for a period of time.

When you are trying to provide services there will be a trend to publish more temporary vacancies for existing positions so you can get people in there and it gives you time. We cannot wait to find the appropriate person is one reason. Does that go somewhere to answering the question?

Ms MOSS: Yes, thank you, minister. That was the only question I had.

Madam CHAIR: That concludes consideration of Output 5.2.

Output 5.3 – Procurement Services

Madam CHAIR: The committee will now consider Output 5.3, Procurement Services. Are there any questions?

Ms MOSS: Minister, in regard to tenders in Procurement Services, why are you releasing 200 less tenders to market this year? It would appear you are planning on doing less business.

Mr STYLES: Quite the contrary. You will find, as part of the opening statement, we talked about combining contracts and issuing tenders for a whole range of things. There are procurement reforms. It is about getting efficiencies and effectiveness into the government system. Procurement reforms from 1 July 2014 - increased procurement thresholds thus reducing tender numbers. This is about efficiencies and effectiveness in government. Of course, those two words in economics are key words. We listen to people and to the red tape reduction people who say there are easier ways to do business.

You go through a range of things. The Construction Development Advisory Council gives us a range of red tape reduction for the way we do business. The ICT panel gives us information on how to do business better, because every time you go to contract people have to do a lot of work. I do not know if people in our community understand how much work goes into tendering for a contract, but if you can cut down the amount of paperwork, red tape and the cost to business it has to be better for business. Businesses have to become more efficient.

We are always asking the public service to become more efficient and give us efficiency dividends, and it is about making sure people are given the opportunity to make the system easier and more manageable. By reducing the number of tenders and combining them makes it more efficient. That is one of the things we are working on, and we are also working on red tape reduction across government.

Ms MOSS: On the flipside, is there a reason 300 less tender responses are expected to be processed this year?

Mr STYLES: Tender responses - the original was 4400 and the estimate is 4100. Again, if you are putting out fewer tenders or combining tenders it makes it easier for business not to tender for this and tender for that. Instead of putting in two tenders it might be combined to one. Again, it is about operating more efficiently.

Looking at the various tiers, tier three is from \$100 000 to \$200 000. We have shifted some of those figures. Tenders are now quotes when you have panels. If you have a panel contract of prequalified people, instead of going to a tender you just go to a quote. We are working on a range of things to make sure that when we are selecting panel contractors you get a quote as opposed to a tender for a particular job.

That is about finding efficiencies. It is better for business if you prequalify people for a panel and understand where they are coming from. You need panels so you can have timely completion of some of these jobs. If you have four or five people in the panel and you need a job done quickly, you can go to them and find someone has the time and qualified staff to do it. It is important we are able to go to panel. Again, we are not going to tender; we are going to a panel and it is a quote. They will come back with a price, and it is a competitive process within itself amongst the panel participants.

Ms MOSS: Thank you, minister. On the electronic lodging of these tenders, you say you have a projected 100% and we are at roughly 95% now. Is that tracking well? Do you think we will reach 100%?

Mr STYLES: It is an aspirational figure; 95% is not bad. We would like to see it at 100%. If we work on getting people – when you go through what we are aiming for - some of the outputs in the business portfolio are about working with businesses. The Department of Business provides a range of services to help people get up to speed on this. They do not have to put in written tenders, they can do them online.

That is about empowering people in small businesses. In the 2014-15 estimates it was 95%, we are now at 96%. With every process there are grants through the Department of Business to get people up to speed on how to do it. For the mums and dads who have been around a while and might not be computer savvy, our business development officers and people in other service areas are able to get people up to speed. There are also grants to teach people and help them through the electronic tender process. Even if it is still a paper process we have people to help with that, because it is about helping Territory businesses so they, and their workers, are the recipients of as many contracts as we can get them up to speed with.

That help only comes to Territory businesses and Territorians. We do not work with people interstate to give them the same level of assistance. This is about Territory businesses and Territory workers getting these positions. We hope to push it up, and when we reach 100% we will have a cake and a party.

Ms MOSS: I hope we are invited. Thank you, that is all I had in that output area.

Madam CHAIR: That concludes consideration of Output 5.3.

Output 5.4 – Information and Communications Technology Services

Madam CHAIR: We will now move to 5.4, Information and Communications Technology Services. Are there any questions?

