

The Estimates Committee convened at 8.00 am.

## MINISTER KIRBY'S PORTFOLIOS

### DEPARTMENT OF PRIMARY INDUSTRY AND RESOURCES

**Madam CHAIR:** Good morning and welcome to today's estimates hearings. I acknowledge that we gather this morning on the land of the Larrakia people and I pay my respects, as well as those of the committee, to elders past, present and emerging.

I welcome you, minister, to today's hearings and invite you to introduce the officials accompanying you.

**Mr KIRBY:** Good morning and thank you very much. It is a pleasure to be here. We have Alister Trier, Chief Executive; Phil Hausler, Executive Director of Agriculture Division; Rod Applegate, Deputy Chief Executive Office of Primary Industry and Resources; and Desiree Ng, Chief Financial Officer.

**Madam CHAIR:** Minister, I will invite you in just a moment to make a brief opening statement. 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 my left to ask their questions first followed by other committee members. Finally, other participating members may also 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 until the end of the shadow's questioning on that particular output.

Minister, do you wish to make an opening statement regard the Department of Primary Industry and Resources?

**Mr KIRBY:** Thank you, Madam Chair. I am extremely pleased to appear before the committee today and answer any of the questions related to our portfolio of Primary Industry and Resources. I have introduced a portion of the team that we have with us. We will also have Sarah Corcoran, Executive Director of Biosecurity and Animal Welfare; Ian Scrimgeour, Executive Director of Northern Territory Geological Survey; James Pratt, Executive Director of Onshore Gas Development; and Ian Curnow, Executive Director of Fisheries; and Rick Bishop, Acting Executive Director Corporate Services and Governance.

In relation to today's hearings I acknowledge I became the minister in late January, which means that I have only been minister for a part of the reporting period. That does not represent any issues for the committee. The departmental staff will be able to help explain any matters that pre-date my appointment.

A lot of great work has been done by our government and took place under my predecessor—a great portion of it—the Member for Johnston. I acknowledge the good work and I am happy to discuss that today. It is an immense privilege having been appointed as the Minister for Primary Industry and Resources in the Gunner Labor government. Our government's number one priority has always been about creating jobs and this portfolio gives amazing opportunities to that. We are in a particularly exciting time in the Territory's history.

This portfolio, Primary Industry and Resources, is fundamental to delivering jobs through the Northern Territory. Since becoming minister I have seen and heard that jobs message. Firsthand we have had the opportunity to going up and down the track and will enjoy doing more of that over the coming months. We will be listening to people, whether it is the people on the farms in the Douglas Daly region, the workers at a world-class gold mine in the Tanami Desert, or small businesses through the onshore gas contracting forums in Darwin. Territorians are saying that they want our priority to be local jobs.

As minister, I have said to workers and businesses in all of those places that we are completely focused on doing what we can and helping our government do what we can to deliver more jobs—good, safe, local jobs—through the Primary Industry and Resources portfolio. We are more than happy to discuss any and all of those outputs during today's discussions.

**Madam CHAIR:** Thank you, minister.

**Mr WOOD:** Could I ask a clarification about where something sits?

**Mr KIRBY:** Sure.

**Mr WOOD:** Where does the onshore gas development division sit?

**Madam CHAIR:** Just give us an output number, if that is okay.

**Mr KIRBY:** Within the energy portfolio—Output Group 6.

**Madam CHAIR:** We have given some latitude over the last few days on where things fit, so roughly in that area it will be where it will be asked.

Thank you for that opening statement, minister. Are there any questions relating to the statement?

**Mr HIGGINS:** Can I just ask, what is the specific amount of the dividend that your agency is going to have give up as part of the fiscal review that we have? I am after the amount, as opposed to the 3%.

**Mr KIRBY:** I understand the question. It was an interesting time to come to budget estimates, as the Langoulant report, the root and branch report and working through the spreadsheets line item by line item, gave me a stark understanding of the finances within the portfolios. In 2019–20, \$723 000 is the actual savings.

In our department it was really openly and honestly discussed that we are one of the departments that have the opportunity to bring money in to the Northern Territory. That was very well recognised by the Chief Minister and the Treasurer. I guess we made sure that we made good representations for us to continue to bring money into the Northern Territory and continue to focus on expanding industries. We appreciated that was the extent of the funding arrangements we had to meet.

**Mr HIGGINS:** The \$723 000, I presume will increase in 2020–21. What percentage is that? In saying that there is recognition that you bring money in, was that still the 3%, or was that percentage altered?

**Mr KIRBY:** I am just clarifying that the 3% of the dividend was still in place. As far as the efficiency dividend goes, 2% has been applied across the 2018–19, increasing to 3% in 2019–20, with 1% ongoing from 2020–21.

**Mr HIGGINS:** When you talk about recognition from government, obviously they did not alter that percentage. They put words around it, but did not alter the percentage? In your statement you made the comments that government recognises that the department brings in money and that it is a wonderful department, but it had nil effect on the efficiency dividend.

**Mr KIRBY:** I think we have the ability, as we streamline going forward, for that not to have a significant effect on the operations of the department.

**Mr HIGGINS:** In what way? I mean if you are losing \$723 000, what money is going to come into the department to offset that?

**Mr KIRBY:** There is a range of different opportunities that we have discussed. Research farms is an opportunity we have discussed more proactive measures about ...

**Mr HIGGINS:** So your research farms are going to bring in money to replace that \$723 000?

**Mr KIRBY:** Some of the discussions that we had as far as finances go—there were cuts across every department. We understand that. There were certainly some discussions on how we could counter those with proactive proposals going forward.

I will hand to Alistair, our chief executive, to explain that in more detail.

**Mr TRIER:** Thanks very much minister. The efficiency dividend of 2%, as the minister pointed out, is a total of about \$0.723m. Of this, a portion of that would be applied to grant funding. The remainder will be amortised across the non-regulatory components of the department.

**Mr HIGGINS:** When you talk about achieving that percentage, how are we going to achieve that total savings? When you say it will be spread across the department, is it going to be staffing or just operational? You have already mentioned grants—the efficiency dividends will be placed on grants. But what programs or services will be cut, ceased, whatever? Can you list those?

**Mr TRIER:** We do not have specific programs that we are focusing on stopping at this stage, but we are focused in certain areas and on non-regulatory components of the department that will require some natural attrition—not a lot. We have taken a lot of steps to reduce the overall size of the agency over the last period of time. There will be some reduction of staff numbers in the non-regulatory component.

**Mr HIGGINS:** Yes.

**Mr WOOD:** Have you recognised what grants will be cut?

**Mr TRIER:** There will be reductions in grants applied across the majority—or pretty much all—of the grants areas. There are some we have already applied reductions as part of an ongoing process to try to remove reliance of industry associations on government grant money. Where those measures are in place we have not applied extra measures, but where there are some areas that have not had those reductions, we are applying efficiencies there.

**Mr WOOD:** Will that be made public, as to which people will get diminished grants?

**Mr TRIER:** We will need to have those discussions with the various organisations in the first instance.

**Mr HIGGINS:** I will be asking those specific questions later too, Gerry.

In reality, while the minister has said that the government looked at the department as being one that generates income, you are still copping the two and the 3%, is that correct?

**Mr TRIER:** Efficiency dividends is as the minister has outlined.

**Mr HIGGINS:** Yes. You have answered the questions about frontline staff being cut from the agency. We have spoken about this great natural attrition and you will take the opportunity to review each of those as they come up.

**Mr TRIER:** Sorry?

**Mr HIGGINS:** As you have someone resign, I presume from your answer, what you will do is review whether you need that position ongoing, and that will then identify savings?

**Mr TRIER:** One of the things we need to do is—people go for whatever reason from what area of the department. Over time, we will need to move positions around so some flexibility will be required.

**Mr HIGGINS:** Yes, so in actual fact there is really no plan on which positions will be cut or operation will be—let us just suck it and see. When someone resigns we will review the structure around that person, whether the person needs to be replaced, and therefore the thing that is driving the review will be people leaving the department.

**Mr KIRBY:** Opposition Leader, I clarify that we have had structure discussions about vehicles and financial rationalisation. There has been no specific conversations about removing frontline staff—I think you mentioned frontline staff. I clarify that is not a discussion that has occurred. On a case-by-case basis on natural attrition, those discussions will occur.

**Mr HIGGINS:** What I am trying to get to here is we have a \$0.75m cut, which will increase next year. I am trying to find out whether there is a plan. The answer is that we really do not have a plan. We know what the amount is and how we may be able to apply it, but we do not have a plan.

**Mr KIRBY:** That is not the answer ...

**Mr HIGGINS:** Well, give us the plan.

**Mr KIRBY:** That is not the answer we have given at all. We have explained that we have had ...

**Mr HIGGINS:** You have said you have had in-house discussions. Discussions are not a plan. I want to know if there is a plan. The thing is I am not getting that answer. What I am getting is, as we have people leave, we will then review whether that person is to stay. But we have no idea on who will leave in the future. I am

trying to find if there is a clear plan on how we will save this \$723 000. The answer is no, we do not have the plan at this stage. My next question is, when will we get some definitive answers on that \$723 000?

I acknowledge and understand that you have not had this portfolio for the whole period. I was in a similar position once before, so I understand that you may not have the full grasp of this, but when will we have a plan on what will identify these savings for us?

**Mr KIRBY:** We have a full grasp of the economic challenges that the Northern Territory faces.

**Mr HIGGINS:** I am not after a grasp; I am after a plan. We all understand the current financial situation, but where is our plan?

**Mr KIRBY:** I was simply using your words, Opposition Leader. You explained that you were not sure we had a grasp of what was in front of us. We certainly have a grasp of what is in front of us. I have detailed discussions around fleet rationalisation and other measures within the department and certainly what we will be concentrating on, to make sure that we meet any of the financial obligations that we need to meet.

**Mr HIGGINS:** Creating jobs is the spiel that you had, is that one of them? We are talking about natural attrition and leaving jobs here, is it creating jobs in the industry as opposed to in the department?

**Mr KIRBY:** Creating jobs across the Territory, Opposition Leader.

**Mr HIGGINS:** That is all I have.

**Madam CHAIR:** Nothing more on the opening statement?

**Mr HIGGINS:** No.

**Madam CHAIR:** The committee will now proceed, given there are no more questions in that area, to consider the estimates of proposed expenditure contained in the Appropriation Bill 2019–20 as they relate to the Department of Primary Industry and Resources.

#### **Agency-Related Whole-Of-Government Questions on Budget and Fiscal Strategy**

**Madam CHAIR:** Are there any agency-related whole-of-government questions on budget and fiscal strategy?

**Mr WOOD:** Your department developed the project proposal under the Cooperative Research Centre for Developing Northern Australia targeting sustainable irrigation farming systems using offstream water harvest. What happened to that project proposal considering there has been some interest in the offer of a dam proposal for the Adelaide River lately?

**Mr KIRBY:** I will pass over to Phil Hausler for some more detailed explanation on that. Obviously we understand that water, the use of water and the damming of water, is a very hot topic. It is a near and dear topic to Territorians' hearts. Something that has been discussed recently, and that we take a lot of pride in discussing very seriously with industry—and taking advice from people within the industry as well. I will pass to Phil for more detailed explanation.

**Mr HAUSLER:** Member for Nelson, we have been working with the CRC for Developing Northern Australia and industry organisations to develop this proposal. We have, I think, two projects that we are working on in relation to this topic. One is on development of broadacre cropping systems and the other one is identifying pathways for new irrigated cropping systems across Northern Australia.

**Mr WOOD:** When the pathways to irrigated cropping systems, has the means to irrigate those crops been looked as part of the CRC development proposal?

**Mr HAUSLER:** There are a couple of things going on in that regard. One is the recent announcement of funding from the Commonwealth to look at surface water studies in the Roper catchment. There are some private interests looking at developing cropping projects around those systems.

**Mr WOOD:** For clarification, those are not specifically part of the CRC's role in this case, or are they?

**Mr HAUSLER:** We are looking to work with producers where we can. A lot of these concepts are in very early stages. You saw the cotton trials at the Katherine Research Station. That was our effort to try to lift the profile of these concepts and to work with industry to start helping them to de-risk their investments.

**Mr HIGGINS:** Could I ask some follow-ups to that one as well? When we talk about off-stream storage, how much involvement has the department had with the Adelaide River one, not in regard necessarily to just Power and Water, but there is this other private one that has been pushing around?

I think there is actually three things with (inaudible); one is Power and Water, the second is the \$2m, I think, that was offered by the federal government through CSIRO to have a study into that and the third one—I am sorry I cannot remember the name of the company—that then wants to do work there as well, in regard to setting up some irrigation south of that and some intensive stuff under roof north of it.

**Mr KIRBY:** I am more than happy to pass to Alister for a detailed answer on that.

**Mr TRIER:** Leader of the Opposition, the department has been very involved with other departments. There is the Power and Water component; and there is also the Department of Trade, Business and Innovation; looking at this. Water is obviously a very significant thing for development going forward so that proposal has been put to the government a couple of times now and it is under active consideration at the moment.

There are other views in the mix, of the ways of working with water. Our role is to provide advice on the agricultural components of water usage, the amount of water required, where that might be applicable for good soil types and those sorts of things. We have provided a number of technical inputs.

From a broader water point of view—and you have touched on it—there is definitely water required for agriculture, but there is also water required for future development of Darwin both a population and a potential manufacturing point of view. All those things are in the mix.

There are some views that, for that type of proposal, have a lot of merit. There are some other views that smaller, off-stream or storage components could also work as well. That is all being worked through. Our expertise is about water usage and soil types and those aspects. We need to work with others about the best way of capturing, storing and distributing water.

**Mr HIGGINS:** Has the department met with the company doing the private proposal at this point in time? The department itself.

**Mr TRIER:** The department was part of a cross-government meeting with the proponents, yes.

**Mr HIGGINS:** Just a follow-up—and the minister will know what I am asking on this one—has the minister met with them since? I know the minister and I had a discussion about this and there may not have been the time there. I acknowledge there may not have been the time to set up that meeting, but have we started to set up a meeting with these people and yourself?

**Mr KIRBY:** We have not had a chance to follow up discussions with them yet, Opposition Leader.

**Mr HIGGINS:** That is fine.

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

## **OUTPUT GROUP 1.0 – AGRICULTURE**

### **Output 1.1 – Research Farms**

**Madam CHAIR:** The committee will now proceed to Output Group 1.0, Agriculture, Output 1.1, Research Farms. Are there any questions?

**Mr HIGGINS:** I have four in this area at this point in time. Firstly, can I get an update on the value of the sentinel herd at Berrimah Farm and what are our plans for that, with all the other development going on?

**Mr KIRBY:** I will take advice, because I am not sure if any of that herd still remains at Berrimah Farm or whether they have been transferred or been lucky enough to visit the people at Berrimah Farm, but also some of our other farms as well. I am happy to take advice from Alister about exactly the extent of that herd at the moment.

**Mr TRIER:** Technically this sits in Output 2.0, because it is about biosecurity and I get the matrixing between research farms and biosecurity.

**Madam CHAIR:** Do you want to leave it until that output or are you happy to answer it here?

**Mr KIRBY:** I am more than happy. I know we have some at Beatrice Hill. I am more than happy to work through it now.

**Mr TRIER:** The minister has just described it. The herd, as I understand it, are at Beatrice Hill. That is where our monitoring requirements are being undertaken. The national arbovirus monitoring is a national program. The way we participate in that program changes over time and that is discussed with Canberra as to its views of getting the best spread of testing done across northern Australia to monitor the arbovirus or blue tongue.

The Berrimah Farm herd went to Beatrice. I understand that was entirely acceptable under national monitoring arrangements. As to the value of the herd, I could not give you an exact value. It is a herd we generally source from Alice Springs, because cattle coming from there have never been exposed to arbovirus, so they provide a good indicator. They are cattle from within our existing herd. They spend a period of time at Beatrice Hill as part of the monitoring program, but over time they build up a resistance and provide less accurate results. We then put those to market ...

**Mr HIGGINS:** Put them out to pasture, so to speak.

**Mr TRIER:** So to speak. And we replace them with more internal animals from Alice Springs. I will just check with Phil to make sure I have not gotten anything wrong.

**Mr HAUSLER:** That is correct. They are weaners that come from Alice Springs each year. They are turned over, so they will go to the live export trade. We get fresh weaners—we have a fresh batch now.

**Mr HIGGINS:** Since it was at Berrimah Farm—my understanding was that we would move it from there but keep it in a similar area. You have answered the question and said it is acceptable nationally. When we talk about value, what about the number? Is that altered at all? How many head in the herd do we have? Has that altered since it was at Berrimah Farm to when it was moved to Beatrice Hill?

**Mr TRIER:** I do not know. I would say the numbers are adequate, because they would have gone through the process of making sure we meet our requirements under the national program. We could find that out when we get to the next section, because the right person will be here.

**Mr HIGGINS:** I might save that until then.

What about the economic value of the buildings at Berrimah Farm?

**Mr KIRBY:** I have been lucky enough to visit Berrimah Farm recently. There is an extensive amount of work going on there. Some of those buildings are quite old. There is an extensive amount of headworks going on because of the lay of the land and the requirements that mean shifting water and sewerage around in the vicinity. Given some of the upgrades we are doing, I will take advice from Alister about the dollar figure.

Property, plant and equipment currently stands at 82, nearly 83.

**Mr HIGGINS:** Dollars? Thousand? Million?

**Mr KIRBY:** This is a little more detail: 6.3 hectares of Berrimah Farm will be retained by the department. A redevelopment would not create a loss of jobs. The balance of the site is 168 hectares that would be used to establish the new community outside to establish 7500 residents.

A tender for design of the field laboratory facility was awarded to Darwin-based Ashford Group Architects.

**Mr TRIER:** There is no residual value other than what is provided by the deputy chief executive.

**Mr HIGGINS:** If that is a status report on where Berrimah Farm is going can it be tabled? I ask on the basis that the two of you need to sort out if there is anything in there you do not want made public. It might be useful information for people.

**Mr KIRBY:** I am happy to look through and make sure it is all information that can be shared and we will table it when it is at that level.

**Mr HIGGINS:** Could we possibly get that tabled as a confidential document until—then if it is cleared to be made public, if that is all right with the committee?

**Mr PAECH:** Why do you not just organise a briefing with them?

**Mr HIGGINS:** Because I think it is important to everyone and this is the briefing on it.

**Mr PAECH:** Why do you not wait so they can go through ...

**Mr HIGGINS:** I should not be questioned on how I am actually asking my questions. You can ask yours later on.

**Madam CHAIR:** Can we come back to it?

**Mr KIRBY:** We are happy to table the document in confidence, just until we check to make sure there is no commercial information in there.

**Mr HIGGINS:** That is all I wanted. We can move along. It was an easy question.

In the research farms, how many reports have been written in the last ...

**Madam CHAIR:** Can I just ask the question, can we resolve to keep that document in confidence?

**Mr HIGGINS:** Yes.

**Madam CHAIR:** Are you happy with that, minister? We have resolved to keep that document in confidence.

**Mr KIRBY:** Certainly.

**Madam CHAIR:** The staff will come along now and we will move on to the next question.

**Mr HIGGINS:** How many reports have been written in the last financial year in regard to out of the research farms research activities?

**Mr KIRBY:** I will just clarify—in regard to research activities at Berrimah specifically, or across ...

**Mr HIGGINS:** Across all of the research farms.

**Mr KIRBY:** As I mentioned, we have done a body of, not so much intricate, work, but discussions on the future of research farms and their ability to perhaps be more proactive. Some of the work that they have done for quite some times has been of a great advantage to industry. But it may not be, we may be at a stage where industry is going to start to take the lead on some of those different crops and studies.

As for the intricate detail of exactly how many studies or papers, I think the question might have been ...

**Mr HIGGINS:** My follow up to that will be how many of these have been actively commercialised, which ones do we still speak to industry on, and can you describe how that activity progresses? If we are doing research we produce a report. How many of those reports have been produced? How many end up being commercialised, and what activity do we go through in the commercialisation of that? Presumably a lot of this research is decided with industry beforehand. So if I could get that sort of information.

**Mr KIRBY:** Certainly in our time at the Katherine Research Station—I know the Member for Nelson was down there as well—they have done some great work on cotton, beans and different things that can enter into, and already are, in the market at different times. Alister may want to give an overarching response to that.

**Mr TRIER:** Leader of the Opposition, our research facilities, as you are aware, cover the length of the Territory, which gives us a great opportunity to be able to undertake a range of research in different climatic conditions for different types of industry. We cover off on livestock industry research—I will come back to

that—horticulture and some agricultural research, and we also undertake research in our aquatics, with aquaculture and wild-stock fisheries. Each of those areas have a number of specific programs.

One of the difficult points is that a lot of these programs go over a number of years. For example we have been working—two different examples. One is mangos and varieties of mangos, which are now going through a commercialisation process where three different types of mango have been developed between the Northern Territory Government, the Western Australian Government, Queensland and also CSIRO. That has been a very long process, and somewhat frustrating. Some of that was outside of our control.

Another example that we are going through at the moment is the commercialisation of passionfruit, which is currently going through a ...

**Mr HIGGINS:** Which is going through my mind at the sheer mention of it.

**Mr TRIER:** A passion for passionfruit. We have done a lot of work in developing best practice management for composites and our super Brahms. Our mechanism of commercialising our super Brahms—that is just a word, but they are pretty much the most highly productive commercial Brahms in Australia. We commercialise them through the sale of bulls and getting genetics out, but also that the IP mechanisms we have used to get those animals to the productive capability they have is readily available and understood by industry.

Some commercialisation activities in aquaculture—many years ago we did a lot of barramundi fingerling production and that has led to one very successful commercial operation. That work has been done and we do not have to support the aquaculture industry through barra fingerlings anymore. Our barra fingerlings now go into more recreational activities.

More recently, there has been a lot of work done in conjunction with Aboriginal communities on black-lipped oysters. We are going through a program right now to work with the Aboriginal communities—particularly on Goulburn Island—about commercialisation of black-lipped oysters. That is looking very positive. It is a three-pronged combination of management practices, developing capacity and using research to turn a natural oyster that, in its natural state, would not compete that well with the likes of Pacific oysters or Sydney Rock oysters. But once you apply management practices to them, they are equal in class in their attractiveness to any other commercial oyster. That is a very exciting area. It is a bit hard to really be specific about how many actual research programs because we are covering such a broad range. Some of these are multi-year-type programs.

Phil has been having a look through some of the stuff that we have done, primarily in the Primary Industry space, so I will hand over to Phil.

**Mr HAUSLER:** To add to Alister's comments, we do a lot of research and development on our own research farms. We also look to partner with industry to do work directly on commercial properties. We have a publication that is out that gives an overview of each of our projects over that year, but also a list of the publications that we put out.

**Mr HIGGINS:** It would be good if that can be tabled. What are the three ...

**Mr WOOD:** Could I ask a question on that document?

**Madam CHAIR:** Hang on.

**Mr HIGGINS:** Yes.

**Mr WOOD:** Mr Hausler, I cannot find that document on your department's website. I looked now and I am pretty sure I looked the other day, looking for other documents. I am not saying you can find it easily, but I could not find it easily. I went through the different categories on the web page and I did not come to publications except the annual reports. Is there a way you can get hold of those sorts of documents without having to ring up the department to find out what other documents are available? That document does not seem to appear on the website.

It is a good document. I would have liked to discuss some of today's matters. I have only used the annual report and what is in the budget papers. I am basically asking where to get hold of that information outside of hearing about it today.



**Mr TRIER:** Member for Nelson, we will get you the link. I hear your frustration, though, and I could probably share some of that in that the way the Internet pages are set up. They are probably meant for a younger audience, which is frustrating to me.

**Mr WOOD:** I can still press buttons and those buttons did not take me anywhere.

**Mr HIGGINS:** Out of all of the projects that you are doing, what would be the three most successful or have the most potential for commercialisation into the future? What have been the two biggest—failures is not the word, it is not a failure on the part of the department, it is a ...

**Mr KIRBY:** Disappointment.

**Mr HIGGINS:** ... disappointment in the research that you have actually done? Just at a top level.

**Mr HAUSLER:** A good example of some of the good work that we have done is in relation to ...

**Mr HIGGINS:** That is what I am trying to get out.

**Mr HAUSLER:** ... phosphorous supplementation of cattle. For many years, it has been recognised that phosphorous is critical for the growth and maintenance of cattle. It is a critical mineral. We had a field day at Kidman Springs last year. We did some research on phosphorous supplementation going back 20 or 30 years.

We had another look at it at Kidman over the last couple of years. When you look at the sales figures for phosphorous through the retail stores, the numbers of phosphorous sold does not reflect the amount required by industry. In some ways, it can be seen as a failure, from an extension point of view, to get the message out. It is not really our entire responsibility; there are a number of players in the commercial world when it comes to supplementation.

We had a really constructive—what I am trying to say is that research and extension go hand-in-hand. You can have people doing the research work, but unless the message is getting out a lot of it goes through to the keeper. There has been a real effort on a number of fronts to revisit the work we have done on phosphorous and how critical it is to cattle herds across northern Australia.

**Mr HIGGINS:** What would be the value—or do we have any idea on the value or losses that have been caused by insufficient use of phosphorous?

**Mr HAUSLER:** That is a really good question.

**Mr TRIER:** The results of proper application of phosphorous are astounding; it is like a 300% return on investment. That is in addition to what Phil was just saying. I guess one of the things that we might not have done quite as well in the past, that we have really focused on now, is the economic value of applying the research that we have done. The focus initially was on what physical differences would be made to the breeder herd in terms of applying phosphorous, which would then physically make a difference to the number of calves that breed of herd returned.