Ms MOSS: Minister, are the 800 extra laptops and work stations budgeted for this year due to an expected increase in public service numbers?

Mr STYLES: Sorry, was the question about the 800 budgeted ...

Ms MOSS: Are the extra 800 extra laptops and workstations budgeted for this year due to an expected increase in public service numbers?

Mr STYLES: As we progress with numbers things change. Work practices change and you have to take that into account. We are looking at growth in the hospital network - you are well aware of the eHealth records. Everybody needs access to the database so we need more PCs. People need access immediately so there are more PCs in hospitals.

The other problem is nothing is fast enough. Access is not fast enough; the lifts in the building are not fast enough. Nothing is fast enough. Everybody wants a faster computer, they want access, and they want it now.

The opening of the new prison has also contributed to that access. Much of it is computer controlled. Surveillance is fed through the computer network in the prison. Everything is state-of-the-art and everything operates off computers. When you look at what has been budgeted for, it is about the changing work practices of our public service.

Ms MOSS: I am happy to move on to the next output.

Madam CHAIR: That concludes consideration of Output 5.4.

Output 5.5 – Property Leasing Services

Madam CHAIR: We will now proceed to Output 5.5, Property Leasing Services. Are there any questions?

Ms MOSS: What are the four property leases you have budgeted to get rid of this financial year?

Mr STYLES: The leases that are expiring?

Ms MOSS: Yes, please. There are four, so we are going from 189 to 185. I am wondering about the property leases that are expiring.

Mr STYLES: We have leases expiring in Palm Court, Enterprise House, Cavenagh House and part of Harbour View Plaza.

Ms MOSS: Are those the leases that are expiring?

Mr STYLES: Yes, that is right.

Ms MOSS: You also expected to have a decrease in leased government area of 10 000 m². I am interested in where that is coming from?

Mr STYLES: The previous government committed to 9000 m² in the Charles Darwin Centre, the nearly completed building at the top of the mall. With consolidation we have to move people from leased premises into that building. We will have to shift people around. We are reducing from 13 400 m² down to 9000 m² in that move.

We are consolidating, and with better planning of office space and office layout we are finding efficiencies. Every department has been asked to find efficiencies. We have to reduce our debt in a responsible way. We do it by consolidating where we can and when leases expire. Also, some of those buildings are very old and have not been refurbished for many years. I am sure we will give the owners an opportunity to refurbish the buildings and bring them up to speed.

Ms MOSS: In the average cost per square metre, there is an increase from \$410 to \$426. What is the reason for that increase?

Mr STYLES: You will find CPI takes care of that. If I am correct, it is probably less than CPI.

Ms MOSS: That is all the questions I have for that output, minister.

Madam CHAIR: That concludes consideration of Output 5.5.

Output 5.6 – Asset Services

Madam CHAIR: We will now move to Output 5.6, Asset Services. Are there any questions?

Ms MOSS: Minister, why do you expect an increase of 7000 work orders to be processed this year?

Mr STYLES: A range of activity is happening with the various moves. Looking at consolidation and the shifts in location there are services, fit outs and a whole range of things have to happen.

With the ASNEX system, various departments will make a range of operational decisions to get the system up and running. It is the way of doing business when you increase activity, as we have.

The Territory is growing rapidly. You only have to look at the skyline to see that. More people are moving into town. When you move 3000 extra workers into town for a period of time a lot of activity happens.

If you think 7000 is a variation - some of what is coming down the pipeline which I am privy to but, sadly, cannot talk about - industry will be - they bring thousands of jobs with them. This is not pie in the sky stuff, this is people moving to Darwin in the not too distant future and bringing with them thousands of jobs. These are existing positions shifting from other places in the world to Darwin. It is a very exciting time, and if we think work orders will increase by 7000 - the activity government will be required to do to keep pace with this - the land release - the service industries the government provides will be astronomical. It is an exciting time to be in the Territory.

Mr CONLAN: Minister, are you saying the proactiveness of this government has contributed directly to the 7000 increase in work orders? I want a succinct answer because that was quite long. Are you saying the government has been very proactive in generating business and growth in the Territory in the last two years? That would be a significant contributor to the 7000 increase in work orders.

Mr STYLES: Member for Greatorex, that is right. With the stuff planned and the stuff we are talking to people about - the biggest problem I have is not being able to talk about it. One particular industry that is coming to town will bring thousands of jobs. If I give you the figure it might give it away. It is not in the oil and gas industry, but another industry. This is a serious thing and it will occur.