They were all physical-type areas that we were using as demonstration of the value of phosphorous. We have taken that a step further and applied the economic—the cost of the material and of applying that material compared to the benefit received. It is quite astounding. This is the field day last year that Phil referred to and then again, in Katherine this year there was a field day and some of that work was revisited. The figures are really astounding.

**Mr HIGGINS:** What would be your next highest one? I do not treat that—just passing a comment—as a failure on the part of the department—that it has not been picked up by industry. I am looking for what successes we have in the research that has been done. If it has not been passed to industry, I think that becomes a secondary issue. That is not what I was looking at for failures—I use the word 'failures' and I have explained that—what sort of crops might we have trialled that have just been a complete flop or what sort of cattle have we tried that are just no good for the Top End? I am after some of those answers. What have we tried that has not worked.

**Mr KIRBY:** Harking exactly to what you are saying about how far we go in to an industry and how much information and how many trials—coming in with a fresh set of eyes is quite often a great way to come in and look at how an industry is performing and the support we that give. The excitement, you could term it as, of

the cotton industry at Katherine, the open day there—they had some amazing statistics on how far that industry had come. There were players from interstate that were very heavily invested in the industry and really proud about the decreased amount of chemicals used in that crop now and the decreased amount of water needed.

**Mr HIGGINS:** Is that increased amount of chemicals?

**Mr KIRBY:** A decreased amount I said.

**Mr HIGGINS:** No, you said increased.

**Mr KIRBY:** No.

**Mr WOOD:** I think you said decreased.

**Mr KIRBY:** Certainly a marked decrease in both chemicals and water, and it struck me then that is something that is not well known across the Territory. There is a part for government and research farms to play in advertising and educating that, but there is a part for industry to play in that as well. It will be interesting to see how that progresses over the coming years. I am happy if Phil has any more technical information and examples he wants to give about different crops.

**Mr HAUSLER:** A couple of more successes—one is the selector elite Brahman herd that we have developed over the last 30 years, where we have consistently selected Brahman cows based on their fertility. We maintain that herd and still collect a lot of information. That herd is now used as a resource on a national perspective to do all sorts of genomic work: mapping of gene traits. But as Alister suggested earlier, we have almost dedicated program of getting those genetics out to industry through auctions and sales. In fact, we have a bull sale coming up in a couple of weeks' time in Katherine to sell about 200 Brahman and composite bulls—and industry through a competitive process helps offset some of our costs but that is a very good way of getting genetics back out to industry.

The other success that I would like to highlight is the work we have done on identifying what triggers flowering in mangoes and the development of these new varieties. We have a dedicated program. A lot of that work is funded through ACR in partnership with us. There has been some very good work with industry in identifying the triggers for flowering and for working out how we can turn that switch on and off.

**Mr HIGGINS:** When you talk about a lot of the work in the cattle industry—and I will come back to horticultural side of it—do you see a declining involvement from the department in that research and an increase by industry itself? Or do you see that, with the potential in that live trade area, we should be increasing our research in this area as a department? Or how do you see that relationship developing over the next couple of years?

**Mr KIRBY:** I am happy to start with that, Leader of the Opposition. One of the really comforting things or exciting things that I have seen is industry being so proactive. The Buffalo Council have been extremely proactive about looking at what is necessary, not just within the herds, but on the grounds around them to ensure that they are safe and to ensure that we can continue to produce good animals. The code of practice that they have produced is a body of extensive work, which highlights how we as a government can help support the industry, with the industry being proactive to support itself.

As for the future direction and how that might head, I will hand over to Alister or Phil to explain a little more about that.

**Mr TRIER:** We have a number of mechanisms that we engage with industry. Especially in the livestock sector, which is a thorough and well thought out mechanism that goes from a regional basis within the Northern Territory, to a North Australian basis and a national basis.

We have industry advisory committees, which are ministerial committees across the Territory; the Alice Springs Pastoral Industry Advisory Committee, the Barkly, and Katherine. From time to time that either looks after Darwin, or the Darwin producers have their own mechanism. But the key point is, we have designated planned mechanisms to engage with industry.

Those committees do a number of things. Firstly, it is really important that we collectively come to an understanding on what programs we should be doing and investing in. When I say collectively, obviously from an industry point of view, we want to be going where industry wants to go. But there is the case of 'you

do not know what you do not know' and you need people out of the box to be throwing ideas into the mix. Those initial discussions are really important.

The second thing is for industry to be able to follow the progress of the programs, I guess for two reasons. One is they can provide views on to the value and where they are going and what might need to be looked at as part of the research program being implemented, and secondly, that they are being brought into the value of the program as it develops. As I said before, a lot of these things are long-term programs.

The third area is—coming back to your point about advocacy of the value of the program once it is finalised. Again using the phosphorous one as an example of the value there. Now people are really starting to see it in dollar terms. That is getting out, and we hope that will make a difference.

The pastoral industry advisory committees in the Northern Territory then form a part of a North Australia Beef Research Council, NABRC. They have a role of allocating or prioritising industry development funds, which is part of the more national approach.

We also have what is called a smart partnership with industry, which is based on levy funds. I will ask Phil to explain shortly. Coming back to live exports, we also partner with industry, ACR, and—I am not exactly sure of the name of it, but there is a partnership between Australia and Indonesia for livestock research in Indonesia. We have a strong role in participating in an operational research sense. They would be the prime areas in the first instance. I will ask Phil to explain the smart partnerships.

**Mr HAUSLER:** Over the years the department has become very adept at identifying with industry where the gaps of research knowledge are and what improvements are needed and lobbying on a national front or competing to access the matched industry levy funds across the major animal and plant commodity groups. At any one stage, we have a number of projects where we have leveraged our NT government base funding to multiply that a couple of times by accessing matched levy funds held by the Commonwealth.

**Mr HIGGINS:** Minister, you mentioned that there was some great potential in changing the way some of these research farms engage or do work. What did you mean by that? What are some of those potentials?

**Mr KIRBY:** Some of the discussions we had through our budget measures, going through line by line—you not only look at ways we may be able to save some money, but ways we may be able to get better bang for our buck.

We had a discussion with Alister about what crops and animals we have invested in on research farms up until now, what benefit we got out of that, what industry can take out of that and what we can hand over to industry. There was further discussion about how we can turn that into a commercial opportunity. That was the extent of our discussions.

Alister has explained the model that has been used in the past in making sure industry had the information it needed to progress. The barra fingerling example is a great one. There are different examples that we will discuss during the day.

I am more than happy for Alister to explain a bit more about the detail of where we may be able to find some commercial opportunities in the future.

**Mr TRIER:** Looking at a research farm in singular or in total across all our research assets, they are never 100% utilised for research 100% of the time. The other side of that is that there is always some latent capacity.

We have opportunities to generate more value out of that latent capacity than we have done in the past. That is the prime focus. Whether they be more commercial partnerships with industry, potential direct leasing opportunities for land that is not being utilised for research—thirdly, we have to be careful not to compete with industry. That is a given. Where there are opportunities for us to supply short-term needs that cannot be met elsewhere. For example, opportunities for growing hay for drought affected areas—that is the main focus across those areas.

**Mr WOOD:** Research stations are not just about commercialising crops; they are also about research into disease and new techniques of doing things. Do they have a role to play in the scientific side of research, not just the commercialisation of a particular product?

**Mr KIRBY:** I understand you asked the question of Alister, but I was impressed when I spent some time at Berrimah the other day. The scientific side of what they do is first-class.

**Mr TRIER:** You are exactly right. I am not a scientist—let me be very clear—but there is pure science, which we do not do much of, applied science and applied science at a number of technical levels. There are highly technical projects that require laboratories and high levels of sophistication, as opposed to other projects. For example, we recently did a trial in Katherine to do with cassava to look at the role it might play economically, bringing livestock to a slaughter weight in the Northern Territory.

As some of these things are, it was a case of 'let's have a go at this'. The cassava grew very well but the question was how we would get it out of the ground. In Indonesia, and places like that where labour is a completely different ball game, it is a much cheaper prospect. That was sold through a bit of innovation where a potato farmer was at the field day and happened to say, 'I reckon I can have a crack at that', and did and got it out in no time at all.

There are definitely those—the different between pure and applied research, and that applied research at various levels. You are exactly right again, research into disease—for example at Berrimah Research Farm we are undertaking a significant program on chlamydia in crocodiles. Crocodiles get venereal disease too and that has a significant impact on the quality of their skins. There is a program under way right now to focus on that. The crocodile eggs are just hatching.

They are equally as important as commercial opportunities; it is a balance. An example of commercial innovation might be the work that was happening at Old Man Plains, where we have brought in a lot of remote technology. In reality that can be a game changer for the Central Australian pastoral industry because Central Australia is mostly dry and currently very dry. Cattle have to go to water and they generally have to go to man-made water, which is water that is pumped out of the ground.

So you have an opportunity to channel them through a race before they go to that water because it is something they have to do. You can then measure those animals every day by weight and record it to an electronic ear tag. So you have turned what is an extensive industry into an individually manage industry by the use of this technology. Decisions can be made on those animals with very little impost to the animals.

What I am really saying is that you have cattle coming in, they come in to water every day as that is what they do. But if you decide that you want to sell some animals and the market is showing a premium for a certain type of animal, you can dial that in. And as those animals come in to water they get automatically channelled off into a different yard, still with water and feed, and there they are waiting for you at very little cost and impost to the animal. They are a range of activities.

**Madam CHAIR:** Are there any further questions?

**Mr WOOD:** I have, but if I run out of time can I give them to the Leader of the Opposition?

**Mr HIGGINS:** What time do you have to go?

**Mr WOOD:** Now in theory, but they have not rung me yet.

**Mr HIGGINS:** You can pass them down here.

**Mr WOOD:** Could I do a follow up question on Kidman Springs? It is a place I knew a long time ago, because my daughter worked there for a while. What is the future of Kidman Springs or Victoria River Research Station? What is the present status of that land that it is situated on?

**Mr TRIER:** One of—the status, it is active.

**Mr WOOD:** Yes, but the owner—it is leased, I understand. Is that correct?

**Mr TRIER:** That is correct. It is owned I think by an Aboriginal corporation. I cannot explain which one, Phil might be able to provide further detail in a second. It is leased to the Northern Territory Government. I understand that arrangement has been in place for many years and is quite a satisfactory arrangement.

There are a number of different programs there. I think probably the most valuable program that has happened there is a 40-year burning trial. This goes to some of the long-term investment that is required to really understand landscape management issues.

The trial itself is undertaken on some red soil and some black soil country. It looks at different land types. It is segregated into sixteen blocks in each trial, from memory. Each of those blocks have different burning regimes applied to them over the 40 years. It is really quite astounding the difference that different burning regimes have on maintaining the quality of the landscape. That is an example.

**Mr WOOD:** I will have to ask if the Leader of the Opposition can follow up with my questions. I am sorry.

**Mr HIGGINS:** That is all right. Drop them here, Gerry. When you come back I will tell you where I am.

**Mr TRIER:** I might just ask Phil to provide any further detail that I might have missed.

**Mr HIGGINS:** I ask these questions on behalf of the Member for Nelson. Is there a Primary Industry library, or is it contracted out? What is the cost of that library in-house or contracted out?

**Mr KIRBY:** Libraries are one of the discussions that quite often comes up, particularly when you are talking about intricate detail and information. We have people at Berrimah. I will get Alister to expand on that.

I want to address one of the queries you had before, Opposition Leader, about Berrimah in particular. The \$83m figure I quoted for research stations was for property, plant and equipment across all research stations, not just for that research station.

As far as the intricate levels our libraries go to, I will get Alister to expand on that.

**Mr TRIER:** We provide assistance to our researchers through the provision of technical publications—access to various materials that people require for their research. It is broader than a library service; it is more a support service to researchers across a range of measures, with researchers being able to find information they require as a part of their different research projects. The cost for the people in that area is about 3.6 FTE.

**Mr HIGGINS:** I presume from that answer we do not have an in-house library, we do not contract that library out, we just provide publications. Do we give some sort of access to researchers or cover the cost of them accessing other library services outside? Have I interpreted that answer correctly?

**Mr TRIER:** I need to correct one statement. Yes, we have a library in Alice Springs; it is a physical facility. We do not contract services out. Actually, my understanding is we have Internet technology-type facilities. It might be easier if Phil continues on.

**Mr HAUSLER:** To add to Alister's comments, we have a library in Alice Springs and we are also part of a national library database. We can borrow and loan out books through that system.

**Mr HIGGINS:** Is there a cost associated with that? Are we charged to ...

**Mr HAUSLER:** There is an operational cost, yes.

**Mr HIGGINS:** Do we know what that cost of that service is to us? Or is it on a usage basis? Do we pay an annual fee to be part of that, or do we pay each time we use the facility? How is that charged?

**Mr HAUSLER:** There is an annual fee. It is probably best if we got that figure to you directly.

**Mr HIGGINS:** Can we put that one on notice for the Member for Nelson? What is the cost of that ...

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#### Question on Notice No 6.1

**Madam CHAIR:** I want to be clear. This is a question for the Member for Nelson, so I will ask the Opposition Leader to restate the question on behalf of the Member for Nelson.

**Mr HIGGINS:** What is the annual cost or the usage cost—or both—of us accessing an electronic library facility to get books issued?

**Madam CHAIR:** Minister, do you accept that question.

**Mr KIRBY:** Certainly.

**Madam CHAIR:** The question has been asked by the Opposition Leader on behalf of the Member for Nelson of the minister and has been allocated the number 6.1.

**Mr HIGGINS:** Yes. The next question for the Member for Nelson is what stage is the department at with the new molecular biology laboratory? How much has it cost so far? What will be the main focus of that laboratory?

**Mr KIRBY:** I have had the opportunity to have some brief discussion about that, but I am happy to hand over to Alister to explain it in more detail.

**Mr HIGGINS:** That is what I would do, too.

**Mr TRIER:** My issues is that I have just tabled my response in that paper I provided previously.

**Mr HIGGINS:** Okay, that is all right. The Member for Nelson, I am sure, will be able to get that answer from there. I will accept that.

What work is being done on possible Panama disease-resistant banana varieties at the Coastal Plains Research Station?

**Mr KIRBY:** I will hand over to Alister to give us some intricate detail.

**Mr TRIER:** Could we hold that one until Output 2.0?

**Mr HIGGINS:** That is all right. I know there is a bit of an overlap between the development ones like the plant and the livestock one. I will hold the other one that he has here, too.

The department maintains and drives development of the Territory's regions, coastal areas—and you also say attract increased research and development funding for the department's research farm. If this is so, why has there been a reduction of \$700 000 in expenditure on the research farms?

**Mr KIRBY:** I think the \$700 000 that we are talking about is across the board not—is he insinuating that there is \$700 000 in particular for research farms?

**Mr HIGGINS:** I think that is his implication. What is the actual output? When I look at it here, the variation is actually \$482 000. So this is going from 2018–19 when the budget was \$8.9m and it is now \$8.4m. There is a variation of \$482 000. Can that be explained?

**Mr TRIER:** We are just checking a few papers here. It is predominantly around forecast revenue. At the beginning of the year, we expect to receive so much revenue and expend so much. Through the year, depending on cattle prices and other things, revenue can change and that figure can change. I am not sure if there is anything further to add.

**Mr HIGGINS:** For Hansard and for the Member for Nelson, I think the \$700 000 has nothing to do with the dividend. I think it may be a figure that he has obtained out of the annual report, knowing how he works and that would be your final figure somehow and a difference there. I think that would be how he got that.

What new horticultural plants are we doing research on at the moment? I know this may come in to planned industries, but this will be my last question in this area. I do not know whether others have any before we get onto that. What new ones—and I know you have mentioned the new varieties of mangoes, but I am looking for new food products.

**Mr KIRBY:** I am happy to hand over to Phil, who has some extensive knowledge about different plants that we are trialling.

**Mr HIGGINS:** I am trying to get answers like what a great research facility we have.

**Mr HAUSLER:** We have fantastic research facilities. On any day we are doing a number of things. We have a lot of residual work, if you like, and maintenance and improvement of things like jackfruit and rambutan at

Coastal Plains. We are always looking at new pasture species and that is generally done with the seed breeders in Queensland, who are looking at trialling their new varieties here in the north.

We are doing some exciting work right now with edible ginger, looking at how we might access the Queensland market. We have some opportunities in our disease-free status, and we have a tissue culture facility, so that positions us to look at some cultivar evaluation and bulking up. We are looking at a collaborative trial on different spices at Coastal Plains.

The minister introduced legislation to parliament on industrial hemp. People see that as an exciting opportunity for the future. Cotton is having renewed interest in the north and we are certainly involved in that. At any time, there are a number of different things that we have looked at previously and dug back out of the cupboard, or something brand new that we are really keen to be involved in.

**Mr HIGGINS:** Is there anything brand new? You may not want to rattle some of those off.

**Mr HAUSLER:** There are jujubes in Alice Springs that are a native date. We have a date nursery at AZRI that is recognised as having genetic significance perhaps globally, but certainly nationally. We had a very successful date forum in Alice Springs a couple of weeks ago. It is a mix of new and sort of old.

Without a research farm preserving genetic selections it creates opportunities for growers in the future to come in and have a look. We might wonder why we are maintaining these trees now, as they are a cost and there does not seem to be much interest, but then down the track someone says, 'Hang on, I really want to have a look at that again, can we dig that out of the cupboard?'

**Mr GUYULA:** Can you advise me in which output I should ask the following on this question? Can you advise how you are developing business, employment opportunities and capacity building in homelands? I have seen very little development in this area and I would like to know what this budget will bring for homelands outstations development?

**Mr HIGGINS:** I think that would fall under Output 1.4.

**Madam CHAIR:** Are you happy to accept that under 1.4 and we will get to it?

**Mr KIRBY:** I am more than happy to discuss it now and take advice from Alister and if there are other people that we need in the room to offer some more information ...

**Madam CHAIR:** The question initially from the member is about where it fits. Others will have outputs and it also helps with Hansard, you are not looking back under earlier or later—where outputs are. If it sits under 1.4 it will be a bit tidier. That is what we are seeking, if that is okay.

**Mr KIRBY:** We are happy to answer now if it sits better with the committee, and if the member for Nhulunbuy is going to be here later.

**Madam CHAIR:** The current output is research farms. I will make a quick ruling and say we will get to 1.4. Is that okay?

**Mr GUYULA:** Yes. I just wanted to find out where it fits. I am happy to wait for 1.4.

**Madam CHAIR:** There being no further questions that concludes consideration of Output 1.1.

### **Output 1.2 – Plant Industries Development**

**Madam CHAIR:** We will now call for questions on Output 1.2, which is Plant Industries Development. Are there any questions?

**Mr HIGGINS:** We have mentioned cotton already. Can you give me some idea on what support government is provided for cotton research, the development and the production in the last year and what we are going to be doing in the forward estimates? I am looking for the costs associated to that. If we have those, is it in-kind? What are we doing with it?

**Mr KIRBY:** It certainly was something that was heavily discussed, particularly at the Katherine field day. There were some farms in the region—I will get Alister to update exact places and figures as we work our way through the answer.

What struck me was the amount of people who came to that field day—the companies and the farmers who had come from down south—people who had successes within that industry in the past and there was certainly an appetite from them to want to invest within the industry, to invest within the Northern Territory. We are trying to grow Katherine as a hub so if there are discussions that we can be involved in and assistance that we can offer into the future about making Katherine a hub in those regards then we will look to try and be at the front of all of those discussions. I will hand to Alister for more detailed information about exactly how far down that track we are.

**Mr TRIER:** The thing that we have been able to establish this year at the trial at Katherine Research Station and also on private properties is that cotton can grow very well in the Northern Territory and we have been able to demonstrate that quite effectively at both trial sites. That is the initial step we wanted to take and that was to establish that this can be seriously looked at. I think that has been done very effectively.

It is my understanding that the cost of that trial to the Northern Territory, in cash terms, was around \$130 000. Going forward, it will now be up to industry to start to put some skin in the game. We have facilities and we are willing to work with industry in making our facilities available. In terms of cash contribution, we will be looking to use our facilities, but less from a direct cash point of view. We will be looking for opportunities to leverage funding not only out of industry, but the CRC. There are a couple of CRCs that we can look at and we are having discussions about that.

More broadly, the role for government going forward now is that there are the physical aspects of growing cotton, but then there is the other end of the story. That is you have to deal with it and turn it into a product, being cotton and cotton meal. What needs to be thought about through that is a discussion with industry and where the funding comes from. The minister referred to the Katherine Agribusiness Hub, which could well be a part of that story.

That is the role of the logistics that sit behind that. Our stakeholder engagement is also very important. If the potential is real and this industry does start to develop, stakeholder engagement will be a very significant part of that process.

**Mr HIGGINS:** When we consider all of that—the hub and everything else—does the department do any economic modelling on any of that or is that done by another department? How do we justify—I know some work will be a failure in the sense that what we find out is that what we are trying to achieve will not be achieved. What sort of modelling is done on that to determine how much time and effort we will put in to doing some of these trials of different crops et cetera? It is more or less a general question across the department.

**Mr KIRBY:** It is an interesting question and point. Some of the comments which were made at Katherine, in particular, were harking back to different trials that had gone on in the 1990s. So obviously sometimes the investment is over a significant period of time and sometimes you would wish that things come to fruition quicker than what they do. Sometimes they do not, as I mentioned before. Sometimes, there is an opportunity or time in motion, when the industry needs to take that over and start to get on the front foot to advertise and communicate the great outcomes that have been made with reductions in insecticides, pesticides, water use. At times there is still a part to play for government in that advertising and engendering those industries going forward.

I will hand to Alister to put some finer points to that.

**Mr TRIER:** In terms of economic modelling, it is not a 'one size fits all'.

**Mr HIGGINS:** I know, I accept that.

**Mr TRIER:** For example, cotton is a very well-established industry and the economics around it are understood strongly. The main issues are if you can grow it, and if you can grow it under a range of climatic conditions.

I should say in my previous answer, I did not speak to that, so I will do that quickly. It has grown very successfully this year, but this year had a certain series of seasonal events. What industry needs to do is to replicate that over a couple of years and show they can adapt seasonably. The view of industry—and these are people with long experience in this industry—is yes. They have to learn it but it is doable. In that instance, because it is a well-established industry just being undertaken in a different area, we are focusing on the aspects that we think need to be unravelled there.



An alternative example, as Phil Hausler indicated earlier, was when the minister introduced the hemp legislation. There was economic modelling that went into that prior to the introduction of that legislation, because it is a new industry for this area, and it began with a research program to establish whether we can grow it, as well as some economic modelling on the opportunities of that industry before we went to the length of talking to the minister about introducing legislation.

**Mr HIGGINS:** I know we have to do trials like cotton to see if it will grow here. In making that decision, do we put some boundaries around how much we would invest in that as a department to know what the potential return could be? If we are making a decision to invest—you said \$130 000 or about that—prior to investing that, did we look at what potential returns we could have if it were successful? How much land would be used for it? I am not after a detailed model, but is that coming in to the decision-making? Then when you make a decision, like with hemp, do you do a complete economic model around it?

**Mr TRIER:** I revert to my previous answer: it is horses for courses. With cotton, we were not sure of the initial investment that was required; we learned along the way. So we did not start the year by allocating a specific amount of money. As the interest grew we thought this was something we should look at.

I think where you are going with that is asking, 'What do you stop doing and how do you allocate those resources?'

**Mr HIGGINS:** Yes.

**Mr TRIER:** There is always a bit of flexibility required because opportunities come, these things are time bound, and you need to grab them while you can. We decided to make the investment in this current financial year to establish and open the door to opportunities here. Going forward we need others to put skin in the game. We are very clear about that.

The driver for our investment in cotton was about significant interest in the industry up here. There are two components as to why we got involved. One is, as I have said before, to establish whether it can grow in the area and in other regional areas. The other thing is to use it as a mechanism to engage with stakeholders. If you have investors wanting to get involved, you have to build community support for the establishment of a new industry.

**Mr HIGGINS:** Cotton has a bad name because of the amount of chemicals and water in the past. When we are looking at that into the future, we must take into account how much it will cost to sway that perception from a lot of people.

**Mr KIRBY:** Some of the figures we were being quoted, particularly in Katherine, were close to 90% reduction in insecticides and pesticides and around 40% less use of water over the last 10 to 15 years.

You are right; there is a journey we need to take people on. If there was an announcement tomorrow that something was radically changing we would have some significant pushback because of the industry's history in the Territory. As the representatives and advocates for that industry, we have a part to play in helping to start that discussion and education process throughout the community.

**Mr HIGGINS:** I happen to have some photos on my phone from a field day of cotton growing at Hay in the late 1950s. It was interesting, there is a guy on a machine picking the cotton. He is outside of the machine smoking a cigarette. That was the first field day that I ever went to. I am showing my age there.

What about wild rice in the Territory? Is there any future for that? Do we have any budget to support that into the next year?

**Mr KIRBY:** I cannot recall seeing wild rice as a line item, but Phil's eyes have lit up. I know that he has some information and he would look forward to explaining a little more on that.

**Mr HAUSLER:** We have had a very early look at wild rice cultivation in the Northern Territory. There are still a few things to be sorted out. There is a lot of effort that can go into a very small yield. We have partnered with another CRCNA project that CDU is leading. They will be looking to use some of our facilities to undertake their trials. That is part of a wild rice program across Northern Australia.

**Mr WOOD:** Are the genes of wild rice similar to cultivated rice?

**Mr HAUSLER:** Off the top of my head, I cannot answer that, sorry. I guess they would be.

**Mr HIGGINS:** Levis.

**Madam CHAIR:** They are rice.

**Mr WOOD:** It is not jasmine.

**Mr HIGGINS:** We were talking before about the ARAS facility and those proponents to do some sort of horticulture/agriculture south of where that is. My understanding is that rice was previously grown there, around Adelaide River. Have they raised that as one of the options? It can be a yes or no answer.

**Mr KIRBY:** I am more than happy for Phil to expand on that.

**Mr HAUSLER:** The cultivation of our normal rice lines is certainly considered as an option for the future. If there was an irrigation that delivered cost-effective water to farms, rice would always be considered part of the picture.

**Mr HIGGINS:** Do we know how much rice was grown in that area previously?

**Mr HAUSLER:** I guess you are looking at the Tortilla area?

**Mr HIGGINS:** Yes, around there.

**Mr HAUSLER:** I would be guessing off the top of my head. There would have been hundreds, if not in the thousands, of hectares.

**Mr WOOD:** And unexploded ordinances—that was one issue. I think they also grew it further upstream of the Adelaide River, because I owned a block of land that Jetners' once owned. They grew rice ...

**Mr HIGGINS:** Down along the end of Strickland Road and places around there. Have we managed to solve the flowering of mangos?

**Mr WOOD:** Cheeky.

**Madam CHAIR:** That is a very big question. Could you clarify how that is budget related please, Opposition Leader.

**Mr HIGGINS:** The research into the early flowering of mangoes was a subject that was raised before. I know multiple flowerings over a year is another one that would increase our yield. How are we going with all of that?

**Mr KIRBY:** I know it is something that Phil touched on before and he has some information on. I am more than happy for him to share that.

**Mr HAUSLER:** The Northern Territory, are part of a national mango breeding program. As Alister Trier mentioned earlier, we have partnered with Queensland, Western Australia and CSIRO to develop new varieties. They are effectively, mostly, a cross between Kensington pride and Irwin. They have been evaluated at research stations across northern Australia over a number of years.

We did some post-harvest work on what we think are some key varieties that could be commercialised. We are pretty excited at the prospects of those varieties because of their consistency in flowering, they are early flowering and they have significantly higher yields than the varieties we currently have. Also the quality of the fruit was considered to be outstanding.

**Mr KIRBY:** We had a national mango industry conference only in the last month or so out at Pee Wee's. I believe they were there based for a couple of days, so they had a lovely location for it and some really interesting discussions about all of those matters. It is good to see the industry leaders in Darwin discussing how we can progress the industry.

**Mr HIGGINS:** How much—and I am not too sure whether the department did—did we invest in looking at that resin canal problem in mangoes and has that been solved? Or was that more done by industry?

**Mr KIRBY:** Perhaps I will go to Alister to give an overarching response on that.

**Mr TRIER:** Can we deal with that in Output 2.0—Biosecurity?

**Mr HIGGINS:** Yes, okay.

**Mr WOOD:** Minister, in your annual report, it shows no production for bananas last year in the Northern Territory. What is the state of banana production at the moment? I thought there was one farm operating at Middle Point and one at Batchelor, an organic farm. This is all in relation to since the Territory has been classified as freckle-free—not you personally, but the bananas.

**Mr KIRBY:** We understand that it has been an interesting time for the industry and it has had some hard work to go through over the previous years. I will go to Alister for some detailed updates about exactly what the industry is up to and what we are producing at the moment.

**Mr TRIER:** I think the issue is that yes, there are bananas being produced but not at quantities that get them to a point where we capture that data along with other areas of production.

**Mr WOOD:** Minister, one of your outcomes is to provide support for development of Aboriginal-led forest enterprises. What is happening on Melville Island? Is the industry sustainable? Is the government involved financially in the operations or providing assistance in some other ways?

**Mr KIRBY:** We take our support of Indigenous industries very seriously. They have more than 30 000 hectares of well-managed plantations. The Tiwi people have jobs in those facilities operating machinery, driving trucks and fire management. We contribute a proposal of competitive research funds to support development. I will let Phil talk in a little more detail about exactly that background and how we can assist into the future.

**Mr HAUSLER:** As you are well aware, there are 30 000 hectares of mainly *acacia mangium* planted over on the Tiwi Islands currently being harvested. Plantation Management Partners and Midway are involved in the harvesting and sale of that woodchip. I believe there have been a number of boats that have been loaded and departed from Port Melville, so the harvest operation is well and truly under way.

**Mr WOOD:** The annual report figures do not show any production—this is the last annual report—for that and there was a three-year deal signed with Mitsui to producing 500 000 tonnes a year. Is that happening or is that in abeyance at the present time if there are no figures showing up on the annual report?

**Mr HAUSLER:** I cannot comment on the arrangement with Mitsui or any other off-take agreement.

**Mr WOOD:** If they were harvesting, it should still turn up as a figure in your annual report or it is not a requirement for that to happen?

**Mr HAUSLER:** We report on economic data. We report on the economics across industry. I am not sure why that was not included in our annual report. I would have to chase that up.

**Mr WOOD:** What are the forecasts for eventual commercial production of mahogany timber and sandalwood from the Douglas Daly? Do you have knowledge of where those industries are going?

**Mr HAUSLER:** There is 14 000 hectares of African mahogany planted in Douglas Daly and Katherine. This is the first commercial plantation of African mahogany in the world as I understand it. The operator, African Mahogany Australia, is still understanding that crop, and we have been doing some work with them in understanding water use and the actual yield that is possible from those plantations. We are still working through the answers to some of the questions. We see the African mahogany plantation as a significant resource that will provide significant benefit to the Territory in the future.

**Mr WOOD:** There was someone working on that plantation when we were there for the Douglas Daly field day.

**Mr HAUSLER:** They have done a lot of work in generating a cash flow to keep them going until they reach harvest through the introduction of cattle and grazing weeds and grasses between the trees.

**Mr WOOD:** What land releases are you looking at, at Gunn Point and Wildman River with the NT Land Corporation and who is involved in these discussions?

**Mr KIRBY:** I will hand to Alister to give us an update. Land around at Gunn Point is a topic that we discuss at different times.

**Mr TRIER:** We have had active discussions with the Land Corporation. At the end of the day it is their land to administer and they are separate to government. Our role is to provide advice on what the opportunities are, some potential mechanisms for development. What I am really talking about there is large-scale opportunities for investment or division into smaller lots for investment opportunities. At the end of the day that is a Northern Territory Land Corp matter, but we have regular discussions with them.

**Mr WOOD:** From a public point of view I cannot ask the NT Land Corp what it is doing. I can ask them privately but they are not part of the estimates process.

**Mr TRIER:** We are actively discussing both of those areas with Northern Territory Land Corporation.

**Mr WOOD:** This one might be that your previous minister was very interested in. What has happened to the 50 expressions of interest in to donkey farming?

**Mr KIRBY:** I understand that the Member for Barkly has a keen interest in where this industry might progress into the future. There are some areas that are being set up to cope with donkeys and the processing if that becomes an opportunity in the future. I will pass to Alister to give some up-to-date information on how that has progressed.

**Mr TRIER:** Thank you, minister. I will start with a comment that was made at the Northern Territory Cattlemen's Association conference where there was a comment or something of—pastoralists will be turning in their grave at the thought of introduction of donkeys back in to the pastoral area, which I totally agree with.

The opportunity for donkeys is very real when you look at the demand for donkey product, not only in China but by Chinese people around the world, so it is something I feel that we should not ignore. In terms of the 50 expressions of interest there is some low-level activity happening. There are some herds of donkeys, but it is very low level activity at the moment. There is probably some geo-political issues that drive some of that, where the interest has quietened down for the moment.

It is not on our radar right now, but I have a view that it could well return, because it will be driven by that worldwide demand and the real tensions of supply.

**Mr PAECH:** The current donkeys that are mustered are wild. So there is no facility in the Northern Territory maintaining them, as they would with cattle or brumbies?

**Mr TRIER:** Yes there are some facilities about pastoral properties that are maintaining small herds of donkeys and there is the Batchelor facility.

**Mr PAECH:** Is that the same for camels?

**Mr TRIER:** Camels are exported for processing interstate.

**Mr PAECH:** Are some of the economic challenges with getting that market to be more economically viable or sustainable due to the nature that the camel industry, in terms of trucking and slaughtering, is somewhat challenging, because it is not done as the conventional beef production?

**Mr TRIER:** I think the short answer is yes. Donkeys domesticate reasonably well through a proper program, camels are a bit more nomadic and a bit harder to domesticate from a fully wild situation. There was some research looking at virtual fencing, if you like, and control of camels that way. I cannot tell you where that got to. Yes, camels are more problematic.

**Mr HIGGINS:** A point of order, Madam Chair. Have we moved from Plant Industries to Livestock Industries?

**Madam CHAIR:** No we have not. I made it quite clear earlier that we are still on number 1.2 to the Member for Nelson, so we will swing back to him.

**Mr WOOD:** That is from doing these questions late at night, sorry I understand. I will get back to plants. Sorry, Opposition Leader.

**Madam CHAIR:** That is that latitude I spoke about earlier, thank you Opposition Leader. I will afford you the same later.

**Mr WOOD:** You should have pulled me up there, I would have put it in animals.

What work has been done on possible Panama disease-resistant banana varieties at Coastal Plains Research Station?

**Mr KIRBY:** We touched on some of that earlier, but I am happy ...

**Mr TRIER:** I think we were waiting for output 2.0?

**Madam CHAIR:** Yes. Are there any further questions on Output 1.2?

**Mr WOOD:** What work is your department doing on assisting in the development and research into native food plants such as the billygoat plum, Kakadu plum for the academics, bush tomato et cetera? I note the export of one ton of billygoat plums the other day from Maningrida.

**Mr KIRBY:** I am more than happy for Alister to update with some more detailed information. I do know that the Kakadu plum in particular had a fantastic harvest recently.

**Mr TRIER:** The short answer is that we are not doing a lot in that area at the moment. We have done some research in bush foods in Central Australia but as far as Kakadu plum that has not been an area focused on at the moment.

**Mr HIGGINS:** Could I ask a supplementary one to that on the Kakadu plum? Is the Kakadu plum that they researched to use it as a preservative with prawns? The ground-up powder from the Kakadu plum?

**Mr WOOD:** It is funny you say that, at the Fisherman's Wharf at the moment—there are new owners there—are selling billygoat plum or Kakadu plum powder.

**Mr HIGGINS:** I am sure I saw something on that, I presume it was with the department. If I cannot get an answer can we take that on notice to see if that is a thing they are using it for and who has been doing that research?

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#### Question on Notice No 6.2

**Madam CHAIR:** Opposition Leader, please restate the question for the record.

**Mr HIGGINS:** Is it true that the Kakadu plum powder, or billygoat plum powder, is being used as a preservative and if it is, who did that research and is it applicable to prawns when we look at Sea Dragon?

**Madam CHAIR:** Minister, do you accept the question?

**Mr KIRBY:** Yes.

**Madam CHAIR:** The question asked by the Opposition Leader has been allocated the number 6.2.

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**Mr WOOD:** This is a slightly crossover question, but I will do it in plants. You undertook research and communicated findings on understanding and mitigating the aggregative behaviour of the magpie goose on mango orchards in the NT funded by horticulture Innovation Australia. What were the results and where do we go now?

**Mr KIRBY:** There are a lot of research programs we enter into that are jointly funded with federal bodies. As Phil explained before, it gives us the opportunity to expand on the amount of research we can do and get a much better result out of it. We are very proud about the work they do. I pass to Phil to expand on this.

**Mr HAUSLER:** This was an issue that was identified by industry as a significant one, but also one that is really not our core vision. In aiming to address the issue, we fully identified the problem and then worked with collaborators to have the issue resolved. We got some funding for CDU to undertake this work through horticulture Innovation Australia. I think we talked about it last year at estimates.

A lot of the work involved was understanding the migratory habits of the birds from a local perspective. When they enter the orchard, when they leave, how long they are in, are they the same birds, and where they go? We also looked at what some deterrent options might be. There was a bit of work done with drones and different sounds emanating from the drones. There was some pretty good work done there, also through the use of other noise devices and harassing the birds as they entered the orchards.

We are now developing some best practice notes for mango farmers to apply to manage the introduction of birds into their orchards.

**Mr WOOD:** Has there been a summary of that research? Is that through you?

**Mr HAUSLER:** It is being written up now and will be put out as some best practice guidelines for the management of magpie geese.

**Mr WOOD:** That will be interesting. This one was asked last year, but it is an ongoing investigation. You commenced investigating the biological controls for leaf hoppers, which I know about, which I presume, if successful, would reduce spraying costs. What are the results so far?

**Mr TRIER:** Can we push that back to Output 2.0?

**Mr WOOD:** Yes, okay. This one might not quite be in Output 2.0, but I will give it to you anyway. What is the cucumber green mottled mosaic virus subsidised interest rate scheme? I had not heard of that before. Is there a budget allocation for it?

**Mr TRIER:** Output 2.0 again.

**Mr WOOD:** Even if it is an interest rate scheme? It sounds like a commercial thing rather than what the virus is. It is mentioned in the annual report.

**Mr TRIER:** My vague recollection of that is that there was a subsidy put in place by government to give growers access to some funds under commercial arrangements to assist them to be able to re-establish. I am not sure why that is in this year's annual report, because my understanding is that is now finalised. But I might stand corrected there.

**Mr WOOD:** All right. If I put that on notice could I find out a bit more information about it, if that is possible?

**Mr TRIER:** Yes.

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### Question on Notice No 6.3

**Madam CHAIR:** Member for Nelson, can you restate the question, please.

**Mr WOOD:** Minister, could you please explain what is the cucumber green mottled mosaic virus subsidised interest rate scheme—without an acronym—and is there a budget allocation for it?

**Madam CHAIR:** Minister, do you accept that question?

**Mr KIRBY:** Certainly.

**Madam CHAIR:** The question being asked by the Member for Nelson of the minister has been allocated the number 6.3.

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**Mr WOOD:** Minister, with the proposed prawn farm at Legune Station getting closer to development and the government investing \$80m into a new road into that facility, is stage three of the Ord River further advanced?

**Mr KIRBY:** Stage three of the development—I understand that they are in the process of a final investment decision on that.

**Mr WOOD:** Is that Legune or Ord River stage three?

**Mr KIRBY:** Around Legune itself.

**Mr WOOD:** I am not worried too much about Legune. I am more worried about—since we are putting a lot of money into that road into Legune, whether that now opens up the issue of Ord River stage three development.

**Mr KIRBY:** Access to the Ord stage three, to carry out that land capability study, has been restricted by Wet Season activity. I am not sure if Alister has some more information on exactly where that is up to. It was great to see their commitment and investment into the Territory, opening a Territory office with the Chief Minister the other day. I do not think there is any doubt about their commitment to the Northern Territory.

**Mr WOOD:** I do not think they are part of Ord stage three.

**Mr TRIER:** The ongoing work the department has been doing with regard to Ord stage three has basically been focused on arrangements with Western Australia as it relates to biosecurity, so that there is a line in the sand of an artificial boundary. You have a crop on this side and a crop on that side and two different regimes. The discussions have been primarily focused there.

We have also been talking to the Western Australian Government about water allocations. Some of that has taken—I suppose Western Australia are trying to sort out their water allocations on their side of the border. There are some different activities happening there.

**Mr WOOD:** Did you tell them it is our water that they are using?

**Mr TRIER:** Part of that catchment is certainly in the Northern Territory.

**Mr WOOD:** That is right. It is not getting like the Brexit negotiation between Ireland and Northern Ireland where we are going to have a virtual border? Would there be issues, if it is developed, from the point of view of biosecurity?

**Mr TRIER:** These discussions relate to a whole lot of broader areas, for example cotton. Depending on where a cotton gin might be developed, if it is Western Australia or in the Northern Territory, that particular facility will be accessed by potential businesses from both sides of the border. It makes no sense to have duplicate systems. These discussions are broader than just Ord.

**Mr WOOD:** I was just thinking of the basic quarantine issues. You cannot take your tomatoes into Western Australia. But if you took them Kununurra ridge, there is Ord stage three, you could not take them back could you?

**Mr TRIER:** There are some matters are outside of our control.

**Mr WOOD:** There was some mention about the passionfruit. The commercialisation process for passionfruit and flowering ginger varieties are being developed by the department. This has been going on for quite a while. It was mentioned in the annual report for the year before, and it is mentioned in the latest annual report. Where is that up to and how long will that research be going for?

**Mr TRIER:** Unless I have it wrong, I think the research is complete. We are going through an expression of interest process. My understanding is that there were calls for expressions of interest either late last year or early this year. Those expressions of interest come in and they are going through a final assessment process prior to awarding.

**Mr WOOD:** Is that the purple or the golden passionfruit?

**Mr TRIER:** It is a hybrid, but it is a purple colour.

**Mr WOOD:** I was just asked about working well with industry. I had a question asked to me whether the department wanted to charge a thousand dollars a hectare to grow crops in conjunction with industry on research farms. Did you know anything about that at all?

**Mr KIRBY:** I know that we work closely with industry. Some of the intricate dealings of exactly how those commercial arrangements play out—I am happy to take advice from Alister on that.

**Mr TRIER:** I am not sure where the figure came from, but it goes back to the question that was discussed—you might have been outside the room, Member for Nelson. We are looking to commercialise any latent capacity that we have on our research facilities. One thousand dollars per hectare—I am not sure where that figure came from—could be real; it might not be. It is looking for commercialisation of any spare capacity that we have.

**Mr WOOD:** I imagine that if you were trying to encourage people, you would want to make sure the price was not too high otherwise they would stay away. Was there anything asked specifically—I know hemp has been mentioned. I have a question about the hemp anyway. It is slightly different than just how it grows. Again it mentions in your annual report that you have collaborated with industry and regulators to inform industrial hemp policy settings for the Territory. What does industrial hemp policy settings mean?

**Mr TRIER:** I will start but Phil might be able to help me a bit down the track. This is about hemp that is low THC. It is completely different to the medicinal project. Within low-THC hemp, there are different types of hemp that have different ranges of cannabinoids. They do not have the THC that is the ...

**Mr WOOD:** Hallucinating effects.

**Mr TRIER:** Yes, thank you, you dug me out of a hole. Some of those products, those cannabinoids, can have significant opportunities for a commercialisation for food or other sorts of therapeutic products like skin care. The way Australia participates in these products—we are part of the international treaty on narcotics. This is probably a more definitive term on that.

Australia participates under that process, which looks at a range of narcotics and puts definitions around those narcotics. At the moment they are going through the cannabinoids and looking at whether they need to be classed as a narcotic or can be deregulated from being a narcotic and thereby be used for these other therapeutic products.

The language that was used in the annual report is that our legislation fits into the Australian legislation which cascades up to the international treaty on narcotics, so that as cannabinoids fall out of the highly regulated component of the treaty, they then can also be utilised under Australian legislation and cascaded down to Northern Territory legislation, which allows for hemp to be grown for those further products other than industrial, as it currently stands.

I will check with Phil that I do not have any of that wrong.

**Mr HAUSLER:** That is correct. Just to add to that, we have an officer on the Australian regulators network so we are just making sure that our legislation, and the regulations that need to be developed, address the issues that our counterparts in the other jurisdictions have tackled.

**Madam CHAIR:** The time being just after 10 am, we will take a very short break.

**Mr KIRBY:** Just before we finish that, I have an answer to question number 6.2.

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**Answer to Question on Notice No 6.2**

**Mr KIRBY:** In relation to the Kakadu plum powder or billygoat powder that is being developed as a preservative. Karen Sheldon has been developing that in conjunction with the University of Queensland.

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The committee suspended.

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### Output 1.3 – Livestock Industries Development

**Madam CHAIR:** There be no more questions the committee will now consider Output 1.3, Livestock Industries Development. Are there any questions?

**Mr HIGGINS:** Minister, can you advise us what your government's position is on live export and what you are doing to support the industry?

**Mr KIRBY:** It is an extremely important part of the Territory fabric and an important part of the Territory's economy. It has been a great pleasure of mine, over the last few months, to learn more and more about the industry. It is an industry where people will continue questioning and querying different aspects of the industry and, as with any industry, we need to grow and develop and modernise as things progress.

In my earliest discussions and earliest times as a minister, I was fortunate to go to an agricultural minister's meeting in Adelaide where I got the opportunity to clearly stamp our place in supporting the industry and wanting to make sure that the federal government understood that as well. I relayed that to the industry as soon as I returned to Darwin.

Some of the things that were discussed—and the industry gave some really stark examples about how animals leave Darwin, the amount of weight they put on in their travels, the low rate of incidents they have with animals, how carefully they are prepared for the voyage and how carefully they are looked after. They are open to discussions about different types of monitoring on board to make sure that they are meeting any requirements that they need to, understanding that if that involves having to supply space for extra individuals to be on site, that it will come at a cost to business.

We are open to dealing and assisting the industry in this electronic age. You would hope that there might be a different solution. There are discussions about having a smarter way to associate vets with different vessels that are leaving, so that different people get the opportunity to look at different vessels and animals and to make sure that the industry is meeting the best standards it possibly can.

As a government we support the industry. If you want any information about exact details or figures for that I am happy to ask Alister to expand.

**Mr HIGGINS:** I am after some tangible and measurable things that we are doing to support the industry at the moment.

**Mr TRIER:** We support the industry at a number of levels starting with the end in mind. Market access is really important and there is a number of aspects to that. At the ministerial level there are the relationships—developing relationships with counterparts in other countries. That has been an ongoing program that we visited at the end of last year, I think.

Then sitting underneath that there are programs that the department undertakes that I previously described—the ACR work and that is a soft diplomacy-type program, in that cattle production in Indonesia is very important for Indonesians, especially in rural areas. While Australia exports a lot of cattle into Indonesia, Indonesia still sees domestic production as something of real importance to them. It is the view of Australia—and the Northern Territory being heavily involved in this—that we should be working with Indonesia to get to where they want to be in their cattle production aspirations. There are benefits in that for Australia in that in order for them to meet their aspirations, those cattle will have to come from somewhere. Australia is very well placed to supply them.

That work has been ongoing and is focused on operational and technical aspects of developing real and viable cattle production herds in Indonesia. That might be seen as doing ourselves out of a job. That is not the case. The demand for protein and meat in Indonesia is immense. The work we are doing in developing Indonesian cattle herds will not outstrip the demand for meat. The demand for live exports will continue to be there.

We also have been working with MLA in Vietnam, although I must admit Vietnam MLA has been leading the majority of this work in educating local suppliers about animal welfare and good animal management practices. But that is built on some of the work we started earlier on. As you are aware, the Northern Territory Government was instrumental in opening up access for cattle into Vietnam and subsequently buffalo.

In further exports for the live exporters, we have been working with the Australian Government in policy settings with ACAL, the Australian standards for the export of livestock. We have roles to play, from an animal welfare and regional point of view, in that the Northern Territory climatic conditions, the markets we export to and the timing for the export shipping times is quite different from other parts of Australia. So we need to ensure that any standards that are developed at a national level take into consideration local issues, as the independent officers and the minister also described.

We have undertaken some advocacy work and talked with the Northern Territory Livestock Exporters Association about those issues. They have been doing a great job in advocating directly with the Australian Government. Our role has been to provide backup support where possible at forums like AGMIN and separate forums or groups that the department may be involved in.

The development of the Berrimah Export Yards as a best practice facility to demonstrate—best practice is the word for the housing and preparation of livestock prior to export, in that after the 2011 incident, there was a lot of focus in developing standards in our overseas export markets and they have done a great job. I believe that the Northern Territory pastoral industry is extremely professional, as are the live exporters, in everything they undertake in participating in the trade. But we should not take the foot off the throttle and always look for mechanisms to improve the processes we undertake. Berrimah Export Yards is a demonstration of that.

**Mr HIGGINS:** I gather from that answer that live export is reasonably secure into the future. In that security, do you see it increasing or decreasing and then possibly, what are the biggest threats to it at the moment?

**Mr KIRBY:** I will touch on that to start with. We would certainly like to the industry increase and whatever opportunities we get to do that. Perhaps something we will discuss further with the Member for Nhulunbuy is if there are opportunities to grow Indigenous business undertakings within the industry, because there is certainly an opportunity to engage there. There are certainly plenty of animals to be brought into the market.

As we know, some of those factors might be out of our control in the future, but we will certainly be treating the factors that are in our control in a positive light. It is an industry that we want to continue to grow and expand and an industry that we want to continue to invest in in the Northern Territory.

**Mr HIGGINS:** What do we see as the biggest threats to the live cattle industry?

**Mr KIRBY:** The standards that we have put in place and the understanding within the industry is really crystal clear about how they can progress and control what they need to control. Perhaps one of the biggest risks to industry is not from the industry itself here, but how the industry may be viewed interstate and by decision-makers in Canberra. That is certainly something we will seek to make sure that we are on the front with, as the new federal government settles down, that we are back in front of those people advocating and making sure they understand what a critical part of the fabric it is in the Northern Territory.

**Mr HIGGINS:** What does the department see as the biggest risk to live export? I know that is the political environment. Forgetting the political environment, what other—the political environment being the political parties, but what are the other threats? Is it groups like GetUp, and I am not raising that as an example. It could be an example. But what do you see as the threats that we need to be cognisant of?