When you are in commercial in-confidence discussions with people you have to be careful what you give away. When I was going through the Department of Business outputs earlier I said I was pretty excited about a whole range of things because this is not just about us, it is about jobs for our kids. This will stay here and become part of the Territory economy. It is an exciting time and when you look at it - I have three adult children, but it is an exciting time for them as it is for all of us. It does not matter if you live in Alice Springs, Darwin or anywhere in the Territory, it is an exciting time to be in the Territory.

Madam CHAIR: Are there any other questions on 5.6? That concludes 5.6

OUTPUT GROUP 6.0 – CORPORATE AND GOVERNANCE

Output Group 6.1 – Corporate and Governance

Madam CHAIR: We move to Output Group 6.1, Corporate and Governance. Are there any questions?

Ms MOSS: I have nothing through to Output Group 8.0. I will provide written questions on a couple of things just in the interests of time. I know that there are others areas that we have to cover tonight.

Madam CHAIR: Are there any other questions for Department of Corporate and Information Services? Do you want to move to NT Fleet?

Mr STYLES: Data Centre Services.

Madam CHAIR: I will close questions and Output Group 6.0.

OUTPUT GROUP 7.0 – NT FLEET

Madam CHAIR: We now move to Business line NT Fleet. Is that the same people?

Mr STYLES: No. We are missing that and going straight to output ...

Madam CHAIR: I just have to open it and close it. No questions to NT Fleet? We will close that.

OUTPUT GROUP 8.0 – DATA CENTRE SERVICES

Madam CHAIR: We will move on to Data Centre Services. Minister, are you making an opening statement on Data Centre Services?

Mr STYLES: I did it in the opening statement.

Madam CHAIR: Are there any questions?

Ms MOSS: Please explain the rationale of the realignment between Data Centre Services and DCIS and the budget decrease in Data Centre Services?

Mr STYLES: The second part of the question please?

Ms MOSS: The budget decrease in Data Centre Services.

Mr STYLES: We moved a number of services across agencies and the budget now sits with DCIS. That explains the difference.

Ms MOSS: Can you explain the rationale for the realignment?

Mr STYLES: The shift is about functions that relate more to DCIS' core business so they have moved across to DCIS. It is about being more efficient. When you look at who does what and who it aligns to, does it align to this or does it align to DCIS? The decision has been made to move across to DCIS because it is more in line with its core functions.

Ms MOSS: Can you please detail the plan for establishing a second facility to strengthen ICT services across government?

Mr STYLES: Government is looking at a number of options. We have made a decision, but it is about announcing it. We need a disaster recovery place for our backups. There are a number of options. The secondary data centre will be at the Northern Territory Archives building in Millner.

Ms FYLES: I hope it is a secure, safe and waterproof building.

Mr STYLES: It is. It takes care of everything except thermonuclear warfare and a direct hit. That is our backup, and if we are ever hit by a large thermonuclear device we probably will not worry about a backup.

Mr CONLAN: Is that the NT Archives building?

Mr STYLES: That is it. It is pretty strong and there are reasons for that. We looked at a range of issues, and we will have to move the data centre from the Chan Building to a new location. We will look at building a secondary data storage area at Millner. Once that reaches a point where we can transfer everything over we will go to another secondary location. There are a number of sites available to government, but we need to shift from the Chan Building. What will initially be our secondary centre at the NT Archives building will become our primary centre in a short period of time. You cannot pick these things up and move them. We will build up our secondary centre, which will become our primary centre, and then we can relocate things from the Chan Building and make them the secondary so we have two centres. Then we have a full disaster recovery section somewhere where we have our full backups.

Madam CHAIR: Palmerston is very safe and no disasters could happen there.

Mr STYLES: Is there a thermonuclear warfare, bombproof shelter there?

Madam CHAIR: It is safe from thermonuclear attacks, so it makes sense.

Ms MOSS: What is the proposed time frame?

Mr STYLES: We will be doing it bit by bit and building up what is going on. It will be across a three-year period, and the interesting part is when you have the backup you have to transfer the information then you have to run all the systems. It all takes time.