**Mr KIRBY:** The examples that you are alluding to are certainly the nature of the way some campaigns are structure within Australia has changed. I have noticed, even within the Darwin streets, that there are, at different times, activists in and around Darwin. We have highlighted the industry, the buffalo council and the strategic plans they have put in place. Certainly some of the factors from what we would see as predominantly interstate activists, may play a part into the future. I am happy for Alister to expand on that.

**Mr TRIER:** Rather than use the word 'threat', I completely agree with what the minister has just said. There are a lot of mechanisms in place to deal with those. What can be done is being done. The thing that needs to be considered is the longer-term dynamics of the markets that we supply and what that really means. Live exports work for two reasons. One is that a lot of good quality and cheap by-product is available to fatten cattle in our markets, so it works very well. You take your cattle to your food, not your food to your cattle. That has been there and always will be. That is a driver that I do not see as an issue, I think that is stable.

The other thing that has built the live export trade has been the South East Asian preference for fresh meat. That is built on two things, one is cultural as that is how Indonesian meals are prepared. Cooks go down to the market early in the morning, get fresh meat, take it home and cook it up that day. That is a cultural aspect.

**Mr PAECH:** When you say cultural, that is the religious practices of how they would kill the beast?

**Mr TRIER:** No, it is more their preference for fresh meat. That is built on the history of there being no refrigeration, so people like fresh product because they know it is safe. Those two components could change a bit in that refrigeration will become part of Southeast Asia refrigerated transport and those sorts of things. The other thing is that the emerging middle class in Indonesia are starting to change preferences from a Western-type diet, so the type of meat might change as well.

I think the demand for live exports and fresh meat will not diminish, because we are seeing an increase in population in Southeast Asia. That will be at least a stable demand going forward. What I think might change is that there will be an increased demand for high-quality meat traditionally preferred by Western diets. That demand can be met from within the live export trade within Southeast Asia. The importing facilities in Southeast Asia are mostly very good and can compete in terms of their growth rates and the type of cattle they use, with a lot of feedlots in Australia. They are still well positioned to supply that change in meat type. There will be opportunities for Australia to further supply that market as well.

My view is that they are the dynamics that industry needs to be cognisant of and putting thoughts in place about how we position ourselves to maintain the trade that exists, but also looking for greater economic or more profitable opportunities going forward in a dynamic market.

**Mr HIGGINS:** You did not mention in your answer other people coming into the market. Do you see that as a problem, and where do we see the biggest problem? We claim all the clean product et cetera, but you see media reports of other markets coming in that are not as clean. How do we counteract that erosion of our market?

**Mr KIRBY:** It needs to be at the forefront of our minds—whatever the produce is to make sure it is clean. Alister alluded to there being other markets that will come into play. If there is a void from what we are able to supply—if we are able to continually control the things we can control in regard to supplying good, clean produce and making sure our Territory is disease free, and advertising that as well as we can—that stands us in as good a stead as it possibly can.

There is no need to go back through those external third-party factors that might affect the industry in the future. Realistically, with how clean our produce is, how well they go to market and how well they are treated, that may not be a part to play in the market's future or where the industry's future is. They might be external factors, but if we can control all those factors to the best of our ability, it gives us the best chance of staying in the game and is where we would like to see ourselves.

**Mr HIGGINS:** How much work have we done with the Cattlemen's Association and the live exporters on exports to Indonesia as a result of the free-trade agreement? Does that give us some leverage? I am after how much we are doing with those two organisations in pushing that free-trade agreement and how that will counteract these second suppliers coming into the market.

**Mr KIRBY:** Relationships are at the forefront of any of our trade investments. We are currently putting together a dossier of information and a diary for us to get overseas through the course of the year to remake some of our connections. We have been heavily invested locally with the Cattlemen's Association and have, at times, robust relationships, so we have the honest conversations we need to have. There are no dramas there.

You are correct—to be following the chain right through the course of the chain and for people overseas to understand our commitment and investment into the market. But also taking an interest in what that actually means at their end, not just through industry, but through community for them and what that grows and the investment and the money that brings in to those particular areas.

It is something, on the back of those trade deals, we will continue to explore and expand and be at the front of and make sure they understand how close we are, physically and emotionally, to wanting to continue to invest.

**Mr HIGGINS:** My question, is the Cattlemen's Association and Livestock Exporters intricately involved in the negotiations on free trade?

**Mr KIRBY:** Yes, we are in constant contact with them. I am meeting with the live export group tomorrow, to make sure we are at the front of all discussions. As I mentioned, we have a good and robust relationships to

make sure that they can bring up any of their concerns with us and we will work our way through any of their concerns. Alister may have a more detailed understanding of how the department underpins all of that?

**Mr TRIER:** Free trade is an Australian Government-level mechanism, with the bilateral countries that they enter into. Our role is to make sure that we work with industry to be able to take any opportunities that are available. The opportunities are about the increased supply through the reduction of tariffs and the increased numbers. Our job really is to try to remove any barriers and do what we need to allow industry to keep doing what it does and take advantage of the opportunity in front.

The other thing I keep going back to—well there are two. There is the soft diplomacy stuff: our role has been to help maintain the goodwill of our overseas market places in continuing to work with the Northern Territory and more broadly Australia. The second is the reverse side: the Northern Territory Cattlemen's Association program, the young leaders program—it is completely their program and I am not trying to take any credit for it. That has been developed by them and it is really good—we support their young leaders program where they have this leadership—or young peoples'—exchange program where we can work with them. It is more focused on maintaining both the relationships and the mechanisms to allow the opportunities to present themselves from the free trade agreement to be realised.

**Mr HIGGINS:** Going back to when the minister said—and he may want to answer this question or the Chief Executive—you implied that if we look after our own side, the Indonesians will look after the industry themselves, because it will create income etcetera for them. I have a concern with that from the point of view of those other people coming into the market. Do we do any—and I have no other way of expressing this other than, to undermine some of those other industries and say how bad they are. Do we get involved in that? Probably not to that extent—it does not sound too good. Do we get involved in counteracting some of that push by other countries into our market?

**Mr KIRBY:** Certainly some of the proactive measures we are talking about with the overseas markets—to be in their face and to make sure they understand the benefits of continuing to deal with us.

Taking a step back, the industry relationships—we enjoyed hosting the Young Cattlemen's Association when they were here in the last sittings to foster good relationships right through the industry. At a government level, if there are any opportunities to continue to proactively promote us but also to educate what some of the reactive decisions and failures might be of other jurisdictions—I guess that is part of the education process with the people that we trade with and deal with overseas. We look to be as active in that space as we can.

**Mr TRIER:** I hear what you say about undermining, and I do not think that is an approach we would take at all and I sure that would be more supported more broadly. It is going to our competitive advantages and, as the minister said, a clean, natural, safe product that is reliable and backed up by good systems. There are two components to that: there is the advocacy of it; and making sure we can back it up.

**Mr HIGGINS:** I did clarify that 'undermining' was not a good word to use but it created the impression of what I wanted to get across.

What is the size of the current cattle herd in the Territory? You maybe have that broken down into the breeds that we have.

**Mr HAUSLER:** We estimate the size of the NT herd at 2.4 million. The natural growth curve will get that to three million by 2030. We think that if some of our larger projects, further diversification et cetera, takes place that we could get that up to four million. We think that is getting close to the peak for the Territory herd.

As far as the breakdown of those numbers, it is difficult to give an accurate breakdown, but it is fair to say that from Tennant Creek south, you are looking at more of the British-bred type cattle or a hybrid such as the droughtmaster and the further north you go, a higher Brahman content.

**Mr HIGGINS:** When we look at that herd, how would you split those numbers, so north of Tennant Creek, south, is south 60%, 80%—roughly?

**Mr TRIER:** The engine room of the pastoral herd is generally the Barkly. Obviously with the conditions at the moment, that is not the case. The VRD is the other significant carrier of large numbers. I am guessing, but I would say 20% of the herd would be below Tennant Creek with 70% of the herd being between Tennant Creek and the Katherine region with the remainder in the northern region. That is a bit of a stab.

**Mr HIGGINS:** When we say we are going to grow that from 2.4 to three million and if we get diversification, up to about four million, do we have some sort of plan that outlines that? Do we have a strategic plan? Does the department have one? How does that fit in with any that might be with the Cattlemen's or might be with live exports?

**Mr KIRBY:** I understand what you are saying and I know that the department works closely on that. As for physical plans, I will go to Alister to see exactly what documents we have.

**Mr TRIER:** In terms of growing numbers or growing production more broadly, there are three things you can do.

**Mr HIGGINS:** Phosphorous?

**Mr TRIER:** Absolutely; that is point one. You can increase your calves per number of cows and that is purely focused on—actually it is broader than phosphorous. Phosphorous is a big driver but then there are a range of other management things—calves per cow, more cows per hectare, more hectares. They are the three things.

In terms of a broad plan, the department has understood that for many years. We have been focused on the first two things primarily in our research areas. We have been undertaking a whole lot of research as you have just pointed out with calves per cow, and that has probably been the biggest area of our focus. But not far behind that is more cows per hectare. It is what is sustainable and what can be developed through increased infrastructure, which basically allows better utilisation of existing pastures. Then there are more hectares, and that is really about the utilisation of Aboriginal land where that is in line with the aspirations of traditional owners. That is being developed through a long-running program, the Indigenous Pastoral Program.

It is fair to say that the program has been a bit quieter over the last few years. Without getting too far into it, it is due to the priorities of the other organisations—not the Cattlemen's Association, they are very involved—some of the Indigenous organisations that are a part of that where they have had different areas of focus, which has meant that the momentum of that program has levelled off a bit. In terms of plans, I will hand over to Phil.

**Mr HAUSLER:** We have been actively working with the Northern Territory Cattlemen's Association, the Buffalo Industry Council, the NT Live Exporters Association and the Northern Territory Farmers Association. We have funded the development of sectoral industry development plans, and provided some money to assist them to develop these plans. That is all aimed at government being able to align its plans with their aspirations, so we are all working towards the same goal.

**Mr HIGGINS:** Ultimately out of that, where we have given money to them to develop all these plans, will we end up with an overarching plan from the department? The sort of things that have been raised are where we talk about more land being released. To me, as government you can put that in a plan of industry and say we need to develop that, but you need a plan that says how we will release that land. If we do not have an overarching plan at the moment, will we have one if we have all these industries doing it? When might that plan come?

**Mr TRIER:** I agree. Under the economic development framework, there are discussions about exactly what you have just spoken about. We had a very good meeting across all the industry sectors saying, as you said, that government wants to outline a strategic direction. Individual industry sectors have individual issues but they also have issues of commonality. That is what we are trying to draw out. Where the issues of commonality are so they can be brought together in a strategic document with a strategic focus.

It is fair to say that we are still getting the individual industry sector plans finalised. Different industries are at different position in their finalisation of their plan. It is very important that it is their plan and they drive it. Different industry sectors have had a range of priorities that have taken away from the development of their individual plans, which has meant that the overarching one is still together.

**Mr HIGGINS:** Yes. Can we get a copy of the industry organisations that have been given funding for the development of these industry development plans and when we expect to have those plans available? I know that may not be available here at the moment.

**Mr TRIER:** We could come pretty close to answering it.

**Mr KIRBY:** Yes, we will be able to get that information. As we mentioned before, the buffalo industry has turned in their code of practice that essentially lays out their vision going forward. There have been a number of sectors in the industry that, as Alister mentioned, have started on those bodies of work. As you well know, with the industry, the people who are best at industry are the doers who are doing. Quite often, those people are not fantastic at stepping back and putting all of their ideas and proposals down on paper. The buffalo industry, thankfully, has done that. We will be able to get a good spread of information about who else we are working with to get that information.

**Mr TRIER:** To clarify, the buffalo industry has developed a code of practice. We are still working with them on an industry plan. The Cattlemen's Association has very nearly finalised its plan and the Farmers Association, I understand, has finalised its plan.

**Mr HIGGINS:** Is there one being done with live export people?

**Mr TRIER:** Not directly. The live exporters—my understanding is that they are working with the Northern Territory Cattlemen's Association.

**Mr HIGGINS:** Were buffalo, cattlemen's and farmers given funding from government as a contribution towards developing those plants and how much was given to each one?

**Mr TRIER:** The department funded an independent consultant to work with different associations. I understand that one association, I am not sure which one, decided they did not want to use that particular consultant and wanted to go down a different road. My understanding is that we provided them some funding to do that. The view with the independent consultant was to get some consistency in the framework and development of the template for the plans of the industry associations. That is my understanding.

**Mr HIGGINS:** Do we know how much money we spent on that consultant and how much money we gave the association?

**Madam CHAIR:** Leader of the Opposition, before you proceed I am trying to make sure that everything is captured here. Is there something you wanted to put on notice?

**Mr HIGGINS:** I am just going to see if I can get the answer?

**Madam CHAIR:** You are having an ongoing conversation?

**Mr HIGGINS:** No I am asking other questions to see how much information I can get on this one before I put anything on notice.

**Madam CHAIR:** I just wanted to qualify that I had not missed it.

**Mr TRIER:** My understanding is that it was a total of around \$50 000.

**Mr HIGGINS:** That was the consultant and the money we gave to the industry association to do their own?

**Mr TRIER:** I would need to have a further look over that.

**Mr HIGGINS:** Presumably the industry association is not going to be another \$50 000. It would be a smaller amount. Will that be reported in the annual report? Eventually, that would come up in your annual report.

**Mr TRIER:** Yes.

**Mr HIGGINS:** My next question is more for the minister. The *Pastoral Land Act*—do we have any timing on what that is going to come back with the subleasing issues being recorded on title?

**Mr KIRBY:** We have done a body of work, and have worked closely with Minister Lawler on what needs to come in on that. Part of the Pepper report spelled out land access as a slight different ...

**Mr HIGGINS:** This specifically subleasing on the title. Do we have a time for when that might be coming back in?

**Mr KIRBY:** A definitive time line—I think it is through the course of this year. I am happy to ....

**Mr HIGGINS:** That is all right, I just wanted an indication. Hopefully by the end of this calendar year? I do not presume it is financial year, which finishes in two weeks.

**Mr KIRBY:** I am more than happy for you to ask that question of Minister Lawler on where that is up to.

**Mr HIGGINS:** Your understanding is hopefully that it would be—and I am not putting words in your mouth—hopefully by the end of the year. We can get an exact date from Minister Lawler.

When we talk about the budget cuts and the grants, how much are we going to cut from NCA, livestock, the farmers? What are the figures applicable to those major organisations? If we have a 3%—or is it just going to be 3% of their allocation?

**Mr TRIER:** Different associations are under different agreements. The Cattlemen's Association do not receive any grant funding. The funding they receive from government is generally direct sponsorship and those sorts of things. The Livestock Exporters' Association ...

**Mr HIGGINS:** Do those direct sponsorships come through your department or through another department?

**Mr TRIER:** A range. For example, we will ...

**Mr HIGGINS:** Do we have any at the moment that you give to the Cattlemen's? I just want to do each one as we get through it.

**Mr TRIER:** With the Cattlemen's Association we co-sponsor with other departments for their annual general meeting and conference. We generally take a three-way split and we try to take that same approach with all the industry functions where we have us, Trade, Business and Innovation and perhaps the department of Environment, all having a role of with the development of those industries. We take a combined approach so that we are being equitable.

**Mr HIGGINS:** Does Livestock Exporters get any grants?

**Mr TRIER:** Livestock Exporters is no longer under the industry development support scheme; their agreement runs out this year and that was on the basis of the funding for the live export yards.

**Mr HIGGINS:** Where will they get their funding from in future, or are they going to become a bit more self-sufficient?

**Mr TRIER:** Self-sufficient.

**Mr HIGGINS:** Farmers?

**Mr TRIER:** The farmers are on an identified reduction that was put in place before the efficiency dividends were put in place. We have not applied any more efficiency dividends to them because they are already on a reduced pathway.

**Mr HIGGINS:** A declining scale.

**Mr TRIER:** Yes.

**Mr WOOD:** Can I follow up on the grants? What will happen in relation to the Animal Welfare Fund? A number of those little groups are quite important. You have a small grant for Wildcare, which I am concerned about. There are other groups like the Greyhound Rehoming Association. Is there are a likelihood that they will all suffer a 3% cut to their funding?

**Mr KIRBY:** I understand what you are saying, Member for Nelson. We will track down some of that individual information. The animal welfare fund is around the \$200 000 mark. We understand that, as the Treasurer has laid out, they will be a part of the reductions through those grants. Some of those bodies that have a few thousand dollars allocated to them—the greyhounds is up to \$10 000—those reductions will apply to them.

**Mr WOOD:** Are you saying Wildcare, the \$2500, it may not apply to them? It is only a small amount it would hardly be worth taking it out; it is 3%.

**Mr KIRBY:** Looking through the figures if we are to take an arbitrary percentage we would take that out of—and you could take that out of the bigger organisations. For those that only have a couple of thousand dollars associated to them we are hoping that can take a horses-for-courses mentality and make sure that they are still able to operate. As for exactly how that lands in a dollar figure terminology I will not be able to tell you exactly today.

**Mr WOOD:** Will those figures eventually be published? Will the changes to the grants for the animal welfare fund will eventually be shown publicly?

**Mr KIRBY:** Yes.

**Mr TRIER:** There is probably a little bit of context required here. In the animal welfare grant area, those are applied for on an annual basis so they are not automatically renewed. Applications for grants go out annually and those grants are assessed on their merit. The total pool will reduce, as the minister has just outlined. Where that reduction takes place will depend on the merits of the individual applications as they come in.

**Mr HIGGINS:** In regard to the research farms and the importance they play in the livestock industry stuff, do we have any plans to sell any of those off at this point?

**Mr KIRBY:** As I mentioned earlier, it was an interesting time to come in as minister where every line item through the budget needed to be looked at and explored. We discussed any opportunity that we thought we might be able to access into the future. We have not put any plans in place to sell off our research farms. We understand they do play a big part of assisting our industry to develop and we look forward to continuing that work. I am not sure if Alister or Phil have anything they need to add to that?

**Mr TRIER:** That is my understanding.

**Mr HIGGINS:** From that answer, I interpret it that we do not plan on selling any off at the moment but it is something that we actively considered.

**Mr KIRBY:** I am saying that we actively considered every dollar on every line item through the spreadsheets that were put in front of every minister. You would be correct in the assumption that discussions were held around every parcel of funding that we administer, but there are certainly no plans to sell off any research facilities in future.

**Mr HIGGINS:** You are giving a guarantee that we are not going to sell any off in the next 12 months.

**Mr KIRBY:** In the time frame that I am the minister, I can guarantee that I will not be looking to sell.

**Mr HIGGINS:** Do not give them the opportunity. If you give me an assurance for the next 12 months, I am happy with that.

**Mr WOOD:** You would have, hopefully you were listening to the Country Hour, heard about this issue recently. What is the government doing to help with drought relief for cattle producers, including assisting offsetting the cost of transporting cattle out of the drought-affected areas especially in the Barkly?

**Mr KIRBY:** It is a really serious and concerning issue up and down the track. Within a short time of coming into the ministerial portfolio, we were constantly getting updates from local members and industry people around how they proactively manage that and some of that is within large movements of stock out of the Territory, unfortunately, if they know that conditions are not going to change. We understand that there has been a fair element of that happen already.

We keep in touch with industry people from the Barkly through to Namatjira and everywhere else to make sure that where we need to be alerted and aware of things, we are. Understanding that we do not have formal drought declaration processes in place does not mean that we are not well aware of how tough people are doing it.

At the Cattlemen's conference, we explained a scheme that we are involved in with the Australian Government where we are able to provide up to \$25 000 for eligible producers to help implement management for drought-related issues. We assist where we can. There is not a bucket of money that we have access to locally that we can relate entirely to drought. I will hand over to Alister to put a bit more detail on how we try to support industry.



We know it is a tough time across the nation. Some places are dealing with flood-affected areas and some are drought-affected. In some places they crossed over. Animals that were weak from not having access to enough food for some time got whacked with a large rainfall event, which made it difficult to move them once they got into that situation. The industry is proudly proactive to make sure they move as many animals as they can and do not get into that situation. Reactively, through counselling services and things like that we will do whatever we can to try to help out. It is an extremely serious matter and it affects a lot of people through the Territory at the moment.

**Mr TRIER:** Drought is an emotive issue and it is all about climate variability. As the minister pointed out, there are not only droughts, there are floods, and they all having significant impacts.

The government—in fact, governments around Australia—has shifted over the last 10–15 years from a policy of assistance to a policy of preparedness for drought. That is about trying to get businesses in a place that they are best-placed to manage variations in the climate coming forward. The department's focus has had a strong involvement in that.

One of the things that we are quite proud of is our Pastoral Feed Outlook, which is a document that is produced monthly which gives a clear indication of what fodder is available now and what is projected. The minister pointed out quite clearly that the majority of industry has been proactive in preparing and dealing with the conditions that they face. A lot of this is based on some of the information that is available. Obviously, when it does not rain you are not going to get much feed, but a bit of rain in the right place can also provide reasonable amounts of feed. It is about using a range of information to make management decisions before they come too late.

The other areas, and the minister has touched on these, are things like assistance for—and this is Commonwealth money—infrastructure related to water or counselling and those sorts of things. Also business planning and development. We work with other jurisdictions in making those types of areas of information available.

**Mr WOOD:** My question actually related to whether the government was including assisting of setting the cost of transporting cattle out of the drought-affected areas. There was some discussion, I heard from the federal minister, because I think there was a statement made maybe by the Cattlemen's Association, that it was the federal government's responsibility. I think the word came back from the federal government stating said that transporting costs were the responsibility of the NT government.

Could that matter be clarified and if it is the responsibility of the NT government, are they actually assisting in offsetting the cost of transporting cattle?

**Mr TRIER:** The premise of that is, that goes to assistance and that is a move away from current policy. I know that is quite an emotive area, but I think governments should think long and hard about shifting away from our preparedness to assistance.

**Mr WOOD:** I understand. There is no financial assistance for producers to help shift cattle to another part of Australia where there might be more feed?

**Mr TRIER:** The policies of government have been to focus on preparing businesses for the future to be able to deal with mechanisms in place. Very clearly, large numbers of cattle have been shifted off the Barkly, but those cattle have been moving for a long time and people have been well-prepared and very proactive, as the minister suggested, in getting cattle off while they are still able.

**Mr WOOD:** This might be a silly question, but in days gone by you basically moved cattle on foot through stock routes. Are there enough stock left routes in the Northern Territory for that to still be done if needed?

**Mr TRIER:** In the Territory stock routes are an historic thing. The advent of road trains has changed the need for stock routes. Prior to road trains the only way you could shift cattle was to walk them. Now that we have road trains, they are far quicker and have overtaken that.

**Mr WOOD:** I was living in the romantic era, not that it was a romantic process.

**Mr TRIER:** It might have been for some.

**Mr WOOD:** As you know, the AACo abattoir has closed down, but the new abattoir is about to start at Batchelor. What effect with that have on livestock production in the NT, and is the department assisting in any way in the opening of the new abattoir?

**Mr KIRBY:** Specific assistance for Batchelor? I understand it was disappointing to hear about the AACo setup. Since having many discussions with different people about the viability of AACo into the future—it is a complex issue and is not for us to decide. There are some pretty neat formulas they use on how they make a sustainable business and ensure the animals they are working with are at a particular weight. There is a host of business modelling that comes into it as well.

I met with those at the Batchelor abattoir. I had a solid invitation to go there and will go there at the earliest opportunity. They are, quite rightly, extremely proud of the expansion, upgrade and redevelopment from the ground-up. They spoke passionately about the electrical infrastructure, the mechanical infrastructure and the best-practice arrangements they were putting in place and what the local employment that created through the construction phases—and what it would create into the future, hopefully, as an ongoing established business.

As far as specific trials, dollar figures and support from the department goes, I will hand over to Alister or Phil to update us.

**Mr HAUSLER:** In regard to department assistance to Batchelor abattoir we understand they are aiming to open that facility in July this year. We also understand they are going through tier 2 accreditation, which means they will be licensed through the Commonwealth. We have provided some advice on what works they might need to do to meet that accreditation. There has not been any direct financial support. I understand they will not be licensed under Territory legislation.

**Mr WOOD:** They will not be licensed, but can they still sell product within the Territory?

**Mr HAUSLER:** They will. The Batchelor abattoir is quite a different model to the Livingstone abattoir, where they can hang carcasses for some time and will be able to take premium cuts from beef. We also understand that they will do a species-specific kill. They will be able to process a number of buffalo and cattle for export and for premium cuts. That will be available in the Territory.

**Mr WOOD:** Can local butchers buy meat from that abattoir?

**Mr HAUSLER:** That is my understanding. How they conduct their business model is up to them. I am cautious not to use service kill terminology because I think they are looking at running numbers of animals through rather than individuals.

**Mr WOOD:** You touched on Beatrice Hill and buffalos before, and my question is about the buffalo cross breeding trial. You have an American species and an Italian species being used. How much has that cost so far this year and what are the outcomes from this trial?

**Mr KIRBY:** I had the opportunity get up to Beatrice Hill and it was a lovely few hours. They are very committed and passionate people. It was a great opportunity to meet a lot of people from the industry and listen to some of their ideas and passion for the industry. It was certainly a place where we did discuss opportunities to expand into Arnhem Land and other avenues, perhaps in Indigenous employment, to make sure we do have an opportunity to follow right through that chain.

For the specific information about the different herds, I will hand over to Alister.