The briefings I have had and the things we looked at indicate three years is a fair time for the transition and to back everything up. The reason it is at Millner is because you have fibre, power lines to the hospital, and you can remain online under just about any conditions bar thermonuclear warfare. It is a good, timely move and it will take roughly three years to get the centre up and running. Once that occurs we can look at transitioning the whole system across and then getting another backup in town. There will be opportunities in the ICT industry for backup facilities at that point.

Ms MOSS: What critical mainframe computing infrastructure do we need to refresh?

Mr STYLES: Refresh or replace?

Ms MOSS: Refresh.

Mr STYLES: We have two IBM mainframes and every couple of years we replace them. They do a lot of work and we need to keep them turning over so we do not have any failures. Although you have two systems you do not want any failures full stop, so they are refreshed every couple of years. That is an ongoing cost of doing business.

Ms MOSS: Yes, thank you.

Madam CHAIR: That concludes consideration of the Darwin Centre Services Business Line. I thank the officials who assisted the minister today and thank the Treasurer for attending.

Madam CHAIR: There will be quick two-minute break.

Mr STYLES: Madam Chair, I thank the DCIS staff who have been here working.

Ms FYLES: Can I thank them for every Monday I lock myself out?

Mr STYLES: They do a fabulous job under challenging conditions from time to time, but thank you very much to the staff who have been making sure we have answers to the questions from the opposition. Thank you very much and have a nice night. You need to go home.

The committee suspended.

**MULTICULTURAL AFFAIRS
SENIOR TERRITORIANS
YOUNG TERRITORIANS**

Madam CHAIR: Thank you, minister Styles. You are here with Community Engagement and Support. I note that Output 9.0, Community Engagement and Support, sits within the Department of the Chief Minister. While the Chief Minister answered questions regarding Community Engagement and Support as a whole on Wednesday 27 May, I note that Multicultural Affairs, Senior Territorians and Young Territorians are a subset of Community Engagement and Support. As the responsible minister, questions relating to Multicultural Affairs, Senior Territorians and Young Territorians will be answered this evening.

Minister, I invite you to introduce the officials accompanying you and, if you wish, to make an opening statement.

Mr STYLES: Madam Chair, I am glad to have invited Janet Hanigan to be here. She is the Executive Director of Social Policy in the Department of the Chief Minister, and Siobhan Okely is the Manager of Community Engagement and Social Policy from the Department of the Chief Minister.

I do not have an opening statement so we can go straight to the output groups if that suits the member for Casuarina.

Madam CHAIR: I am sure that suits the member for Casuarina perfectly well.

Ms MOSS: I am happy for that. There are no output groups so is there a particular order you want to do this in?

Mr STYLES: Multicultural Affairs is listed under the ministerial portfolio, so let us go with Multicultural Affairs, Seniors and Youth.

Ms MOSS: First of all, thank you Siobhan and Janet. I appreciate your time and know it is quite late. Thank you very much and for being available so readily for briefings as well.

Would it be possible to have you detail the grants provided to multicultural organisations in 2014-15? I am happy for that to be tabled.

Mr STYLES: The grants programs for multicultural affairs are available to assist migrant and multicultural communities with celebration, promotion, development of cultural and linguistic diversity and social cohesion in the Northern Territory. We make sure that occurs. In 2014-15 the multicultural grants program budget is \$1.176m.

Funding for 2014 has been fully expended for the following grant programs: Multicultural Grants Program, Rounds 1 and 2, formerly called the Multicultural Affairs Sponsorship Program; Harmony Grants; Cultural and Linguistic Awards; Multicultural Community Facilities Grants; the Charles See Kee Leadership Scholarship; and the Quick Response grants.

These grants have funded a wide range of initiatives and community events including the Greek Glenti, Harmony events in schools, support to the multicultural community services of Central Australia and the Multicultural Council of the Northern Territory. We have a breakdown. I will move on to the breakup ...

Ms FYLES: Are you able to table the document in the interests of time?

Mr STYLES: I will read it out for you. In the Multicultural Affairs Sponsorship Program, Round 1, there were 36 applications received and the number of approved applications was 32. The budget allocation was \$795 000. The amount approved was \$789 059, and payments at 31 March 2015 have been \$267 059.

In the Multicultural Affairs Sponsorship Program - the acronym is MASP - Round 2, 29 applications were received and 16 were approved. The budget allocation was \$33 000, the amount approved was \$35 000, and the payments as at 31 March 2015 were \$30 500.

For the Harmony Grants, there were 47 applications received and 42 were approved. The budget allocation was \$33 000, the amount approved was \$36 840, and the payments as at 31 March this year were \$24 400.

For the Cultural and Linguistic Awards, there were seven applications received and five approved. The budget was \$10 000, the amount approved was \$12 000, and to 31 March this year \$9000 has been paid.

For Quick Response grants, 17 we received and 13 approved. The budget allocation was \$10 000, the amount approved was \$8600, and to date \$8600 has been paid out.

For the Multicultural Facilities Grants seven were received and seven approved. The budget allocation was \$281 000, the amount approved was \$281 000, and as at 31 March this year \$191 000 has been paid out.

For the Charles See Kee Leadership Scholarship, four applications were received and four approved, with a \$14 000 budget, \$14 000 approved and \$14 000 paid out.

That is the breakup of the multicultural grants.

Ms MOSS: Minister, would you be willing to table the organisations who received grants?

Mr STYLES: I have a list. We can go through them.

Ms MOSS: I am happy for the information to be tabled. I believe it has been in the past.

Mr STYLES: I am happy to table that.

Ms MOSS: Thank you, minister, I appreciate that.

Can you please detail the number of staff dedicated to the Multicultural Affairs area within DCM, what level they are and what roles they have?

Mr STYLES: In the Engagement and Social Policy Unit there are 8 FTEs. The breakdown is we have one SA02, three AO7s, three A06s and one A04. Last time I checked that added up to 8.

Ms MOSS: Is that across all social inclusion?

Mr STYLES: That is Multicultural Affairs, Senior Territorians, Youth Affairs and other things they do in the Social Policy Unit.

Ms MOSS: Are you able to break that down into Multicultural Affairs, Office of Youth Affairs and Senior Territorians?

Mr STYLES: You can have a go at that. I will give you a rough figure, but I would not take this as gospel because these guys are flat out doing their work as opposed to trying to figure out where they spend every minute of the day. The Office of Multicultural Affairs, when you roughly work out the hours, it is a total of 1.5 FTEs, an A07 and A06 as 0.5.

In Community Engagement, which is everything, the manager is an SA02, so it is about a third of that. The Officer of Senior Territorians is one A07 and 0.5 of an A06, then another third of the Community Engagement Manager, and the Office of Youth Affairs is an A07, an A06 an A06, an A04 and one third of the SA02. Does that make sense?

Ms MOSS: It does, thank you. I appreciate how difficult it is and that everyone pitches in.

I understand from an event we were at recently, minister, with our wonderful Cambodian community, that there are negotiations under way for a more permanent facility for the Cambodian Buddhist temple. Can you provide any progress on that?

Mr STYLES: I cannot give you a definitive answer on that except I understand the government is trying to identify suitable land. I think they have looked a number of blocks and we are trying to find a home so they can relocate from the property in Humpty Doo to something more permanent. I am led to believe they are well advanced on identifying a block of land.

At this point they need to look at where it is and the cost. They have to make sure they can move and that it will be suitable. They will go back to their membership but the application, as far as I am aware, has not gone through at this point but they are well advanced with things.

Ms MOSS: Minister, are you willing to take questions on neighbourhood activity centres?

Mr STYLES: Absolutely.

Ms MOSS: These ladies know I have been trying to get some information for a while, and I know it was going through Cabinet.

Mr STYLES: You have to be aware there is no off button on that.

Ms MOSS: I know, I have been hearing about it for a long time. I was hoping you could detail funding for the neighbourhood activity centre proposed for Sanderson Middle School?

Mr STYLES: My understanding is there is about \$1.24m over four years. There is \$80 000 this year, there is about \$420 000 next year, \$420 000 and about \$200 000, which is the remainder of that figure. That will be when it is up and running with a whole lot of businesses involved. We will be pulling a lot of sponsorship from business. This is a whole-of-community engagement process - there is \$225 000 in year four. The main purpose is to make sure it works.

I have spent about 15 years of my life developing this. Other people have heard about this for 15 years, and I am sure my colleagues gave it to me because they are sick of hearing about it. Having been involved in the community for so many years I have worked at a lot of the functions we have pulled together and I know it works. The problem I am looking forward to having is that everybody will want one of these. If we get this right everyone will want one, and that is a great problem to have because it is about diverting the direction of youth, giving our seniors something to do, involving the multicultural community and bringing together so many NGOs. Instead of trying to get everyone to go to them, we will bring everyone to where the crowd is.