**Mr TRIER:** I guess the American/Italian, they are the same breed—the Riverine breed—which is genetically quite diverse to the Asian buffalo or the swamp buffalo and provides a lot of different characteristics. The Riverine, as I understand it, are the prime animal for mozzarella cheese. The fat content in their milk is really high, so there are some real opportunities there.

They also have some good growth characteristics, especially in a hybrid sense with swamp buffalo, but their production capabilities from a meat perspective a really good. We have undertaken a range of research with the Riverine breed over many years. It is fair to say that that research is pretty much complete. It is across those areas that I talked about, so it is about meat production and their ability to supply the dairy industry.

The value of retaining a herd is just in the genetics. Most herds around Australia would have evolved that has been developed in partnership with the Buffalo Industry Council in the Territory. I think that the future for

buffalo going forward is more about the opportunities on Aboriginal land with swamp buffalo and shifting them from what currently is a harvest industry into a more managed industry.

That requires a lot of sophisticated work and we are working with the land council on that. There are a whole range of levels. Firstly at the moment, animals are harvested under relatively known mechanism and then go through a series of supply chain processes before they end up in a feed lot in Southeast Asia. Our focus needs to be in the early stages of understanding all those supply chains and what is the best practice procedures or management that need to be applied across the supply chain to ensure that the product, the buffalo, turn up, present, and at the end of the day are a premium product for what they are, and what the things in the supply chain that can detract from that and what we should be doing on that.

There is a range of considerations there. We have followed buffalo through the supply chain from Arnhem Land to Vietnam. We found that all along the chain there are little things that, if they are done better, make a big difference. That is the current focus, but it should lead to a more longer-term, strategic focus of how you move from a harvested operation, if that is appropriate, into a more managed operation that provides more than just jobs for Aboriginal people, but provides genuine economic development on their land.

That is a longer-term approach. We still have to get through the first stuff yet, because without the market that drives the economics of it, the rest does not matter. That is the focus.

**Mr WOOD:** I have two questions. One is a follow up from the first question and one is about the breeding income. Do the research stations earn some income from the sale of progeny?

**Mr TRIER:** Yes.

**Mr WOOD:** Is that a good market for the Territory?

**Mr TRIER:** Yes, they are highly valuable animals. They sell very well, yes.

**Mr WOOD:** A good reason to keep the research station?

**Mr TRIER:** The animals are owned in partnership with the Buffalo Industry Council, so commercialising those animals is something we should discuss.

**Mr WOOD:** In relation to the harvest of buffaloes from the wild, the concern raised with me was that some groups of Aboriginal people are happy to have them all going through the swamps et cetera. Of course, there can be some environmental damage, if that is allowed. Other groups are quite happy for them to be harvested and limit where they roam. When it comes to the policy about Aboriginal people's involvement in the harvest of buffaloes in the wild, is there a variation between different groups of people as to how those buffalo should be managed?

**Mr TRIER:** The short answer is yes. That variation is a discussion that happens between the department and the Northern Land Council and traditional owners. At the end of the day, it is traditional owners' land and we do not want to be pushing activities that are not in line with the aspirations of traditional owners, so there are mechanisms in place for those discussions to take place of what people want to see on their land and where we can, in partnership with the land council, assist that to happen.

**Mr WOOD:** Does the buffalo, as an exotic species, actually have any legal rights—you might say—to exist? Is it regarded as a pest or is it regarded as something that is allowed to grow through the Northern Territory?

**Mr TRIER:** It is. There is a little ambiguity there, but buffalo, when managed, are considered livestock. Then the question is what is managed? If you harvest them and put them into a yard, they then become livestock under the act. When they are not harvested, are they livestock? I suspect the answer is no, they are still feral. There is a little ambiguity there.

**Mr WOOD:** The other question is about a sentinel herd, but it is a different one. The department has a sentinel herd which monitors and provides laboratory training, run by the department on behalf of the Commonwealth government in Timor-Leste in conjunction with Timor-Leste's Ministry of Agriculture and Fisheries. What financial contribution does the NT government contribute to this scheme?

**Mr KIRBY:** I will go to Alister for that. As we mentioned before, there is a range of different models and schemes where the federal government assists. We seek to make the most of that so that we get the best bang for buck, so to speak. I am more than happy to get Alister to elaborate on the details of that.

**Mr TRIER:** The work in Timor-Leste is really important for three reasons. Firstly, it gives opportunity for our staff to engage with staff in countries very close to our shores to build up relationships. Secondly, it gives us an ability to assist in their capacity development. Thirdly, it gives us a bit of exposure to what is happening on the ground there and what might be coming our way. We see it as a really important process.

My understanding is our contribution is in-kind, in that we make our staff available and we pay for their travel allowance. Other funding comes from the Commonwealth and we are part of a Commonwealth-funded program.

**Mr WOOD:** Can you explain why we do what we do and how important it is to promote—maybe this should have been asked in the biosecurity section, but I did not look at it from that point of view originally. I just wanted to know what our role was there. Perhaps you could explain what the reasoning for this project is.

**Mr TRIER:** It goes to those three points ...

**Mr WOOD:** Sorry, from the biological point of view, put it that way.

**Mr TRIER:** Fundamentally, understanding what is on our doorstep is really important. Ensuring that, from a biological point of view—and I reiterate I am not a scientist or a vet—the mechanisms that are being employed in Timor-Leste withstand scrutiny and you can make a small mistake and it can make a big difference in what you are reporting. We have had examples where we have animals react to certain tests in the Territory that we undertake under our own monitoring processes and they can be a false positive. In other words, they might be reacting, but are they actually reacting to the disease?

That all gets down to a high-level of technical capability and process as follow-up mechanism to determine whether an initial reaction and an initial test is actually true or a false positive. I am just giving an example, but really it is focused on the capacity of the people to undertake the monitoring and understanding what is actually there.

**Mr WOOD:** What I was trying to say is, what are we actually monitoring and what are we protecting our shores from? What is the issue that we need to protect our industry from by setting this up?

**Mr TRIER:** I cannot answer that in totality, but I assume a whole range of really important diseases that can have significant effects for Australia such as foot and mouth, rabies, some of the pox types and those sorts of things. I am making an assumption there. Unfortunately the person with the answers has now left, but that would be what it is about. It is about the diseases that are not in Australia that could come to Australia and would have a significant effect on Australian industry.

**Madam CHAIR:** There being no further questions; that concludes consideration of Output 1.3.

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#### **Answer to Question on Notice No 6.1**

**Mr KIRBY:** This is regarding the annual costs associated with electronic libraries. The costs are in two parts: subscription costs to access the database archives; and the costs of delivery of the documents to us. Based on the 2018–19 year, the estimate for costs incurred and the 2018–19 costs incurred are the database subscriptions are approximately \$38 000 per annum for primary industry-related research and the document delivery was approximately \$4000 per annum.

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#### **Output 1.4 – Agribusiness Development**

**Madam CHAIR:** The committee will now move onto Output 1.4, Agribusiness Development. Are there any questions?

**Mr HIGGINS:** What agribusiness developments has the government supported in 2019–20 other than Sea Dragon?

**Mr KIRBY:** As we mentioned Sea Dragon is an extremely important part of the plans for the future and it was fantastic to see their office open up recently. We have talked about hubs around Katherine and associated areas to try and expand. Alister, do you have any detail and information that you would like to add to that?

**Mr TRIER:** There has been a number of activities in agribusiness development that we could talk to, firstly the Katherine agribusiness hub. We did a lot of preparatory work in the last 18 months in understanding what the opportunities could be in supporting an agribusiness hub in the region. That was done through some work undertaken by the department and with an external consultant. That work has been published and I think that was done in the previous financial year.

That has led to an understanding that there are some significant opportunities going forward. Our focus has been to work with the Department of Infrastructure, Planning and Logistics in securing some potential land for a development. I think the Chief Minister made a public statement in Katherine earlier this year that it is his intention that there will be land identified with headworks starting, if not this calendar year, this coming financial year and those negotiations are progressing.

In terms of broader areas, we spoke to the board earlier about the work we are doing with the Western Australian Government on water and biosecurity. We have also been working quite hard with our counterparts in the Department of Environment and Natural Resources about bringing together a suite of information for opportunities in the Roper River region where this is some magnificent soil and what appears to be quite a bit of water, but there is still more work to be done.

It has been a combined approach because the Department of Environment and Natural Resources holds the information database on soils and water and, to their credit, has done a significant amount of work which has really been informative.

Our work has been to supplement that with potential opportunities for crops in a systems approach. When I say a systems approach, from crops that actually work together under a single set of infrastructure and complement each other from a soil or weed management point of view and make money. But then more broadly where those systems crops can then integrate in to something more from a diversification point of view in supporting the pastoral industry to fatten livestock more economically in the Territory. That would be a start.

**Mr HIGGINS:** Have we any planned support for some of the stuff that might be on Indigenous land? You spoke before about the potential of Indigenous land and you talk about soil and water. A lot of work was done around Wadeye. There are some fantastic soils and water out there, and I was wondering what you might have planned in that area? A lot depends on them, but what are we doing?

**Mr TRIER:** That is a very good question. We are well aware of the work at Wadeye and we are waiting to have further discussions with the Northern Land Council. More broadly, there is a project which has been going for quite a while called ALSEDA and without sounding too negative there have been some frustrations there but government have focused on that for quite a while and it has now got to a place where we think it has some real opportunities going forward.

This has been developed by the Central and Northern Land Councils in collaboration with Centrefarm and the Northern Territory Government has provided some seed funding in to that. They developed a process around some turnkey projects. Our view was that their initial aspirations were probably just that— aspirational—and needed to be a little more focused. They started off with six major areas. We have been discussing probably two opportunities in the first instance, one in the central region and one in the northern region where there is, as you pointed out, some significant natural resource knowledge that underpins the potential.

My understanding is the Australian Government has made some money available for that process. We will continue to support that. From the Department of Primary Industry and Resources' point of view, that will be from a technical basis of what can and cannot happen with crops, or what the options are. Also where we can assist in conjunction with the Department of Trade, Business and Innovation from an investment point of view with where there could be potential external investors, noting that investment attraction now sits within Trade, Business and Innovation.

**Mr HIGGINS:** When we talk about Wadeye one being with the land council, do you think government—and I am not saying your department—should be a bit more proactive? Because it is more a case of that just sitting there. It is a bit like a block of land that has good soil, fantastic water—forget that it is Indigenous land—but do you not think government should be coming to some of those people and saying, 'Here is the potential of what you could do there'? My understanding is that project is just not progressing anywhere and not fast enough?

**Mr HAUSLER:** I understand that the Department of Environment and Natural Resources has done some soil and water assessment work there. I believe that they will be reporting on that, if they have not already done so.

**Mr HIGGINS:** They reported on it. The reason I ask about this one is, it was completed about 12 months ago. The answer is sitting with the land council. They are probably sitting there waiting and saying, 'Okay government you have given us soil and water, what options do we have with this in the sense of what can we grow there?' What products need to be grown?

That is a bit like an extension person going out and saying to someone who has just bought a block of land, 'Hey mate, you have some good soils and good water, these are the potential things that you can do with it'. I do not think that bit has occurred. I use the example of an extension officer, but that is not a criticism of the department; someone in government should be doing that. Who should be doing that? There is a potential there to develop something and there does not seem to be anything proactive from government in that regard.

**Mr HAUSLER:** That is a really good point. From our end, we are looking where we think the wins are easier. As Alister mentioned, we have the land councils very much engaged through the ALSEDA project and that is looking at several strategic blocks of land on the Stuart Highway. I think there has been some (inaudible) negotiated for some of those sites.

I get the point about the prospectivity for areas like Wadeye. We also mentioned earlier that we are looking at a forest resource assessment to try to get a handle on the scale of the resource from a forestry point of view, across northern Australia, and would include the Wadeye area. We are just trying to pick where our areas of greater influence.

**Mr HIGGINS:** I think that is an answer from your department. My thing is, and I think it fits with the question that Mark maybe is asking later, if we want economic development in these areas—I do not know how much that water and soil thing cost us, but it would have cost a fair whack. We are talking about drillers et cetera. If we have good soils and water, there is fantastic economic opportunity for our Indigenous people, but we do not seem to be proactive enough, from a government point of view.

It is easy to say that it is with the land council, but the role of government is to help in this instance. When I talk of extension officers, I am not just talking about your department, there are business people et cetera. We should be grabbing that document, which is sitting on the shelf at the moment, and pushing it. I am trying to find out where the blockage is to that.

**Mr KIRBY:** I appreciate what you are saying, Opposition Leader. There are business champions through DTBI, who do that body of work. The Treasurer herself is extremely keen on making sure that we grow those opportunities.

I understand and appreciate what you are saying about a body of work that has been done. There have been some changes within and around the land councils that have meant some issues are progressing really well. They are in a position where, I think, over the coming months and years, issues will continue to progress. But it has been a time where we perhaps have not been able to progress as quickly as we would like with the land councils getting up to speed because of the amount of issues they have in front of them, some of those being extremely significant.

**Mr HIGGINS:** Hopefully someone is listening up there who can push some of these along. I am not saying that just applies to this government, it applies to previous governments as well. Final direct assistance to Project Sea Dragon—how much direct assistance has been given to them? Not the roads, et cetera, I am talking about direct assistance. I know you can only answer that from this department's point of view.

**Mr KIRBY:** I understand you are well aware of the assistance from the roads point of view and that they are in the process of hopefully securing their last decision on investment for that. As for other types of financial support, I am happy to take advice from Alister on exactly what that entails.

**Mr TRIER:** We have not provided any direct financial support. The assistance that we have provided has been twofold with one in the fisheries sector, where we have been working through the licensing issues. To be quite frank, we are at the end of the chain and ours is probably the easiest part of that process.

We have also been talking to the landholder that now owns—I am not 100% sure of the contractual arrangement, but has the residual land at Legune, and the opportunities they might have for development. We have had regular meetings with them on where their opportunities are. They are looking at a range of

innovations using their current infrastructure of water and irrigation for potential pasture development opportunities for greater productivity out of their cattle. I suppose they have an eye on the big picture. It will depend on where the sea farms side of it develops. I think that is it.

**Mr HIGGINS:** Would the same answer then be applicable to Quintus? I know they are in a slightly different financial position.

**Mr TRIER:** What was the question again?

**Mr HIGGINS:** What sort of direct support has been given from government to Quintus in the last financial year?

**Mr HAUSLER:** It is my understanding that this agency has provided no direct support to Quintus. We have a relationship with the company, but no direct support.

**Mr HIGGINS:** I am just asking it as a straight up question.

**Mr TRIER:** If I could just add a point on the sea farms. We have undertaken a lot of coordination across government for the range of approvals and steps that they need to go through. We have acted as a single point of contact.

**Mr WOOD:** Just going back to what used to be called, near Katherine, Inland Port—now it has a new name. I always kept thinking of paddle steamers in Echuca when I heard ‘inland port’. Did you say exactly what this hub is meant to do? Because if I put it from the outside looking—I am a big mango grower, I pack my mangos on my property, put them on a truck and they go straight to Sydney, Melbourne or wherever. What is this hub actually meant to achieve from a horticultural or agricultural perspective in practice?

**Mr KIRBY:** I guess from my perspective, certainly transport is a portion of what the aim was. There are some major opportunities to link in closely with all the large facilities in and around that area to make sure that transport, and the opportunities of all those major players in one area—and the advantages that come from that. Linkages between different businesses and sectors would certainly be an advantage as well. It was not necessarily for the mango industry or one particular industry. I understand you were just using that as an example.

There will be significant advantages for industry when we cross fertilise and give opportunities to different organisations to work more closely together to concentrate that into one area within a close proximity to the rail and trucking terminals up and down the Northern Territory. I am happy to pass to Alister to put more detail around that.

**Mr TRIER:** The minister summed it up really well. There is the here and now, but also the strategic and forward-looking view. There is the Ord to our west and a gas pipeline going straight past it. There is good infrastructure in terms of road and rail. We think there are agricultural development opportunities in the Katherine, Roper and potentially VRD regions. Katherine is the centre of that.

Like the chicken and the egg, what do we need to do to help incentivise those activities? The Katherine logistics hub is exactly that—it is about logistics. It is a business park, or a logistics hub, to allow businesses to dedicate land, centralise and take advantage of some of those longer-term opportunities. It is about potential.

**Mr WOOD:** It has been a promise to government, but what does it physically look like? The government will buy land—will it spend millions of dollars on buying the land and putting in headworks? You must have some sort of plan for that parcel of land, and the infrastructure must be going in a certain place to supply something. That is the bit I cannot get my head around yet.

**Mr TRIER:** The short answer is yes. That is the Department of Infrastructure, Planning and Logistics’ role. They definitely have a plan.

**Mr WOOD:** I could ask them as well. This may be a question you have answered, but I will ask it and you can tell me if that is what you were referring to. You said you were releasing the agribusiness potential of the Big Rivers Region to promote the potential for new and expanded crops and agricultural development in the Katherine and Big Rivers Region. I presume Big Rivers means the Daly in this case. Has it been released and what was the response in that report in relation to water supply?

**Mr HAUSLER:** Minister Vowles released that report last year, and it was largely done in support of the Katherine agricultural logistics hub. It was to try to encompass what the agricultural options might be for that region. The Big Rivers Region includes the Daly, the Vic and the Roper.

**Mr WOOD:** When I look up the website for the department, that is not sitting on a nice list of publications. I cannot go to publications and run down the list and say, 'I would be interested in reading that'. The website is not helpful for people trying to inquire—simple people like me who do not have Facebook et cetera but love googling. The information has not come forward easily.

**Mr TRIER:** I have that problem, too.

**Mr WOOD:** There were three tonnes of mangoes shipped to the US last year. What is the future of this market and what role has the department had in assisting with this it?

**Mr KIRBY:** The future of the industry is fantastic. It was great to have the opportunity to meet with the national players recently in Darwin, and it is wonderful to quote some of the statistics on how big a player the Territory is in the national market, as well as the Katherine region, and how keen we are to branch out into overseas markets. I will get Alister and Phil to give updated details on those export markets specifically.

**Mr TRIER:** The work done in the United States has been extremely informative. It is basically the same discussion—like I just discussed buffalo. You start with what is pretty much a perfect product and you can only stuff it up along the way. It is about understanding all the different opportunities for interaction with the mango product that can reduce the value of the mango and how we put preventative mechanisms around that to keep the quality of the mango in as pristine condition as you can.

We have been working with a number of suppliers, supply chains and logistics channels to the United States to get an understanding of what possible touch points can reduce the quality of the fruit and how we can intervene and reduce negative impact. That work is directly transferrable across any supply chain development once we get to understand what the different things are.

For example, as I understand it—and Phil will have more detail than me about packaging and pallets—types of packaging in humid environments can deteriorate and that deterioration can transfer to your mangoes. If you have a different packaging type, that is dealt with. But there are a number of other examples that Phil might be able to provide.

**Mr HAUSLER:** Do you want some more?

**Mr WOOD:** Yes. I will throw an extra one in. I presume they have to be kept at a certain temperature. Also, is there the ability to use controlled atmosphere techniques for mangoes for storage?

**Mr HAUSLER:** Yes. Temperature is absolutely critical. Yes, controlled atmosphere techniques ...

**Mr WOOD:** When the mangoes got to the United States, were they still in good quality, or were there still some issues that have to be looked at?

**Mr HAUSLER:** There are still some issues that need to be looked at along the supply chain.

**Mr WOOD:** So, it is an ongoing project?

**Mr HAUSLER:** Iterative is probably the word.

**Mr WOOD:** My last question is one that I asked last year and had a bit of an interest. I think it was mentioned some time back—not this year at the Douglas Daly but years before—in relation to agile wallabies. There was a study done of the viability of commercial harvesting of agile wallabies. I hope the vegans do not hear me here. This was funded by AgriFutures. What were the results and where to now?

**Mr HAUSLER:** Yes, you did ask some questions about that last year. That was an AgriFutures project. That work was done. That was completed some time ago—about 18 months ago—and there was a final report written up and submitted to AgriFutures on that project.

**Mr WOOD:** Part of the reason was they were sometimes in pest proportions and causing problems with crops. That is about as far as it has gone?



**Mr HAUSLER:** The objective of that project was to see if there was any economic value in harvesting agile wallabies for human or pet consumption.

**Mr WOOD:** What was the department's involvement in that?

**Mr HAUSLER:** Again, that was just another wicked problem that industry identified, similar to the magpie geese, where it is not really our area of expertise, but we negotiated through or identified a problem, identified a funding pathway, put together a project and then partnered with institutions like CDU to look at the answers to those questions.

**Mr WOOD:** I suppose it highlights the fact that we could have on the website 'other links' so for some of those documents mentioned in your annual report there is a link to say, 'press here and you can find out a bit more'. Again, without those links, I have to take a punt that they are still operating those projects. I just pass that on again.

**Mr KIRBY:** I am happy to spend some time just before the break finishing off and explaining the Member for Nhulunbuy's question about—to refresh my memory—Indigenous employment and engagement in homelands.

**Madam CHAIR:** I am hoping to go for a lunch break at 12, so I am happy for that question. Do you want to explore some more detail?

**Mr GUYULA:** Minister, could you advise how you are developing business employment opportunities and capacity building, on page 256, in homelands? I have seen very little development in this area and I would like to know what this budget will bring for homelands and outstation development across all areas of fishery, livestock, agriculture and primary industry development.

**Mr KIRBY:** I will recap on a couple of things we discussed today and some things I have seen in my time as minister:

- the black-lipped oyster and the farming at Channel Island—the beginnings of what will, hopefully, be a strong industry in partnership with Pirlangimpi and Milikapiti communities on the Tiwis and Wurrawi on South Goulburn Island—some great work is being done there
- the trepang aquaculture, supporting of bush tucker initiatives
- the buffalo industry I mentioned before—that is a particular passion of mine. I know that the buffalo industry can remain very strong through the Northern Territory and there is a real opportunity to get people into the chain, particularly through Arnhem Land. There are jobs that Indigenous people would be really well suited to, particularly in the buffalo industry.

Our government heavily supports Aboriginal fishing mentor programs and there is a host of work being done with those as well as and rangers programs. I am more than happy to go to Alister for some more information. I understand the premise of your question to ask if we can do more. I think we can and I am hoping to. It is a conversation about local engagement and employment that we have through the resource sector repeatedly. Through primary industry we want to make sure that we are expanding as many opportunities to people on homelands as well.

**Mr TRIER:** With the minister's indulgence, it might be worth us giving you a detailed briefing through the range of programs, because there is a lot of information here that we could take you through. The programs cover mines, fisheries, marine rangers, pastoral and forestry—quite a lot of ground.

The point is, we could always do more, and I acknowledge that. It is something that we are continually challenged with so it might be worth giving you a detailed brief.

**Mr GUYULA:** I suppose you have already spoken about it. Which homelands have you been in discussion with and what about regional towns in northeast Arnhem Land?

**Mr TRIER:** Northeast Arnhem Land—our mining people have worked in Nhulunbuy and Gove. From fisheries: Goulburn Island, Maningrida, Pirlangimpi, Milikapiti, Warruwi on South Goulburn Island. Regarding buffalo: Urapunga and more in the Beswick and Barunga areas. They are some areas off the top of my head.

**Mr GUYULA:** Yes, a briefing would be good, thanks.

**Madam CHAIR:** It being 12 pm, we will take a lunch break.

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The committee suspended.

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**Madam CHAIR:** That concludes consideration of that output and output group.

**OUTPUT GROUP 2.0 – BIOSECURITY AND ANIMAL WELFARE**  
**Output 2.1 – Biosecurity and Animal Welfare**

**Madam CHAIR:** The committee will now consider Output Group 2.0, Biosecurity and Animal Welfare, Output 2.1, Biosecurity and Animal Welfare. Are there any questions?

**Mr HIGGINS:** I have two questions on biosecurity and one on animals. Can you give us a quick update on the citrus canker team? The carryover question is on resin canal.

**Mr KIRBY:** What was the second one?

**Mr HIGGINS:** Resin canal—it is a mango problem.

**Mr KIRBY:** I congratulate the department and everybody involved in the citrus canker response. It is never ideal when we have invasions of that type in the Northern Territory. It was great to go to the AGMIN meeting a few weeks into my appointment to see the level of expertise and importance on it at a federal level. A host of different discussions were had there, as well as the ability for us to tap into federal funding and assistance in that area. It was very enlightening.

I understand we have done a very good job with the citrus canker. All the outbreaks we found have been from the primary source, which is a good sign. Although, recently we had one in the Karama area.

I congratulate everybody involved in that. We can list those areas if we want, but I will get Alister to expand a bit further on where we are at, understanding that we have been able to abate the most significant part of the risk. We will not take our eye off the ball, because it is such an important issue.

**Mr TRIER:** There is not a lot more detail to provide other than that we are getting to the end of our eradication program in the areas that are currently IPs. That program has been going very well. The last bit is generally the hardest bit, but we are getting through that. Following that we will look to move into a period of freedom and will need to renegotiate some of the terms for that with the National Biosecurity Committee.

**Mr HIGGINS:** How long with the citrus canker team be out inspecting properties? My understanding is that they are not doing all properties but they are doing a select number. That is because I know they said they like coming to my place because I have a whole stack of trees, I know where I bought them and I have photos of them. And they are coming back.

**Mr TRIER:** Without being cheeky—do not feel special.

**Mr HIGGINS:** No I do not.

**Mr TRIER:** The inspections are undertaken at a risk-based profile. Depending on the history of the plants particular properties have and where they have come from, there is a risk profile that goes with that and determines which properties are more frequently revisiting than others.

**Mr HIGGINS:** Is there a difference—we refer to it as citrus canker, but I got the impression that it is more prevalent on certain citrus as opposed to other citrus. Am I right in that assumption? Even though they check all of it, but it is more prevalent on?

**Mr TRIER:** My understanding is, in relation to citrus canker in this species strain, that it is focused on a particular type of plant, which is an ornamental lime. It has not been found in other areas. But I am not so sure that is because it just manifests itself in one particular type of plant. I think that more reflects on where it was sourced and the interaction the source had with other singular types of plant. As I said earlier, I am not a scientist; that is my layman's understanding.

**Mr HIGGINS:** How much longer will they be doing those inspections, do you know? Do they have a time frame on that?

**Mr TRIER:** The plans are approved to the end of 2019. My understanding is that we need to complete all eradication, monitoring and then revisit the process from there.

**Mr WOOD:** I gather the restrictions were lifted on Kaffir limes. Has the report of an infection in Karama—which I think was a lime—affected the lifting of that restriction?

**Mr TRIER:** With kaffir limes—a small commercial citrus industry with 135 hectares of lemons, grapefruits and limes—the largest producer is based in Katherine with smaller producers in the greater Darwin rural area. They include limes, kaffir lime leaf and pomelo. The production in the greater Darwin rural area is predominantly for local markets, although kaffir limes are produced for southern markets. I do not think we have found traces of the disease in the kaffir lime area, but as they are a citrus they are affected by the response.

**Mr WOOD:** I was under the understanding that that restriction had been lifted on being able to be send them interstate?

**Mr TRIER:** Yes, you are correct. There were initial blanket restrictions on the export of kaffir limes interstate. We have negotiated market access for kaffir lime leaves now. That took a period of time, but they are now able to access interstate markets, as I understand it.

**Mr WOOD:** Is the native citrus—I cannot think of the species name—affected by citrus canker?

**Mr TRIER:** Yes.

**Mr WOOD:** So when you destroy plants within a certain area—and the native citrus is in the rural area in patches—does it have to be found and destroyed as well?

**Mr TRIER:** My understanding is that any relevant plants within the identified IPs will need to be removed.

**Mr HIGGINS:** Resin canal?

**Mr HAUSLER:** Resin canal, as you know, has been a problem for the mango industry for a number of years. It was originally thought to be physiological, but we had a major breakthrough in the last six months with resin canal disorder or RCD. We found that it occurs after harvest. Mangos have a network of canals under the skin and this disorder caused the canals to go brown usually after the mangos leave the Territory and show up on the retailers' shelves. It has been quite a problem. It is estimated to cause up to \$10m in damage a year, depends on the year.

It has been discovered that it is a hygiene issue on the farm. The disorder is caused by a bacteria that secretes in through the skin and infects the canals in the fruit. We are preparing some guidelines for mango producers to increase their on-farm hygiene. We believe this will be a significant step forward in controlling the disorder.

**Mr HIGGINS:** Is that hygiene on-tree or after it is taken off the tree?

**Mr HAUSLER:** No, it is to do with the wash after they are picked.

**Mr HIGGINS:** Yes, so the mango wash as opposed to any other chemical dips?

**Mr HAUSLER:** There is quite a bit of work that can be done in this area. As the mangoes are picked, they go into a machine, into a wash. There are some ingredients in the wash that de-sap. In the water, there ends up a mix of some sap, the disinfectant ...

**Mr HIGGINS:** Rubbish.

**Mr HAUSLER:** Yes, all the other rubbish that goes in. Then that is where the bacteria has been getting into the water and infecting the fruit. There is quite a bit of work to be done in understanding the chemistry of that wash water.

**Mr HIGGINS:** How is that message getting out? Is the department getting it out? Are they working with farmers? What are we doing to get that message out?

**Mr HAUSLER:** We have attended the post-harvest workshops and presented information. We have written up some guidelines and will be doing the pre-harvest workshops again to get the message out. We are working with the NT Farmers Association industry development officers as well.

**Mr HIGGINS:** Chemical suppliers like Landmark—any of these ...

**Mr HAUSLER:** All of the above.

**Mr HIGGINS:** ... to say that people are buying this stuff, give them this sheet, or whatever?

**Mr HAUSLER:** Yes.

**Mr HIGGINS:** This one is for the minister. The *Animal Protection Act*—when will the regs be done on that one? Do we have a time frame?

**Mr KIRBY:** We think it is in the schedule to be finished—sorry, I have the time frames for the *Animal Protection Act*. The regulation time frames are October 2019 for finalising. That would get us to 2020 January for commencement of the act and regulations.

**Mr HIGGINS:** There is no foreseeable delay in that at this point in time?

**Mr KIRBY:** No.

**Mr HIGGINS:** October, with the act coming in January 2020?

**Mr KIRBY:** Yes.

**Mr WOOD:** What work is being done on possible Panama disease resistant banana varieties at Coastal Plains Research Station? Are we still looking at GM varieties?

**Mr HAUSLER:** In answer to the GM question, we are not looking at genetically modified plants,

**Mr WOOD:** But you had plants before Cyclone Marcus, did you not?

**Mr HAUSLER:** An approval was given for a commercial producer to trial some GM plants that may have resistance to Tropical Race 4 Panama disease. That trial is carried out on a commercial property. While we would be collecting some information on that, that is not part of our TR4 research work at Coastal Plains Research Station.

**Mr WOOD:** What is happening in relation to other means of producing a variety resistant?

**Mr HAUSLER:** We have a national program funded by Innovations Australia. We are partnering with the Australian banana industry and the Queensland Department of Agriculture and Forestry. We have put some known varieties that may, or we would like to, have resistance to Panama disease put through the Lucas Heights facility where they undergo some mutagenesis. That is how we are trying to develop resistance to this disease. That program has been going for a number of years now.

We have identified a number of new varieties that appear to have resistance. We will take them through further work to determine their suitability for commercial release.

**Mr WOOD:** Have there been public reports on what is happening? I use the Country Hour for a lot of information—I think the best part of the ABC is the Country Hour—but it did speak about varieties and one particular variety that, depending on when you picked it, it could be used for a range of things from eating, cooking et cetera. Is that one of the varieties being tested in the Territory?

**Mr HAUSLER:** As far as I understand, yes, there are a couple of varieties that have been identified that exhibit some resistance to TR4. Some of those varieties might have specific purposes. They will not replace the traditional banana we know at the moment. That is why our work is ongoing.

**Mr WOOD:** That is interesting.

**Mr HAUSLER:** It is very interesting work. As you are well aware, TR4 is endemic in the Territory and not in Queensland. Coastal Plains has real strategic interest from a national perspective.

**Mr WOOD:** A comment; from the Territory's perspective, we once had a thriving banana industry—which we thought would be an alternative to some of the cyclone areas of Queensland—and we do not have anything much at all at the moment. It is a good reason for doing it.

**Madam CHAIR:** That concludes consideration of Output 2.1.

### **OUTPUT GROUP 3.0 – FISHERIES**

#### **Output 3.1 – Fisheries**

**Madam CHAIR:** The committee will now move to Output Group 3.0, Fisheries, Output 3.1, Fisheries. Are there any questions?

**Mr HIGGINS:** The minister might want to answer this one. There was an \$8.3m contract for artificial reefs given to an NT-based Shorecast and Western Australia-based Subcon. Apparently 70 of the 80 tonnes of steel are coming from China. Can the minister explain? Infrastructure probably did the tendering, that is the first question. How are we going to get the department to enforce the Buy Local and what was the price difference between getting it from China as opposed to buying it locally?

**Mr KIRBY:** There are a few different components to that question, I am happy to work my way through them. Yes, the artificial reefs are an exciting proposal and we are looking forward to seeing them in action through the course of the next 12 months.

As minister, I do not have oversight of the procurement. As we were announcing some of the good news for the reefs and where they were going to be situated we found out that a steel component was involved in it. The day we found out that there was some overseas steel to be used in that componentry, we worked with the various departments and contractors involved, to take the steel componentry out altogether. They found that there was a satisfactory way to build similar concrete structures and get a similar result. The quoted numbers of tonnes of steel coming from overseas are now not the case. As far as that project is concerned, I am sure that we have alleviated that issue.

As far as the tender process and how we get to that concern to start with, is probably a separate matter. It is something we will continue to follow up with the people involved, and with anyone we can. I have spoken with the people who first raised those concerns rather crudely at the press conference. I have explained to people from the industry that I am more than happy to be approached if they hear that something has come through the system that should not have. I do not know that any local companies quoted on that amount of steel.

I am not sure we can give you comparisons between one and the other because I am not aware that any company put a formal written quote in for supplying that steel. My fellow ministers and I will follow up on that to make sure that in future our procurement methodology is exactly right and that the Buy Local provisions in those tenders are working as well as they can.

**Mr HIGGINS:** Did it cost government any extra money when we swapped to an alternative to steel, or dropped the steel out?

**Mr KIRBY:** Not that I am aware of. That was one of the things I stipulated on the day with people from the different departments. If we can do it within budget and all the same tender arrangements to meet the same strategic outcomes taking the imported steel out of the equation, I was comfortable to progress down that line.

**Mr WOOD:** I saw something at the show which looked like it came out of *Game of Thrones*.

**Mr KIRBY:** I did not see any of those episodes, unfortunately.

**Ms WOOD:** I saw the shorts. There was a big concrete structure there by Shorecast sitting near the Army display yesterday, so I presume that is what has been put in the water.

**Mr KIRBY:** If it was four to five metres tall ...

**Mr WOOD:** It looked like something out of the Aztec era, but a bit different.

**Mr KIRBY:** I will hand to Ian, who is the Executive Director of Fisheries. They had a model at the press conference on the day, and the contractor who has worked with these installations previously was able to give some insightful information into how they can change the shapes and structures that surround or go in these modules and how it creates a different flow across the ocean bed and stimulates growth and invites different fish species to breed in the area. It is amazing stuff.

**Mr CURNOW:** The minister has touched on the key points. Importantly, a lot of work has been done in places like Korea over many years to put in artificial reefs. They have been putting them in to boost their commercial fisheries, so they have an intent to get it right. A lot of science has gone behind this over 30-plus years. Australia is newer into the field but picking up on all that technology.

As the minister indicated, the *Game of Thrones*-type thing is a much more improved approach. In the past people have put down various materials and opportunities such as culverts, pipes or containers. These are scientifically designed to provide a range of cave networks inside the complex—cryptic spaces for different species to hide in. The concrete they use lasts up to 100 years, so there is a lot of longevity to this. It is designed with an abrasive surface, so it will be colonised quickly by soft corals and corals.

Whilst fish will move into the reef sites almost immediately—the pelagic species—within a period of about three years we will see the colonisation of various soft corals.

**Mr WOOD:** Is the real name ‘fish aggregating device’?

**Mr CURNOW:** No, this is an artificial reef.

**Mr WOOD:** So, the fish aggregating devices we saw at the AFANT meeting are different?

**Mr CURNOW:** The fish aggregating devices, which are surface buoys, are there to attract bait fish to hide under them, which in turn attract predatory fish such as trevally and mackerel. These are to replicate reef habitat. It is an exciting project because we will end up having a reef fishery around Darwin that rivals a barramundi fishery. Historically a lot of work has been put into recognising the benefits of the NT as a barramundi destination. These four new artificial reef sites will really boost—as you know, we had some problems with golden snapper and jewfish, and these are designed to improve productivity rather than aggregate fish. They are there to actually increase productivity.

**Mr HIGGINS:** In Budget 2019–20, you have \$400 000 for facilitating the Northern Territory Recreational Fishing Grants Scheme. Could you give me some idea on what that is, how it is going to be spent, who is going to administer it and how we came up with the \$400 000?

**Mr CURNOW:** One of the initiatives under the \$50m improving recreational fishing fund—that was a suggestion by AFANT, to put up a two-year recreational fishing grant scheme, which provided small grants up to \$15 000 or larger grants up to \$100 000 for projects that align with the Recreational Fishing Grants Scheme objectives.

The first funding year was last year and the range of projects which got funded through that included:

- \$10 000 to AFANT for a Gone Fishing Day
- \$5000 for a Junior Fun Day to the Darwin Game Fishing Club
- \$100 000 for the Mambuloo Station access; a grant to AFANT to arrange that new access at Katherine
- funding to AFANT for the research tagging program
- grants to the Rapid Creek Landcare Group for hinterland restoration work
- \$14 000 to Nhulunbuy Regional Sports Fishing Club.

The second year of the grant scheme is out for applications at the moment, which close at the end of July. Those applications will be assessed then. Basically there was a \$100 000 saving last year of the \$500 000 allocated, so the budget paper is only showing needing \$400 000 this year, because the \$100 000 is still sitting there as a carry-over. There is \$500 000 available for this year's grants.

**Mr HIGGINS:** This \$400 000 is actually grants as opposed to funding to facilitate the grants?

**Mr CURNOW:** Yes, there is no funding to the department for the administration, it is the actual grant amount to the recipients.

**Mr HIGGINS:** I think you mentioned that \$100 000 was given to AFANT to facilitate some access? Could you tell me what that was again?

**Mr CURNOW:** Yes, that is at Mambuloo Station. Some of the project was to come up with an agreement with the landowner to make improvements to the road and access to allow recreational fishers in to fish on that land. That is under way.

**Mr HIGGINS:** Is that a task of AFANT, or should that be with government typically?

**Mr CURNOW:** AFANT brokered a deal with the landowner and put in an application under this grants scheme. One of the objectives of this grant scheme is to provide new fishing opportunities, it met the requirements of the grant scheme.

**Mr HIGGINS:** So when they brokered a deal with the landowner, why would we be giving him \$100 000 to facilitate that access, or did it pay for something?

**Mr CURNOW:** That is to pay for the capital improvements to roads, fences and those things to allow for that access to occur.

**Mr HIGGINS:** The reason I was asking that is, how much money did AFANT get in the Budget 2019–20. Earlier I got the impression that we do not give them any grant funding ongoing—forgetting that \$100 000.

**Mr CURNOW:** Not under the Recreational Fishing Grants Scheme, unless it is a specific project, but AFANT get Industry Development Support Program funding.

**Mr HIGGINS:** How much is that and what is the ongoing?

**Mr CURNOW:** \$180 000.

**Mr HIGGINS:** That has been consistently \$180 000 for how long?

**Mr CURNOW:** That is testing my memory. The last few years, at some point in time it might have been a little more, but it has been stable around there for a while.

**Mr HIGGINS:** Will that be decreasing by that 3% efficiency next year or will they be exempt from that?

**Mr CURNOW:** As the minister explained before lunch, it is not the straight 3%. There is a 3% offset by 2.5%. So, it ends up being a much smaller margin. For this coming financial year, I do not think that ended up being a couple of thousand dollars in terms of \$180 000 ...

**Mr HIGGINS:** That is 2% or is it ...

**Mr CURNOW:** It was less than 2% when you have the offset of the 2%.

**Mr HIGGINS:** How did we calculate the offset for the amateur fishermen? Is that the overall income through the department, or what? How did that come up?

**Mr CURNOW:** Apologies. The offset is not just for AFANT. That is the Treasury guidelines as to how the grant scheme 3% and the offsets work. Our CFO might be able to explain it if you want the technical answer about the Treasury direction.

**Mr HIGGINS:** How does that offset work? I have asked the question about grants before and I get an answer that says yes, it applies to the grants. This is the first I have heard about some offset.

**Ms NG:** There are efficiency dividends that apply and totals, so the formula that is applied on grants as well.

**Mr HIGGINS:** I always thought grants, in the past, have been exempt.

**Ms NG:** They have been exempt in the past, but this year they have applied it.

**Mr HIGGINS:** How do they work that dividend—or whatever it is—off the efficiency? When we talk about—presumably we have a 2% cut this year and 3% next year and then I am finding out we have 0.5% reduction in that because of some sort of offset. How is that offset calculated?

**Ms NG:** I do not understand what you mean by offset.

**Mr HIGGINS:** Well, a reduction.

**Ms NG:** There is a formula that is applied on the grant total funding. I do not have the formula here.

**Mr HIGGINS:** What would that formula include? What considerations would it be?

**Ms NG:** A percentage of CPI and efficiency dividend calculated onto that.

**Mr HIGGINS:** Okay. That does not give me what I want, but anyway I will ask that question separately back through Treasury, because that is the first I have heard of that one.

**Madam CHAIR:** Unless you want to take it on notice?

**Mr HIGGINS:** No, because I do not think these people are the ones who can provide that answer.

**Madam CHAIR:** Specifically about offsets?

**Mr HIGGINS:** Yes. I might actually do it as a written question back to Treasury, to save you people doing Treasury's job for them. That is all I need on that one.

**Mr WOOD:** Minister, what was the cost of shifting the Fisheries Division to the Berrimah Industrial Park? Is the building owned by the government? If not, what is the cost of renting it?

**Mr KIRBY:** Member for Nelson recently I visited that facility; it is fantastic. There is some large shed space for keeping the vessels that Fisheries have and the ancillary equipment that goes with it. I understand there were reasonably robust discussions about how close the fence needs to be to get those boats in and out—causes them a bit of grief at different times. Also, the people who work inside and the professional level they sit at, the IT systems they have, the tracking abilities they have now—it was a really insightful look into that.

I will hand to Alister to explain a little more about the arrangements for the building.

**Mr WOOD:** I did not understand what the problem was with the fence. I thought it was in—are they big ships you have stored out there that will interfere with plains landing? Is that what we are talking about?

**Mr KIRBY:** Defence—t-h-e—the fence is what I was explaining.

**Mr TRIER:** The cage.

**Mr KIRBY:** It is too close to the door to back vehicles in and out and around and turn around. That is all.

**Mr WOOD:** We are talking about Berrimah Industrial Park?

**Mr CURNOW:** Yes.

**Mr KIRBY:** Oh, right. I thought you were talking about Fisheries ...

**Mr WOOD:** Their Fisheries Division moved to the Berrimah Industrial Park, not ...

**Mr KIRBY:** I was relating to the new facilities—that is all.

**Mr WOOD:** These are new facilities, hopefully.

**Mr TRIER:** Thanks, minister. To clarify, the fence around the building is to provide security and prevent people getting in and removing things that they should not. There was a small issue where part of the fence



is too close to the building and it makes it hard to get vehicles in and out of it. That was the issue the minister was referring to. It is not about planes going over or ...

**Mr WOOD:** I thought it was 'De-fence'.

**Mr TRIER:** ... or Roberston Barracks or ...

**Mr WOOD:** I knew it was in line with the airport and I thought, gee.

**Mr TRIER:** In relation to your other questions, in costs of shifting our Fisheries staff across, basically that is just absorbed as part of the department's work. Ian Curnow put together a very good program to make sure everyone was ready and capable of moving within the time frames we were given. In fact, we were waiting on certificate approval so that people could enter the building. Everything had been packed up and was ready to go, so some of the time frames got a bit tight. But they accomplished it really well and with minimal fuss. It gave us the opportunity, as you sometimes do when you are shifting house, to clean out and do a bit of a refresh within all the different areas.

The questions you asked—the building is a leased building. The building was purpose built for Fisheries, but purpose built under a tender by DCIS and then subsequently leased. In relation to the leasing costs, DCIS provide us the building and they sort out the leasing, so I do not have those costs.

**Mr WOOD:** You were situated at Berrimah Farm, which was your land. Is there a financial cost to going somewhere on someone else's property? Originally you were getting it for nothing because it was your land.

**Mr TRIER:** There is always a trade-off. What we have is a really different level of quality in the building the staff now have the opportunity to access. With the facilities at Berrimah, while that real estate opportunity sat there, it stands to reason that you would not get significant investment into facilities that might then turn into real estate. The fact that issue has been dealt with and now we have the residual footprint—yes, there are some ongoing costs through the leasing. But DCIS—I am not sure of how they come to these decisions—go through a process of looking for the most economic mechanism to provide government agencies with the facilities that they need. That is where they landed in this instance.

**Mr WOOD:** I would have thought that if there had been good planning, they would have kept enough land where Northcrest is for the facility to stay on its own land. That is the bit I am confused about. You are paying more for something you were getting for nothing.

**Mr KIRBY:** There are probably a host of questions that could be asked about that arrangement, Member for Nelson.

**Mr WOOD:** Minister, you will know about this because you were at the AFANT meeting. There was something I was very impressed by. That was about some sort of partnership the government has with Microsoft to develop an artificial intelligence model to identify fish using remote underwater videos. How much is that partnership costing and what are the outcomes of the partnership?

**Mr KIRBY:** I will pass to Ian in a moment, but you are right, it was a fantastic explanation on the night to even the untrained eye to see the clarity of the videos and the information they are able to bring up through those aggregating devices so they can see if your dollar is being spent wisely. You can see in real time what fish they are attracting.

What the Member for Nelson is alluding to is the IT package that has the ability, once it sees a certain fish a number of times, to be able to pick its identification so you do not need somebody sitting at a screen and typing in what they think that fish is. It automatically becomes identified and the information you can then glean from these modules becomes instantly usable. As for the specific about the dollar associated, I will pass to Ian for that information.

**Mr CURNOW:** We are very lucky in that project that Microsoft worldwide was calling for applications for exciting new projects. We put an application in to that, so it is essentially funded by Microsoft. Our contribution is our staff time in one of our research scientists who specialises in the fish side of things. Microsoft provided all the computer-type intelligentsia to add to that project. It is essentially being funded completely by Microsoft, which is why we are very happy with the project.

As the minister indicated, a lot of our work, particularly with our reef recovery program and the closed areas, we have been looking at using remote underwater video footage. The problem with all that sort of technology

is that someone then has to sit and look at all the footage and understand what it means and count fish. This technology gives you the ability for the computer to watch the video, identify size and species of fish and collate all that data and put that out at the moment.

In the early stages of the project we were getting very high identifications—obviously you have to corroborate it with visual viewing in the early days until you train the computer through that process. It is tracking really well. The next stage we will be looking at project 2. We do a lot of work—you will remember, Member for Nelson, from previous briefings—around ageing fish by using otolith, which is the ear bone. Again, once you actually extract that otolith, you have to put it under a microscope and physically count the rings.

The next stage of this project will be looking towards whether we can then use AI to actually automate a lot of that stuff as well. It will take away a lot of manual time of either watching videos or staring at microscopes to do repeated tedious work and actually do a lot of that stuff in real time, which will be a really useful tool.

**Mr WOOD:** That is great. In an ABC report in September 2012, it said that the Indigenous group Aminjarrinja Enterprises had seeded tens of thousands of sea slugs, also known as sea cucumbers or trepang on Groote Eylandt. What is the present state of that industry, is it exporting, does the department have a role in this enterprise?

**Mr KIRBY:** I am aware of the trepang industry on Groote Eylandt, it is an exciting opportunity out there. I will pass to Ian for some detail about exactly where that enterprise is up to.

**Mr CURNOW:** That project was being done in partnership with Tasmanian Seafoods. It was a partnership between the Aboriginal group there and Tasmanian Seafoods. It was done initially as a trial, we helped them produce the sluglets—the baby sea cucumbers—at the Aquaculture Centre and we then put them back out into the embayment.

A lot of it initially was around a research trial to work out how many of those would stay and grow in the bay, how many might get moved off shore, or gregated, or whatever it might be in terms of effectiveness. That bay has not been restocked, but they have done a number of clean-out fishes of that area, but essentially a more detailed update on the current state of those plans is probably a commercial arrangement between Tasmanian Seafoods and the Aboriginal Corporation. It is something we could help facilitate a briefing for you if you wanted an update.

**Mr WOOD:** I came across this and I was not 100% sure what it was until I checked later. What is the Aquatic Deed? I think it probably should have been under biosecurity but I did not know what it was.

**Mr CURNOW:** As you well know, there are plant deeds and there are animal biosecurity deeds that have been in place for a long time nationally—that is the National Partnership Agreement for how biosecurity is managed. The aquatic side of things has not been covered by such a deed. In the case of things like banana freckle and citrus canker, those things would have been automatically picked up in the national plant health deed, which then enacts a national biosecurity response.

As I said, there has not been one in place to date yet, in the case of aquatic biosecurity and certainly the events of the 'white spot' breakout in Queensland a couple of years, re-highlighted, was there a need for a deed in that space. That has been under development for the last two years, I think the intent from the Australian government was to try and have it finalised by the end of this year.

**Mr WOOD:** We are part of those negotiations, I presume?

**Mr CURNOW:** Absolutely.

**Mr WOOD:** I had better give you one on mud crabs. What is the harvest strategy for the mud crab fishery? Is that a permanent strategy year by year, or is it a long-term strategy?

**Mr KIRBY:** I appreciate the question and understand you have asked questions before in parliament regarding this. I will hand over to Ian.

**Mr CURNOW:** Basically, a harvest strategy, for the want of a better word, is an outline of a fishery that has high-level management objectives—is it being managed for commercial benefit, community use, Indigenous use—in the case of mud crab is all three—which makes it a more complex document. Then importantly, the harvest strategy defines what sort of catch rates you want out of that fishery and what sort of performance,

but the really important part is that it has a whole lot of predetermined decision rules in built into it. It is a document that is now there for life, but it gets reviewed and updated regularly.

If you look back to the very dry conditions experienced in the gulf three to four years ago that eventually lead to a decline in mud crab catches for a couple of years, we were then engaged in a process with industry, recreational fishers and local traditional owners to look at what urgent management measures we needed to put in place. As you well know, when people are under the pump financially due to catch rates and businesses going bad, trying to then decide whether we need to reduce limits, put in closures and what sort of tools might we need to do this, that makes it a very complex and challenging thing given the other things going around at the moment.