Young people, older people and people from a multicultural background will all go to one place instead of having to catch buses, taxis and cars to a myriad of different locations. That is it in a nutshell. Do not ask for a long answer because we will be here all night.

If you want to go through any particular questions you have I am happy to answer them.

Ms MOSS: The funding you detailed, what does that provide to staff the neighbourhood activity centre?

Mr STYLES: There will be a director, two youth workers, a vehicle, operating expenses, and it includes extra power, water, cleaning fees and things like that. It is a dynamic set of protocols we are developing. We are fortunate to have Principal Liz Veel at Sanderson Middle School where the pilot program is. Liz has been to Canada and visited a middle school which has a similar – not as extensive as we are proposing – thing operating and has seen that it works. I am fortunate to have her in the position where she has experienced it and seen one working in another country. I have not been to Canada to see it. I would love to have seen it, but at least I have Liz Veel on board. When I look at the school council – the funding for this goes to Education then to the school council, and the school council employs people to run it.

It is a community-led program, but they work hand in glove with the school because it is a government asset under the control of the Education department. We have to work closely with the Education department, the teachers and staff at the school to make sure everyone is on board. The feedback so far is that everyone is wrapped that we have something young people, older people and everyone in the community can do.

You would be aware, and I have heard you speak about it before, of the incidence of youth suicide. One thing often not reported in the paper is senior suicide. People feel depressed because they are not wanted. Here is an opportunity for everyone in the community to get together, because we need everyone in the community to make this work.

The school council is 100% on board. I have been to school council meetings and discussed it. Of course, the good thing for me is it is at one of the schools in my electorate. I have been on that school council for 15 or 16 years. It is an exciting new development. I will finish there and ask for any more questions.

Ms MOSS: Minister, I know it is something you are very passionate about. I appreciate you being so open and willing to answer questions on it because I am looking forward to asking them.

Will the school or the council be required to provide administrative support to the neighbourhood activity centre?

Mr STYLES: No, that is part of the employment. They will employ a person to assist with the administrative duties. Part of this process is about the director engaging business. One of the by-products of this whole-of-community engagement process is pathways to a job for young people. They will do a lot of exciting things. As I said, there is no off button on this so I will try to be as brief as possible and allow you to ask questions otherwise we will be here all night and we only have 15 minutes left.

The idea of this is the coordinator needs to engage people in the community. It will be a busy job pulling all this together. The school council, the principal and the director - we will not try to rush into this. This person needs to engage the community.

A lot of marketing has to be done up-front. We are taking the rest of this year to put it together, and it is intended to roll out some of the easier and simpler things perhaps in Term 4 as a trial. Generally, they want to kick it off in the first semester of 2016 to give the school, the council and the staff time to absorb what is happening and make sure everyone understands what is happening as well as being engaged in the process because you want to take everyone with you.

This is about a partnership between the staff of the neighbourhood activity centre, the principal, the staff, the Education department, the community and the business community because eventually you will have all these people on board. It is about bringing in NGOs, along with all the service industries and people who provide services for youth, also seniors, and get them in one place.

Ms MOSS: What non-government organisations were consulted? Can you provide some detail around that?

Mr STYLES: They are being consulted. I cannot remember how many I have consulted with over the last 15 years, but I have spoken to as many people as I can and there would be a lot.

Ms MOSS: How many within the formal government process around this have been consulted?

Mr STYLES: Some people were consulted. I cannot give you a definitive answer, but youth services were consulted. A number of people were consulted, even as broadly as Family Planning NT. I have spoken to

the lady in charge of family planning at Melaleuca. If I ran through as many as I can remember over the last 15 years and sought their input and said, 'What would you like and how would you like to do it?'

Ms MOSS: Is it possible to get some information on who has been consulted by the Office of Youth Affairs undertaking that body of work?

Mr STYLES: Over the next six months the director will be consulting not only NGOs, but businesses, St John Ambulance will have the cadets – Army cadets, and anyone who wants to access a group of people.

This is not just restricted to Sanderson Middle School students. This takes people from across the northern suburbs. There will be soccer clubs, footy clubs, basketball courts and competitions. It is the job of the director to say, 'How would you like to be involved, how can you do this?'

You cannot do everything at once. It takes time and negotiation to look at - I have a list of over 250 activities that people have expressed an interest in doing, and that has built up over the years. We cannot run all of them at once.

Ms MOSS: Minister, sorry, I note how much time we have left. Given there will be a significant investment over the next four years, including three workers assigned to this project, what formal NGO consultation has already happened in development of the concept by government?

Mr STYLES: Approximately 15 in the formal sense, and plenty more informally.

Ms MOSS: Would we be able to get details of those organisations?

Mr STYLES: We are happy to give you that information.

Ms MOSS: Okay, thank you.

Mr STYLES: Be aware the director will be out there.

Ms MOSS: That is great.

Question on Notice No 5.16

Madam CHAIR: Please restate your question for the record.

Ms MOSS: Can we get information on the 15 non-government organisations formally consulted in development of the concept?

Mr STYLES: It is approximately 15.

Ms MOSS: Approximately 15?

Mr STYLES: Is the question: can you give us a list of who has been consulted rather than a figure?

Ms MOSS: Who has been consulted in development of the neighbourhood activity centre concept?

Madam CHAIR: That question will be number 5.16.

Ms MOSS: If we could go back to staffing numbers, you said the school might employ someone to assist with the administration. Would that be on top of the ...

Mr STYLES: No, that would be done by the neighbourhood activity centre.

Ms MOSS: Would that be on top of the director and the two youth workers?

Mr STYLES: Sorry, what was that question?

Ms MOSS: You said the council may look to employ someone to assist with administration of the neighbourhood activity centre.

Mr STYLES: The proposed budget is subject to change in the proposed numbers. It might be that initially we have someone working in the office – it might be a youth worker. There might be shared services. The school council will drive that. The director reports to the school council. In between school council meetings obviously the point of contact would be the principal. Initially, because the director has to be out and about, someone needs to follow this up.

I have been instructed by a number of people who have the capacity - I have a couple of people, one of who – is that a dog bone I see?

Ms FYLES: It is a dog bone.

Mr STYLES: Is that what I thought it was? I thought you were going to have a snack.

Ms MOSS: It gets a little random at this time of night.

Ms STYLES: We are all getting hungry, member for Nightcliff. That is quite amazing. Sorry, I lost my train of thought. That is a big dog you have – a big bone.

Ms MOSS: That is okay. I am happy to move on in ...

Mr STYLES: A number of volunteers are already coming in to help write the protocols and the policies. This will be a dynamic, living document. This is a pilot program so it is about making sure these things are written.

The other person who has volunteered their time is the one who will write a lot of the safety protocols. They work in OH&S training and will do a lot of work. We have a body of work to can call on. Of course, the Education department will help anyone who has this. We will not reinvent the wheel. We will put it together, but if we need to employ someone for admin assistance we will. That is where the school council will say, 'Here is the budget'. We will work out what we can do it and how we do it.

Ms MOSS: That is what I was trying to clarify. Regarding the appointment of the director, did that appointment go through the public sector process?

Mr STYLES: No, it is not a public sector job; it is employment by the school council. The school council has given some information. The school council has made a unanimous decision that the person they have is the right person for the job.

Ms MOSS: Was there an advertisement for the job?

Mr STYLES: No, there was not.

Ms MOSS: What level is that position?

Mr STYLES: It is not government. It has been negotiated with the school council. If it goes up or down they will negotiate it.

Ms MOSS: Regarding the organisations that will be running programs - you have already named some - how have they been selected and how will that process be undertaken in the future?

Mr STYLES: That will be the director. I understand the director will be talking to various people and find out who has time and who is available. There will then be a negotiated outcome. They are still exploring that. It is up to the school council to work out with the director, in partnership with the school, what facilities are available.

I have been there and looked at a range of things. In fact, I have international music stars who want to work with kids in the music centre. That is something the director will have to negotiate with the School of Music to bring these people in. As I said, I have been working on it for 15 years. When you have international superstars - one of whom was born in Darwin - wanting to do some philanthropic work with kids in Darwin, this is awesome. There is Jessica Mauboy. The lady's name is Vassy - I do not know if you have heard of her. She is a Darwin girl who comes back and was back two weeks ago. I had lunch with

her and we are working on how she can participate with the School of Music from Los Angeles. As you can see, I get excited about this ...