I guess that during that period we have actually worked with industry, with AFANT and the NLC-provided representatives, so all stakeholder groups were part of this process, this is our first harvest strategy for the Northern Territory. We have since rolled one out for the shark fishery on the back of the mud crab one. It is now, if you like, world's best practice. It is the most contemporary thing there is in fisheries management these days. It ensures you have all the science and planning pre-done and that it outlines what you are going to do for whatever environmental conditions or a disease outbreak, or whatever it might be—it dictates how your fishery is performing.

The other thing they do, if you look at something like the shark fishery, we know our shark fishery from being heavily overfished in the 70s and 80s with a whole lot of joint ventures internationally, our shark stocks have rebuilt now and the fishery can probably be bigger than what it is today. The harbour strategy we have put in place there has a whole range of trigger limits and research requirements, so that as the fishery starts to grow, for example once you get to 50% of what you think your sustainable harvest level could be, then it invokes that a whole lot of extra research to be done just to make sure you are not going too far. All those sorts of predetermined measures and things are built into this document. I am happy to send you a copy.

**Mr WOOD:** That is all right. I suppose I could put it back to the minister. Another thing, I do not know whether on the website, under useful links, is it something I should be able to just click through and say, 'I would be interested in reading that'. I thank you for that, but it would be good if more of those publications were easily available and to not have to search the departmental web page.

**Mr KIRBY:** There is information on different fisheries being constantly assessed, changed and upgraded. Given advice from industry and the different conditions Ian has explained, dry conditions led to different scenarios. It is constantly changed, updated and upgraded. It would be good to have that information available for everybody at a glance.

**Mr WOOD:** How much does the barramundi farm at Adelaide River contribute to commercial fishing economy? When I look at the figures in the annual reports those catches from the barramundi farm should be shown separately from wild catch? Because show it in the annual report in that way.

**Mr KIRBY:** I understand what you are saying. That is an interesting point and I do understand. They do a great job. The barra fingerlings that we went to visit the other day—they have taken a lot of that over. We have overarching information about the aquaculture industry, but Ian is probably going to cover a few of those gaps for us.

**Mr CURNOW:** The aquaculture stuff is reported on separately in things like the fishery status reports to the wildstock side of the equation. The wildstock barramundi fishery is about, traditionally, 500 to 600 tonne of barramundi, and about 300 to 400 tonne of threadfin salmon. Humpty Doo Barramundi, at the moment, are probably upwards now of 2500 tonne of barramundi a year. They were saying by the end of this year, they would be pushing 3000 and they have plans to go beyond that as well. The reality is they are already five times the scale of the wild fishery at this stage.

**Mr WOOD:** Should all those figures be on the table for Fisheries? When you look at ...

**Mr CURNOW:** I would say no, they should be separate for aquaculture. In an economic portrayal, perhaps yes, but we tend to report on the wild stock fisheries and the aquaculture part of the business separately.

**Mr GUYULA:** Minister, what is being done to develop Aboriginal access to fishing industry commercial licences? Currently, many people are locked out of this area, or only have licences that allow them to be able to sell second-hand class species.

**Mr KIRBY:** Some of this relates to Blue Mud Bay and some to coastal licences. With Blue Mud Bay I was really heartened with the AFANT senior people explaining, at their AGM, that this is the first time in a decade that we have had traditional owners and the Northern Territory government, AFANT, and all of the key players involved at the table to come to a resolution. Obviously, our aim is to get a resolution over the coming period of time to make sure Indigenous people have the best opportunities for fishing arrangements in their own waters. It is clear that is where we are hoping to get to now we have everybody at the table.

They are very complex negotiations and we are happy to step through them in the manner and time it takes. As we mentioned before, there have been changes with land councils and that has, perhaps, contributed. We know that there are good senior people involved now and that gives us a great opportunity to continue. We have a meeting in the coming weeks with the full board of the NLC. We are hoping to continue to make some headway there. That will be the best way to give people from homelands greater access to commercial fishing arrangements.

For some of the other details and arrangements, I will hand over to Ian.

**Mr CURNOW:** As the minister mentioned, a lot of those issues about buying existing commercial licences—talking to a lot of countrymen around the place, the shame is that in years gone by when licences were first being issued, a lot of Aboriginal people owned barramundi and mud crab licences and over the years they have let them lapse. Now, being limited-entry licences, the only way to get those licences is through the market. As the minister mentioned, through the positive work that has been done in recent months with the NLC about the Blue Mud Bay negotiations, it is looking like there is a very real pathway forward in some of those existing commercial fisheries.

A lot of the other work the department does is in enhancing the Aboriginal coastal licence that I know a number of Aboriginal communities have. There are currently 19 in place in communities around the Northern Territory. In your neck of the woods, Member for Nhulunbuy, the licence on Elcho Island is particularly active—the fellow using that.

We have a fishing mentor program where we have some staff who are ex-commercial fishermen. They help do training in the Aboriginal communities. They have gone to Elcho a number of times. The licence in Maningrida has been well reported in how well it has been going with mullet and whiting catches. The groups at Wadeye and the Tiwi are doing quite well with their licence as well. So, it is quite encouraging.

Our fishing mentors have done about 20 visits so far this year in the reporting period to various Aboriginal communities. In addition to that, our aquaculture staff have done about eight visits for the oyster work that is occurring on in Goulburn Island and also in the Tiwi in the trials with the tropical oyster program. I think those initiatives are really showing some promise. There is also the work we do with marine rangers in terms of training, but that is probably a slightly different question to your one on commercial development.

**Mr GUYULA:** Minister, you have probably answered some of this, but I will ask the question for the record. Can you outline what is happening in relation to the Blue Mud Bay decision and negotiations? What is expected in the next financial year?

**Mr KIRBY:** We did cover off on a host of that in my precursor to the previous questions. There had been a commitment from our government to make sure there was funding available to continue to work through those negotiations. That will certainly continue. There will be some better detail on that in the coming months. I know there are different types of agreements that are being discussed in the meetings that are coming up. I believe they are next week.

But, out of respect, I will not go into the detail of discussing those, because that is the full board of the land council to get a good appraisal of exactly what is included in those agreements. We are extremely confident when we know that the traditional owners are at the table and they know that they have the year of not just the government and the departments involved in the decision-making process, but they can work constructively with AFANT and different people to make sure everybody can land where we need to land.

I am confident that we will continue to make progress. That will be a great thing for the Northern Territory to continue to advance opportunities for Indigenous people and to put some surety in the rec fishing industry, to make sure people understand their obligations are commitments to make sure we continue to have our tourism and our rec fishing industry working as well and as strongly as it possibly can for our Indigenous Territorians.

**Mr PAECH:** Following on from the Member for Nhulunbuy, what is the process, therefore, of someone who had a commercial licence, but who is a traditional owner on a homeland who wants to get back into the process to sell and to be a commercially viable business, given they are traditional owners or title native holders, they have access to hunt on their land, what is the process to get their commercial status back?

**Mr KIRBY:** Ian has touched on some opportunities and people who may previously had different licensing arrangements. Certainly the steps to go through from being able to domestic fish ...

**Mr PAECH:** I am interested in—the Member for Nhulunbuy asks a question. He obviously has a number of constituents in his division who are probably wanting to do it. How do they make the necessary steps for them to obtain the commercial licensing?

**Mr CURNOW:** There are a couple of elements to that question. Obviously, almost starting at the end, if they want to buy into an existing managed fishery that now has a limited licence, such as barramundi, you need money. But the critical part before that is that there are a critical range of skills and capacity you need. You cannot just become a commercial fisher tomorrow.

The development work we have been doing on the Aboriginal coastal licence is really geared up for improving the skills—obviously the people on country know where fish are, but the skills in turn of keeping fish at the right quality, icing fish, looking after fish, making sure all the health requirements are being met and the business skills that go along with running those businesses. Those are all particularly important elements that are under way and we are working on already.

As I mentioned in the case of aquaculture, licences are not limited. Anyone can start up an aquaculture business, but again the skills for the technical requirements and those other elements—which is why we have been working on things that have been a lot more low maintenance but aquaculture facilities, so products like clams and the oyster trials we are doing at the moment. They are things that almost look after themselves in the water, particularly given that our water is full of crocodiles and things. You do not want to be standing there manually turning oyster baskets in waist-deep water frequently, so we are perfecting some of the gear and technologies for that so that the units can be left high and dry the baskets spinning the tides. We are doing a range of capacity programs.

The federal government has already provided the Northern Land Council with some funding a year or two back of about \$7.5m that was for the purchase of commercial licences. I do not think is part of the Blue Mud Bay negotiations. The NLC—that is one of the elements the minister mentioned—is looking at what business models they will put around that and how that might actually work. That will be one of the elements that is discussed at full council next week.

It is really developing that corporate governance for how that might work. If they have the money to buy licences—how do they buy them, who owns them, which communities get to use them and how.

**Mr PAECH:** My question is more aimed at you as an agency or as a department—correct me Member for Nhulunbuy if I am off track—talk a lot about capacity building. Aboriginal people are natural hunters when it comes to knowing where the spots are and how to do it—and the practices. And they have had many sufficient businesses over a number of years.

Does the department have a division within that looks at the business development or a round of grants to help those community members start up a business? One of the biggest challenges is getting the financials to get the infrastructure, because remote communities often have all the corporate knowledge already.

**Mr KIRBY:** We have spoken a few times today about the DTBI and business support and how that rolls in to getting financial advice on running businesses. I understand your questions is quite specific relating to the fishing industry and how that works on homelands. I will see if Alister or Ian have anything to add to clarify portions of that for us.

**Mr TRIER:** You are exactly right. The physical aspects of catching fish or chasing cows or buffalo—Aboriginal people have been doing it for many years and are very capable. The supplementary requirements to establish a good business—there are still areas that capability needs to be built. I have to say that that is not just restricted within Aboriginal people and Aboriginal communities. If you go to various other industries, people are first and foremost passionate about the product that they are involved in secondly, they are businessmen. Building that capacity is really important at all levels.

When I started government a number of years ago I got involved in the Indigenous pastoral program, which is about developing cattle enterprises on Aboriginal land. The instructions we were given was to go out and start hammering pickets in the ground and putting cattle behind wire. It became very clear to us that would lead to failure. We did not get the background capacity and the capability at many levels at the overarching corporate governance, which required an Indigenous sense when you have Aboriginal elders with custodianship for an area of land, so that they are comfortable with what is happening on their land and if it has water on it, through to the business management and then the operational.

We have been doing that in our agricultural area under the Indigenous Pastoral Program for a number of years. We have been focused in the last few years on building resilience in the businesses that we have been working with in an agricultural sense.

More specifically in the fisheries area there has been efforts put in—as I understand it, and Ian might straighten me up—less so in the corporate governance and the overarching stuff, but more in the downstream processes from catching fish, to maintaining the quality of the fish and getting it to a marketplace in a condition that is acceptable and will attract a good price.

The end of that story is that there is more work to be done and there are things we could be accessing from other areas of our department to assist with that that.

**Madam CHAIR:** That concludes consideration of Output Group 3.0.

#### **OUTPUT GROUP 4.0 – RESOURCE INDUSTRY DEVELOPMENT** **Output 4.1 – Geological Survey and Industry Development Services**

**Madam CHAIR:** The committee will now move to Output Group 4.0, Resource Industry and Development, Output 4.1, Geological Survey and Industry Development Services. Are there any questions?

**Mr HIGGINS:** I have a few questions here and there, some may be unknown or they may just be quick replies. If I can just go through them. How many jobs will the onshore gas industry create in the next financial year? Do we have a handle on that?

**Mr KIRBY:** Through the Pepper report, there was some different modelling put forward. Working backwards, industry has been clear with me that they were a bit disappointed with our modelling. They think we have undersold it and that we have not done as good a job as we could to highlight the probabilities and possibilities of where the industry will end up over the years to come.

In the shorter period of time, that you are talking about—recently we had the APPEA Conference where we had the opportunity to meet with all the companies that are already involved, or looking to get involved. That was a good opportunity to explain our passion about local employment and the necessities around that.

The local engagement done recently with the Energy Club and Origin—there was a good few hundred people in the room. I know some civil contractors travelled from down the track for that. A lot of the opportunities in the near future will be in that civil area for local businesses, as we have instructed these companies.

It was heartening to hear them say, that they do not want to bring grader and dozer drives from interstate when they know the local people will have the best body of knowledge about how the water lays across that land in the wet season, how the fires come up through the dry season and the opportunities that will create for locals.

It is encouraging to hear those big businesses wanting to make those connections and that they know it will be on our radar to make sure they meet as many commitments as they possibly can, from a local employment perspective.

**Mr HIGGINS:** In summary, how many jobs do you reckon will get created this year, what is our estimate on the number of jobs this financial year?

**Mr KIRBY:** It is difficult to put a number to exactly how many. There is a range of factors involved in how many companies get started. We have committed, from a government perspective, that we will not have regulations or anything like that which will hold companies back and we are on track to get them on the ground through the course of this Dry Season. The amount of companies that get on the ground, the amount of employment they are able to generate around that, probably lies with them.

Rod, I am not sure if you have anything you are able to add to try and clarify exactly where we are at?

**Mr HIGGINS:** Trying to sell the Territory: come to the Territory and get a job in the gas industry. How many jobs will there be, none or one hundred?

**Mr APPEGATE:** Well, there is going to be more than zero. The industry is at exploration phase and this year, based on the number of wells we think industry is going to be involved in, there are two phases. One is the civil works and they contract, as the minister outlined. They will contract with existing Territory businesses to actually do the civil works, which is access roads, building pads and water monitoring bores. They are existing businesses and hopefully, as a result of that, their businesses are expanding.

You would appreciate that, when you go to drill a gas well that you just do not buy the rig off the shelf. In Australia there are two experienced companies that provide those services: Halliburton and Schlumberger. They are interstate; they are not established in the Territory as yet. Hopefully when we have an onshore gas industry they will be established here.

In the short term you will not see more jobs than existing businesses need to expand just to provide those services. Hopefully once they prove up the gas—I think the Pepper report said something in the order of 24 or 25 years.

**Mr HIGGINS:** I am more after what our predictions are for this financial year. How many wells are we going to drill? You said it is all linked to the number of wells. How many exploration wells are we expecting to be drilled this Dry Season—I know it fits into Dry Season. Will that be the same number next year in the Dry Season, or will it increase? Do we have any estimates on those two years?

**Mr KIRBY:** I am more than happy for Rod to give us an update on exactly where we believe things are at. But yes, we know there are a number of companies that we met at the APPEA conference will probably let the two major proponents do some of the hard work this year and look to get involved sooner rather than later.

**Mr HIGGINS:** These questions are not meant as an attack on government or the department. They are pretty basic questions that I think a lot of people ask. That is why I am asking. They are pretty standard, straightforward, basic questions. If we do not have an answer for them or cannot estimate it, just say so—not waffle.

How many wells do we reckon are going to be drilled in 2019?

**Mr APPEGATE:** I am pleased to say that in 2019 two new wells have already been drilled, one is a wildcat for conventional resources in Central Australia by Santos. Central have put another hole in the ground in Palm Valley. They have already put two holes in in 2019.

At the moment, you would be aware that we have moved to put a whole lot more stringency around the regulations. Companies that have applications in to do something in their work program for this year would be Santos with another two holes—spudding two wells on EP161 on Tanumbirini. I think that Origin have plans to do two, if not three, wells on its existing EPs on Amungee and Beetaloo, and I cannot remember where else. Possibly three. This year we are expecting two wells that have already been spudded and we are looking at potentially another five this year.

**Mr HIGGINS:** Do we have any idea on next year at this point in time, or is it too far out?

**Mr KIRBY:** I cannot give you a clear indication on next year. Rod may have some better indication depending on what happens this year and how those results turn out.

**Mr APPEGATE:** The minister is quite correct. Next year's program will depend on what they find when they spud their wells this year. Again, we see the two current players in Origin and Santos expanding their number of wells as they try to prove up their EPs and find out where the gas is within the Beetaloo sub-basin where the sweet spots are, if you like.

We also have other players that hold existing EPs; that are very keen to get back on the ground now that we have sorted out the regulations. They have submitted their activities for the existing EPs and we expect Pangaea getting on the ground in 2020 with their three EPs. There will be other players like Armour Energy, which is exploring not the Beetaloo sub-basin but in the McArthur basin which is really exciting. They will be doing a lot more seismic work in 2020 and 2021.

**Mr HIGGINS:** We have three-quarters of an hour to get through mining, so I would appreciate just getting ...

**Mr APPEGATE:** Oh, we are not on mining?

**Mr HIGGINS:** As at today, what time frame are we looking for production of onshore gas? What would be our estimate going forward to when we start to produce something out of our onshore gas? I know that will depend on—as Mr Applegate has told us—shoring up their stuff. I do not need to hear all of that again, Alister, if that is all right.

**Mr TRIER:** There are two aspects that will drive production. One is the economic viability that will be assessed by industry. The second is the completion of the remaining recommendations under the HFI report undertaken by Justice Pepper. The main recommendation that will probably dictate the length of time is based on the SREBA, the strategic regional economic baseline assessment, which has a number of requirements on monitoring. At the moment, the estimate is around three years.

**Mr HIGGINS:** Say roughly from today, about three years before we actually get some sort of return.

**Mr TRIER:** I will pass to Rod to confirm, but that is my understanding. I would have to say at a minimum

**Mr APPEGATE:** I would say at a minimum.

**Mr HIGGINS:** Yes. That means with own source revenue, you are not going to get any for that three years. There is nothing coming out of the gas industry before we go into full production?

**Mr APPEGATE:** There is an onshore gas industry already in the Northern Territory. I am really pleased that Central is expanding their operations. We have revenue flowing from their operations. We have gas now flowing to the east coast.

**Mr HIGGINS:** How much will that generate then in 2019–20—revenue?

**Mr APPEGATE:** In revenue to the Territory?

**Mr HIGGINS:** Yes.

**Mr APPEGATE:** You will have to ask Treasury that. They look after the royalties.

**Mr HIGGINS:** Okay. That is all I have in that area.

**Mr WOOD:** Yes. It comes under resource development. What is happening to the lithium mine on Cox Peninsula Road? Is it still going ahead or has it been put on hold?

**Mr APPEGATE:** I am pleased to. Core has submitted a supplement to their EIS and that is going to through an assessment process by the EPA. Hopefully, that will give them a tick that they have dealt with all those issues, at which time we will seek for the minister to consider an authorisation for that mine to start.

**Mr PAECH:** Environmental regulation of mining still sits with your department, but that is to transition to the Department of Environment and Natural Resources. Is that correct?

**Mr KIRBY:** Some of those environmental regulations will sit with Minister Lawler, yes.

**Mr PAECH:** Have they transitioned over yet, or they are still ...

**Mr KIRBY:** There is an element through the regulations on what has changed already. Rod, do you want ...

**Mr TRIER:** Do you want to take it?

**Mr APPEGATE:** No, the environmental provisions of the current *Mining Management Act* still remain within the minister's Department of Primary Industry and Resources. They will not transfer until the second phase of the Environmental Protection Bill is completed. The first phase of the Environmental Protection Bill is about providing or giving the powers to the minister for Environment to issue an environmental approval for any new projects, including mining. That will happen—this year?



**Mr TRIER:** In due course.

**Mr APPEGATE:** The second phase of the *Environmental Protection Act* is dealing with waste management and pollution control and mine management in as far as environmental provisions are concerned. That will happen in the second phase probably next year.

**Madam CHAIR:** That concludes consideration of Output Group 4.

### **OUTPUT GROUP 5.0 – MINING SERVICES** **Output 5.1 – Mineral Titles Management**

**Madam CHAIR:** The committee will now consider Output Group 5.0, Mining Services, Output 5.1, Mineral Titles Management. Are there any questions?

**Mr HIGGINS:** Quite simply, how many queries or engagements have the department had with prospective investors in the minerals space in 2018–19? What sort of forecast is there for 2019–20?

**Mr KIRBY:** I am happy to kick that off. But understanding what you have mentioned before about timeliness, since being in my role we have had a host of different companies come in. There is a bright future. There is a number of projects that are in the throes of final investment decisions.

I think there is a host of new technology that people are using. We have some very rich earth through the Northern Territory. There is a number of companies that have either reinvestigated parcels of land and found that with better technology that either they did not have the ability get to the bodies or resources before, or that with better opportunities and better technologies they can now.

Rod, if you have intricate detail about the exact numbers, I am more than happy for you to explain that.

**Mr APPEGATE:** I am happy to report that exploration is on the increase in the Northern Territory. I think we saw \$123m spent on exploration activities in the 2018 calendar year, which was an increase of 35% on the previous year. We are slowly getting back to the amount of activity and exploration that was at its highest in 2012. We are getting back that way.

Obviously there is a lot of interest in gold, with the gold price being pretty good at the moment. There has been a lot of exploration going on there. You would be aware that there are now a number of major mining projects that have gone through their environmental assessment processes and they are ready to go to FID. We have Arafura Resources, AMRO Phosphate, KGL, Challis Holdings and TNG. Those projects are all multimillion dollar projects that will lead to a huge amount of construction jobs, as well as operational jobs in the future.

**Mr HIGGINS:** You mentioned the gold prices. How does government predict prices into the future, and what are we predicting for the next couple of years?

**Mr KIRBY:** Understanding that there is a space for government to play in predicting gold prices into the future and there is a space for government to take advice. Sometimes the best advice is from industry.

We recently visited the Tanamai gold mine. That company is so confident that they have built a gas pipeline 450 kilometres into the desert, two new power stations, and an interconnected 66 000 volt power line to improve their commercial output over the coming years. They know they are going to be there for some time, so the future for gold is extremely bright.

The positive thing about a project like that is to see the pride on everybody's face to be able to pull it together in time and on budget in some of the harshest conditions that you could possibly work under. Their safety on that project was really high. They were really proud of that. The guys and girls working knew that if they got hurt out in the middle of nowhere that the repercussions were not what they were if they were in Darwin or Alice Springs. There was an extra level of safety on the project. It was really good to see that we can build those remarkable projects.

I am happy to take advice on how we take advice about gold prices into the future.

**Mr HIGGINS:** I do not think it has anything to do with where the gold is dug up from, whether it is remote or out the front of Parliament House.

**Mr SCRIMGEOUR:** Obviously we do not intend to try to forecast gold prices. I do not think there has been this much optimism around the gold sector in the Northern Territory for at least the last decade or so.

About half of our exploration expenditure at the moment is for gold. Kirkland Lake is spending a lot of money around Pine Creek. In the Tanami, Newcrest Mining has invested very heavily now and taking up a lot of ground and taking out joint ventures. Newmont are going into exploration. A lot of these cashed-up explorers from elsewhere in Australia are looking at the Territory as an area for potential growth. I cannot promise what the gold price is going to do, but the future of the gold industry is looking pretty bright at the moment.

**Mr HIGGINS:** From the department point of view, do we look at what the federal budget says about gold prices, when we are looking at any of this?

**Mr SCRIMGEOUR:** We do not specifically look at that, but we obviously keep abreast of trends in the industry and make sure that we are able to react to them as best as we can. But no, we do not specifically look at that.

**Mr HIGGINS:** How do we see iron ore and zinc in the same sort of light?

**Mr APLEGATE:** Iron ore price is looking good at the moment, which is why we have a bit of interest in our current title holders over existing iron ore deposits. The base metal price for zinc has stayed fairly consistent, but we have world-class zinc deposits which have been discovered in the Territory. It is just going to cost a bit of money to get them out of the ground. Would that be fair, Ian?

**Mr SCRIMGEOUR:** We have seen a lot of activity for zinc around the McArthur River area, not specifically at McArthur River, but in that broader region of the Territory. Unfortunately, one of the major investors in that area, MMG, has just moved out of the Territory, or moved out of exploration in general.

But we are pretty confident about the outlook for zinc in that area. The prices have tailed off a little bit, but the other important commodity with a strong long-term outlook is copper. KGL Resources is looking fairly good at getting the Territory's first copper mine in a long time, up in the next year or two.

**Mr HIGGINS:** I think a few people have beaten you to the gun, there are a few out in the rural area who are mining copper out of our telephone line. The sooner we start producing some and bringing the pricing down, the less ...

**Mr WOOD:** Could I ask a question on gold, although ...

**Madam CHAIR:** Is it in the same output?

**Mr WOOD:** Well, it was in relation to whether there has been a movement gold in the Tennant Creek area.

**Madam CHAIR:** This is Mineral Titles Management we are on.

**Mr WOOD:** Yes, they were saying where the industry is going at the moment in relation to gold. I thought they might have shifted onto that.

**Madam CHAIR:** It might sit better in another of the outputs. Are there any further questions under 5.1?

**Mr HIGGINS:** Government has publicly stated that the new royalty scheme is comparable to other jurisdictions. I want to know why they make that claim when the industry association is completely saying otherwise. We are introducing a scheme that does not exist anywhere in Australia. How do we justify that it is comparable to other jurisdictions?

**Mr PAECH:** Do you not like it?

**Mr HIGGINS:** Industry associations do not, and that is what they are telling us.

**Mr PAECH:** (inaudible) constituents

**Mr HIGGINS:** They are constituents.

**Mr KIRBY:** I am happy to give a brief overview, but happy also to go to the experts.

The 2019 new scheme requires mining companies to pay the greater of the existing 20% profits-based scheme, or a value-based royalty on their gross mineral productions: 1% of a mine's first mineral royalty on or after 1 July 2019, 2% the second year, 2.5% in the third year, and then on.