Ms MOSS: I know. I am very aware of time and always have a lot of questions in this area. I am sure you will be getting lots of written questions from me and probably more requests for briefings as well.

Given youth issues continue to be at the forefront of discussions at the moment, I was hoping you could clarify the \$4.2m announced in February for youth services across the Northern Territory. How much of that has hit the ground at this point in time?

Mr STYLES: That is coming out. That is from the Department of the Chief Minister. The Chief Minister is running that program and it is Territory-wide.

Ms MOSS: Does the Office of Youth Affairs not ...

Mr STYLES: No, that is something the Chief Minister is running.

Ms MOSS: I understood the Office of Youth Affairs was assisting with the promotion of that 4.2 and looking at the priorities around 4.2.

Mr STYLES: There is an allocation of 4.2 over four years for early intervention and prevention issues for young people. Those initiatives have been developed at a local level through regional coordination committees as relevant non-government organisations. I was in Tennant Creek recently talking to the people who run the regional coordination committee. They have a range of ideas. This is money put in for local solutions by local people. It is not driven by the Office of Youth Affairs; it is about what is happening on the ground. It is about engaging local people, a bit like a neighbourhood activity centre. It will be local people looking at some of the issues they have and resolving them.

The Office of Youth Affairs is supporting that process but it is being driven by others. The Chief Minister is running it because it has been given to local people to make sure it happens. An announcement will be made in the future about where that money is allocated and how it will split up.

Ms MOSS: At this point it has not been allocated?

Mr STYLES: I am not sure where it is because the Chief Minister's office is running it through the regional coordination committees relevant to each area.

Ms MOSS: We can direct the question that way. We just understood we could ask those questions here. That is okay, I have plenty of other questions as well.

I will provide Seniors questions on notice if you are happy for that.

Mr STYLES: It depends on what they are. Whip through a few. If you want to do them through some other process that is fine. If you just want answers or a briefing on some of those send a letter to us and we will arrange a briefing.

Ms MOSS: I might finish by asking about the National Youth Week numbers for the year, if you have those handy. My understanding is this year it fell outside school holidays, which I know is always tricky. Do you have attendance numbers for events across the Northern Territory for National Youth Week?

Mr STYLES: It was one of our biggest ever, with 10 000 young people attending over 100 events. We, as a group of people, only have the world on loan and have to hand it to the young people. As I get around the Territory I feel pretty comfortable. There are some great young people and we are in safe hands, irrespective of what people tell you about some of our youth. Only a minor group of people are involved in antisocial behaviour. Just about every young person I know is a great person looking for something to do and get involved in. We have allocated \$45 000 in grant money to support drug and alcohol free events to get activities and youth development opportunities happening during the initiative.

Additional funding of \$25 000 from the Commonwealth government – about 47 National Youth Week grant applications were supported. We funded organisations and events across the Territory for National Youth Week. It coincided with the Young Achiever Awards, and I am grateful to the member for Drysdale who went to those in my stead when I was interstate at a trade investment minister's conference.

Some of the applications successful in receiving funding were the Fiji Navude Youth Night held at the Fiji Association in Darwin, Cops versus Kids basketball game in Palmerston - I believe that was a huge success – the Borderman Inclusion Challenge in Katherine, the Recycle Art competition in Alice Springs, and of course the Karaoke and Talent Showcase in the Tiwi Islands. I would like to have been at that, I reckon that would have been a real feat.

We had a great time, and I noticed you were at some of the events. The couch racing is always a terrific event to be at. The various organisations involved with that - the youth engagement officers were there, Red Cross was there, Anglicare was there, a range of people, and Indigenous radio and television were there. It was a great day and great fun.

Ms MOSS: Would you mind if I just read some of the questions I have for Senior Territorians to put them on notice?

Mr STYLES: If you write to us we are happy to give you a briefing or whatever, if you want to follow that up.

Madam CHAIR: Through the written question process.

Ms MOSS: We will get a briefing.

Madam CHAIR: It is now 10.30 pm so thank you very much, minister, that concludes your contribution to estimates for this year. Thank you very much to the department and staff who joined you this evening.

That also concludes proceedings for today. The 2015 Estimates Committee public hearings resume next Tuesday 2 June at 8.30 am. Good night everyone.

The committee suspended