**Mr HIGGINS:** I am after why we claim that it is comparable to other jurisdictions?

**Mr APPELGATE:** The current scheme until 1 July, the profit-based scheme is very different to every other jurisdiction, which have ad valorem systems. These are based on the royalty being based on the value of production. We are moving to that. As the minister has explained we are moving to a royalty system based on gross mineral production revenue, which is like an ad valorem that exists in other jurisdictions. That is why it is consistent with what is happening in other jurisdictions.

**Mr HIGGINS:** My understanding is that we are moving towards a hybrid scheme. So you have one or the other. We are not moving directly to an ad valorem system. We will take whichever is producing the best or highest revenue for the Territory.

**Mr APPELGATE:** That is correct. I think it is a good thing that the Territory has a hybrid scheme which maximises the value of our mineral production for Territorians. If you produce a lot through production ...

**Mr HIGGINS:** You are saying this scheme is the best for the Territory even though it is actually knocking our investment around. In other words, people are saying that we have uncertainty and a hybrid scheme that does not allow for deductions et cetera. You do not take that into account, it is just the bottom line for the Territory—even though it may impact on the Territory in that we will not get investment.

**Mr APPELGATE:** There is no evidence to suggest at this stage, if I may, that investment has dropped off. I just said that exploration at the moment is up 35% from last year.

**Mr HIGGINS:** The scheme comes in on 1 July and industry associations are saying we are putting thousands of jobs at risk and billions of dollars of investment. Has that been taken into account? Did we do any modelling to see that if you introduced this scheme, what the impact will be on certainty? What will that impact be on investment here in the Territory, because it is investment that will create jobs? Private investment.

**Mr KIRBY:** We have just heard an explanation about the technicalities of the scheme. We heard similar comments around regulation for the onshore industry. We hear industry say that it has a clear line of sight—we are out the back of the report and the instigation of a number of those recommendations.

The indication from exploration is that things are extremely confident throughout the Northern Territory. If we flip that back to the onshore industry we see that people are coming to the Territory to invest in our industries.

**Mr HIGGINS:** I do not see that there is a direct link between regulation and taxation, that is my point. Are you aware of any legal action that has been taken in regard to the royalty scheme?

**Mr PAECH:** You do not like royalties Mr Higgins?

**Mr HIGGINS:** Industry does not and that is who we listen to.

**Mr PAECH:** You do not listen to your constituents or communities?

**Mr HIGGINS:** I listen to constituents as well and they are the ones who are getting jobs ...

**Mr PAECH:** You are advocating for someone else now.

**Mr HIGGINS:** ...because of the industry.

**Mr PAECH:** Just pull them out of the window and advocate for someone else.

**Mr HIGGINS:** Where would your constituents be without the mining industry?

**Mr PAECH:** I did not say that, did I?

**Madam CHAIR:** Thank you, members.

**Mr KIRBY:** In answer to the question, with any of the disputes that are happening at the moment our department does not administer the royalties. That is a Treasury issue and they will have better information about issues that are before them at the moment.

**Mr HIGGINS:** I did not want details. I asked if you were aware of legal action. Are you aware of it? I have asked this one in parliament and did not get an answer, so I am asking it now. Are you aware of it? Yes or no. It is pretty simple.

**Mr KIRBY:** Yes.

**Mr HIGGINS:** Thank you very much. That is all I wanted to know.

**Madam CHAIR:** Let us get back to the budget shall we?

**Ms AH KIT:** Can you please provide an update on the approvals for the McArthur River Mine?

**Mr KIRBY:** I certainly can. We have been working closely with McArthur River over the previous weeks to make sure that we can get to the stage of approving some limited civil and construction works for the recommissioning of a tailing storage facility at the mine.

The assessment of these works was undertaken by the independent technical review board, which was established as a condition of the current authorisation. It was also assessed by the Department of Primary Industry and Resources for its compliance with the *Mining Management Act*.

The work also requires sign-off from an independent certifying engineer and that has been done. Continuing in to the future there will be further approvals required before any of the recommissioned tailing storage facilities can become operational again. We took in to account meeting with the Northern Territory EPA to ensure that the stipulations they had put in place with the overburdened management project, and the conditions around the authorisation had also been met. We recently signed off on that approval, so there are some civil works beginning out in the McArthur River Mine area at the moment.

**Mr HIGGINS:** The upcoming environmental regulatory reform that we mentioned before—why did the government engage external consultants to undertake an impact statement and not use Treasury? We are looking at the impact statement on that environmental regulation reform. Did you not undertake that? My understanding is that you did but you are saying it is Environment.

**Mr KIRBY:** Our initial thought to answer your question is that it sits with the department of Environment. We are happy to follow that up.

**Mr HIGGINS:** It is an impact statement on the new environmental regulatory reform and it was sent out to a private contract as opposed to Treasury.

**Mr KIRBY:** We believe that regulatory impact statement is owned by DENR.

**Mr HIGGINS:** We have them tomorrow.

Do we have a strategic plan for mining in the department, if not are we planning on doing one? Or are we going to do any work on it? The same as I was asking about Primary Industry. Does it tie in then with any of the industry associations underneath et cetera?

**Mr TRIER:** One of my views on mining and the comparison with Fisheries is that mines are like fish: they are where you find them; not where people want them to be. There are a number of levels with the minerals development strategy and that is mostly, from our perspective, underpinned by the work that has happened in Ian Scrimgeour's area of the northern geological survey. I will go to Ian in a sec.

One of the other things that has come out of the economic development framework is a development of a mineral strategy and that has been progressing. It is fair to say that more work needs to be done. There are two components to a mineral strategy. One is where you find them and how you get them out of the ground. The second component is how you get the most benefit out of that for Territorians.

As it sits at the moment, finding them and getting them out of ground sits with us—the Department of Primary Industry and Resources—and then the leveraging of opportunities in terms of processing and manufacturing sits with the Department of Trade, Business and Innovation. Ian might like to give some more detail on that.

**Mr SCRIMGEOUR:** From the perspective of what we are doing with the geological survey, we had an independent assessment done on the geoscience initiatives we have had over the past 10 years. In the geological survey, it found that they had delivered significant economic benefits and stimulated quite a bit of exploration. But they made a number of recommendations about the way the department needed to go forward in developing the industry. That is the basis for the Resourcing the Territory initiative which we are now undertaking.

Just as an example, some of those recommendations were that the Territory was not quite competitive in its coverage of geophysical data, its geochemical and drilling data from industry and making it available to the industry. That has formed the basis for the way we are going ahead.

At the same time, we are working with the Department of Trade, Business and Innovation on the broader minerals industry development strategy, as well as working with our colleagues in the regulatory areas to have a more coherent view of how we develop the industry.

**Mr HIGGINS:** Okay. Have you been aware of Canada and Alberta and their strategic plan? There is a plug for travel for you. Have we had a look at any of those?

**Mr KIRBY:** I am more than happy for Ian to update us.

**Mr HIGGINS:** I thought you were going to say happy for him to go to Canada.

**Mr SCRIMGEOUR:** I cannot say I have looked specifically at—we have been looking at plans elsewhere in Australia. I have not specifically looked at those in Canada. I am not sure whether anyone else in the department has.

**Mr APLEGATE:** I have always gone to Alberta for a lot of ideas, whether it is water management, mine management or oil and gas management. Certainly we are appraised of what Alberta has been doing in the regulation of the oil and gas space, not specifically on their mining. We regularly attend one of the largest mining seminar conferences in the world in Canada on a regular basis, where are exposed to a lot of activities that Canadian companies are doing.

**Mr HIGGINS:** How does the department measure our competitiveness across the region? How do we do that? Do we do it at all?

**Mr APLEGATE:** No, they are bigger.

**Mr HIGGINS:** Or does Treasury—well, I think it is more ...

**Mr SCRIMGEOUR:** There are a few measures that we use to look at our competitiveness. One is the Fraser Institute survey, which is a Canadian survey of global perceptions of various jurisdictions as an exploration destination. That has its weaknesses because we believe the number of companies that actually respond relating to the NT are very low.

We also look at our share of mineral exploration expenditure, which is why we are very encouraged that our share is currently improving. They are probably the two main measures we use to see how we are tracking in our overall perception.

**Mr HIGGINS:** Why would you say we have gone from 10<sup>th</sup> in that Fraser Institute one, down to 24—in 2017–18 down to 2018–19? When you look at it, you say the weakness in it is the number of companies. That is a 140% drop when you look at the total numbers in there. Why would you say that has occurred?

**Mr KIRBY:** I am not sure if the figures we are looking at are the same. The Northern Territory's ranking on investment attraction index is now 23<sup>rd</sup>, up from 27<sup>th</sup> last year. It has also improved to become the third best performing Australian jurisdiction, up from fourth last year. I am not sure why or how our figures do not align on us improving through the Fraser Institute report and the figures you quote, Opposition Leader.

**Mr HIGGINS:** The annual survey had us overall as 10<sup>th</sup> in 2017–18 and we dropped to 24 in 2018–19. That is the overall measure, not cherry picking.

**Mr APLEGATE:** Not discounting what you are saying, but the Fraser Institute uses a lot of criteria when doing the overall ranking. Yes, the Territory dropped from, I think, seventh in 2015, we went back to 27<sup>th</sup> in

2018, and we have come forward to 23<sup>rd</sup> in this survey in 2019. That is the overall rankings. So that was out of 91 jurisdictions.

One of the things that has driven the overall—because there is a number of criteria that they use to get the overall ranking. One of the things that has dragged the Territory back a little has been policy perceptions. That is a measure of perceptions in the industry. Last year, with changes to royalty regimes—and whilst I cannot understand why they mix it, there was a moratorium on oil and gas exploration. That all gets thrown into the mix when it comes to policy perceptions, I believe.

On the positive front we maintain a very high rank—in the top 10—in our quality of geological data and our geological database is available for all companies to look at to help further their investment decisions. You have to appreciate that it is a lot of criteria to get rolled up in. You get one single number, but if you break it down we are pretty good on some of the criteria, and we are a little less on some of the others. That is how it works.

**Madam CHAIR:** That concludes consideration of Output 5.1.

### **Output 5.2 – Mining Operations Management**

**Madam CHAIR:** The committee will now proceed to Output 5.2, Mining Operations Management. Are there any questions?

**Mr WOOD:** Minister could you provide an update on the comment in the annual report about the facilitated exit of extractive operators from key priorities on the Howard sand plain. When will there be a finish to sand mining in the Howard sand plain? What will happen to existing titles that cannot be used? Where will future sand suppliers come from?

**Mr KIRBY:** I am happy to explain what I know. I have met with the extractive council recently. There were some concerns because of the nature of the product—it is vital. I am also aware that Minister Lawler has met with them. I certainly do not want to step on any of the ground that she is working her way through with the extractives industry.

**Mr TRIER:** Rod might need to help here, but my understanding is in terms of addressing these matters we are looking at an extractive industries strategic framework and a task force to develop that framework. It is a program of work aimed to guide and facilitate a strategic approach to the future development of the Territory's extractive resources with the Darwin region being the focus.

It includes identifying and quantifying the demand and supply profiles for the Territory's extractive resources; assessing the economic value of the Territory's extractive resources in terms of implications for cost and or availability of infrastructure and other construction activity; determining the best way to access critical extractive resources; taking into consideration planning for appropriately designed road corridors; securing land for resourcing extractives; determining whether strategic assessments could be implemented and be effective; and streamlining regulatory requirements, such as mining management plans. I understand that process is well down the track.

**Mr WOOD:** I am trying to get an indication of how long you think that resource will be able to be mined for. Because once it is mined you have to get that sand from somewhere else.

**Mr APPLGATE:** Obviously a lot of work went into determining those areas of significant conservation significance within the broader Howard sand sheet plain. As a result of that work, where the critical areas were identified by DENR, any overlying title or tenure has largely been given up over those areas.

Part of the strategic planning is also identifying where other resource sand and gravel resources lie, it would be in close proximity to Darwin for future growth. You would be aware of some of those, including the Sunday Creek, Gunn Point and Bees Creek. Part of the strategic planning exercise is also identifying where the industry can grow to in the future. But there are still active leases within the Howard sand plains which do not coincide, or conflict, with those areas that they were identified as needing to be protected.

**Mr WOOD:** Minister, what is the policy on rehabilitation of extractive mining sites? Because I get concerned, and I probably get some criticism that a lot of those sites end up having weeds that start to invade after the companies have been in. Is there any policy on rehabilitation or reuse of the land, for instance? Could it be used for an off-road vehicle park, or for the horticultural industries? Things like mangoes do not live on the most highly fertile land, but do fairly well in Pine Creek on rehabilitated land.

Is there a policy about doing something with those areas? When you fly over Darwin on your way in you can see them.

**Mr KIRBY:** Restoration of sites in the areas they have worked in is something that we discussed with the extractives group when we met with them. They are very aware of the issue and how the terrain operates in the Northern Territory and that, over time, things will grow back there. I understand what you are saying in that sometimes they are not always the things you want to grow back there.

Rod, can you offer information on some of those technicalities of extractives and mines and areas that they have worked in and revegetation of those areas?

**Mr APPEGATE:** The mine management plan that we require for the authorisation of extractives includes how they will progressively rehabilitate. In this day and age, the majority of operators are doing the right thing. Obviously, it is a bit more difficult in extractive, where they filter their contracts. So they mine 20 000 cubic metres to meet a contract and if they do not have forward orders they are expected to go back and rehabilitate. Sometimes on an existing title they will get a late order so they will go back and rework it.

It is very difficult for some of them to do the progressive rehabilitation that we call for in their mine management plans, but I think in this day and age it is happening a lot more regularly. Some of the scars that you refer to as you fly in are really a lot of legacy issues from operators from 15 years ago.

**Mr WOOD:** That is probably what I am asking. Is there any policy to try to do some repair work? Obviously people have existing leases, they are still working leases, and there are other people who have left the leases. There does not seem to be any attempt to try to clean up. If you are on a legacy mine, there is. People put money into the legacy mine fund, but I do not presume there is anything for extractive mine legacy mines, they are just left as it is. It seems that we could do better, put it that way.

**Mr KIRBY:** Some things to give you comfort going forward are that the extractives group were concerned about the mine management plans, how detailed they are now and how it takes some time to work their way through them, which is not necessarily a bad thing. From this point in time, going forward, we were doing a better job than we have. But perhaps looking backwards is exactly what you are saying about some of those areas that you can see from the sky and whether we can encourage them to be cleaned up.

**Mr WOOD:** Open them up for mango plantations, but anyway. My last question is in relation to the Tennant Creek Battery Hills Gold Stamp Battery. What role did the government play in its restoration and operation and does it still have a role in its operating presently? Is still operating presently, would probably be more correct.

**Mr KIRBY:** I am aware that the company involved has run into a couple of hurdles, so it has progressed slower than we would have liked. I will get Rod to give more explicit information.

**Mr APPEGATE:** I think last year, the old Stamp Battery at Tennant Creek—whatever it is called, Battery Hill—was reactivated, because one of the companies there that had a number of titles with fairly rich and small deposits of gold, wanted to extract some of that. An operator of one of those leases got the Stamp Battery working again. Unfortunately, because of the age of that technology—I think it goes back over one hundred years—they were only getting something like 50–60% recovery of the gold through that battery. The tailings went into storage containers. At the end of the day, it was not effective financially to use it to process the gold from some of these rather rich veins that they were mining.

At the moment part of the redevelopment of Tennant Creek as a mining hub is encouraging some private enterprise to put a new common-user facility into that place so that a whole lot of these smaller titles, which have really rich gold veins, but not large quantities, can actually process their ore locally.

**Madam CHAIR:** That concludes consideration of output 5.2.

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### Answer to Question on Notice No 6.3

**Mr KIRBY:** There was a subsidised interest rate scheme for melon growers affected by the cucumber green mottle mosaic virus, CGMMV. It was implemented on 20 February 2015, and \$600 000 per year was made

available for two financial years, in 2014–15 and 2015–16, to eligible growers who experienced financial hardship as a result of the CGMMV.

The scheme subsidised commercial bank loan interest for up to two years to a maximum loan amount of up to \$1m. The growers who were eligible for the subsidy, received up to \$60 000 per annum for two years. The scheme opened in April 2015 and seven applications were received with all seven receiving approvals. The closing date for the applications was 29 April 2016 with payments under the scheme finalised by the 30 June 2017. Quarantine restrictions were lifted from the CGMMV-affected properties in February 2016 enabling growers to recommence growing and selling cucurbits from their properties.

Hopefully, that will clear things up. I am happy to take on notice any other queries on that.

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### Output 5.3 – Legacy Mines

**Madam CHAIR:** The committee will now move to output 5.3, Legacy Mines. Are there any questions?

**Mr HIGGINS:** There is a reduction in the appropriation of over \$4m, can we find the explanation for that?

**Mr KIRBY:** I understand the question, I understand there are some nuances with how some of these funding arrangements map over from year-to-year.

**Mr APLEGATE:** Stage 2A of the Rum Jungle rehabilitation planning work—they have provided over \$10m. That money over the last two years—it is in this year's budget but will not be in next year's budget. There will be a commensurate reduction in appropriation of \$4.138m, because there is no more money coming from the feds at this stage for more work.

**Mr HIGGINS:** When will the rehabilitation on Rum Jungle be finished or are we still going to have to find more money for it?

**Mr APLEGATE:** We are not rehabilitating Rum Jungle at the moment. We are planning for its possible remediation. That is a decision of the Commonwealth; we are just doing our part.

**Mr HIGGINS:** So the plan will be completed next year and we will be able to go from there?

**Mr APLEGATE:** Yes.

**Madam CHAIR:** That concludes consideration of Output Groups relating to the Department of Primary Industry and Resources, and all Outputs relating to the Minister for Primary Industry and Resources. On behalf of the committee I thank the minister for attending today and all the officers who have provided advice and those who have given support.

The committee will take a short break before moving to consider outputs relating to the Department of Education.

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The committee suspended.

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### MINISTER UIBO'S PORTFOLIOS

#### DEPARTMENT OF EDUCATION

**Madam CHAIR:** I welcome you, minister, to today's hearings and invite you to introduce the officials accompanying you.

**Ms UIBO:** Thank you, Madam Chair. I would like to introduce the officials from the Department of Education who are with me today: Chief Executive, Vicky Baylis; Deputy Chief Executive School Education, Leanne Nixon; Executive Director Corporate Services, Jasmin Aldenhoven; Chief Financial Officer, Brett Roach; Executive Director Education Policy and Programs, Susan Bowden; General Manager, Engagement



Partnerships, Tony Considine; General Manager Digital and Data, Elise Vervetjes; General Manager School and System Improvement, John Cleary; General Manager Human Resources, Leanne Cull; Acting General Manager Planning Infrastructure, Simon Scally; Acting General Manager Quality School Systems and Support, Joanne Reidy; and Senior Director Strategic Policy, Gillian Sharkey.

**Madam CHAIR:** Thank you, minister. I will invite you in just a moment to make a brief opening statement. 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 outputs-specific questions and finally non-output specific budget-related questions, should we get there.

I want to invite the shadow minister to ask their 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 wait until the end of the shadow's questioning on the output.

Minister, do you wish to make an opening statement regarding the Department of Education?

**Ms UIBO:** Yes, thank you, Madam Chair. The Territory Labor government understands that education is key to generational change and creating brighter futures for all children. We know that investing in education is not just the right thing to do, but the smart to do.

While we are actively implementing budget repair measures we are continuing to demonstrate our commitment to the provision of quality education for Territory children by investing \$1.161bn in to the 2019–20 financial year. This includes \$111.5m for improving infrastructure across government and non-government schools. This investment will support 152 government schools, including 44 homeland learning centres and 38 non-government schools providing education services for over 45 000 students across the Northern Territory.

We are enhancing the way we resource government schools to provide them with fairer and more transparent funding. We completed an independent review of school resourcing and are implementing the recommendations through our action plan. We believe that every child in the Northern Territory deserves to have the best possible start to life. Access to quality education programs and childcare services is crucial and the child's first five years of life.

I am proud of the role of the Department of Education plays in delivering the Northern Territory Government's early childhood development plan, entitled Starting Early for a Better Future.

Investing in a child's early years is a key to our goal in achieving generational change. Providing children with access to early learning and education is essential to a child's success later on in life and their ability to contribute to society socially and economically. That is why the government is investing \$11.96m in the Families as First Teachers, or FaFT, program, including \$6.4m in Commonwealth Government funding to support parents and families as children's first and most important teachers. There are currently 39 FaFT programs operating across 42 sites in the NT. As a part of our Early Childhood Development Plan, the FaFT program will be expanded through the establishment of 14 additional FaFT Stay Play Learn sites by the end of 2020.

In 2019 eight new sites were scheduled for operation with one already operating in Harts Range. We will invest \$2.25m to continue operating six Child and Family Centres in the Northern Territory. Our Labor government has also allocated an additional \$17.37m as part of our Early Childhood Development Plan and \$11.4m as part of our Safe Thriving and Connected: Generational Change for Children and Families implementation plan.

This funding will be used to expand the number of Child and Family Centres to 17 across the Territory in order to be tailored to provide services to meet the needs of local children, their families and caregivers. The Department of Education continues to work closely with Territory Families to establish these sites, with centres in Tennant Creek and Katherine to be operational this year. We have also allocated \$6m to early childhood services subsidies to increase participation in early learning programs and assist families with childcare costs, and \$1.6m to raise the quality of early learning services.

I am pleased to be able to share with you and the committee that we are beginning to see traction through significant government investment in our early years. In 2018 there was an increase in the proportion of Territory children on track for all five AEDC domains from 34.6% in 2009 to 42.3%. I can report that there

has been a significant decrease in the number of proportion of all Territory children who are developmentally vulnerable and particularly for children living in remote and very remote areas.

Improving educational outcomes for Aboriginal students continues to be a significant priority in this government. That is why we have allocated \$48.6m to implement stage two of the Indigenous Education Strategy, including \$34.7m in Commonwealth Government funding. Stage two of the strategy focuses on initiatives that deliver positive educational outcomes for Aboriginal students in remote and very remote contexts.

The initiatives are supported by the community and can be sustained beyond the life of the strategy. We continue to work collaboratively with families, communities, schools and industry partners to identify the best way to improve outcomes for Aboriginal students in the Territory, to better include Aboriginal people and families in remote communities and to be more involved in decision-making that directly affects their children's learning.

We are investing \$2.35m to implement the community-led schools model. This is in line with the government's commitment to local decision making and will ensure Aboriginal students in the Northern Territory are successful and confident in their education journey. This government is committed to delivering activities and practices that support and protect Aboriginal languages and cultures in our schools. I am proud that the Department of Education's active role in recognising the importance that Aboriginal languages play in the history, culture and identity of the Northern Territory and our country.

I acknowledge the work the department has done and was involved with in promoting and celebrating the 2019 International Year of Indigenous Languages. Under the Northern Territory's Indigenous Languages and Culture curriculum, 43 schools are now delivering an Indigenous language and culture program across 30 different languages. This includes nine schools, which receive targeted funding to operate a bilingual language revitalisation or maintenance program.

We are investing \$8m to continue early intervention and support services to tackle challenging behaviours and support students with additional needs. We have also allocated \$2m to the Healthy Life, Creative Life program and continue to deliver a range of programs, support services and case management for young people in Katherine and Barkly regions.

The Department of Education is engaged in a number of whole-of-government initiatives through the Breaking the Cycle of Crime in Palmerston program, with \$1.9m being invested in programs, including the Student Voice Positive Choice program and the extension of the Clontarf, Stars and student engagement programs in Palmerston primary schools.

Our government's response to the findings and recommendations of the Royal Commission into the Detention and Protection of the Children in the Northern Territory support a coordinated effort to make effective, meaningful and generational change to our youth justice and child protection systems. This includes our investment of \$2.1m to improve educational services to young people in detention to enhance their engagement. The Department of Education is also working with Territory Families to deliver the Back on Track program to provide alternatives to detention and create pathways to divert young people away from the youth justice system.

There are promising signs for our schools with the latest NAPLAN results. Four-year cohort gains in the Northern Territory have been strong, with the Years 7 and 9 student cohorts achieving stronger gains than the national average. There are also significant achievement increases in the 2018 NAPLAN results compared to the previous year for Aboriginal students in Year 3 for numeracy and Year 7 for reading.

In addition independent analysis of the 2017 NAPLAN data shows that Northern Territory primary schools have significantly above average rates of student progress in reading than nationally, when school educational advantage is taken into account.

We will accelerate school improvement by ensuring school priorities are focused and supporting schools to help them achieve better outcomes for our students. This includes ensuring our teachers are well equipped and able to teach to the best of their ability. Having taught in the Territory myself, I understand the unique challenges that are faced by our teachers and those working in schools, particularly in our more remote areas. We are investing \$2.3m to deliver a professional learning and coaching program to improve the quality of teaching in the Northern Territory to support emerging and current school leaders.

The Department of Education is developing the Northern Territory school leadership strategy 2019 to 2022, which includes the development of a school principal leadership program and development capability. This also includes a \$2.2m investment to support schools and a system to evaluate and measure progress towards the achievement of improved outcomes for our Territory students.

We are also investing a further \$3.8m to upgrade local area network cabling in schools across the Territory to improve digital capability. Upgrading the local area networks will ensure that the Department of Education's digital strategy can be achieved in our schools with a strong focus on science, technology, engineering and maths.

Improving educational outcomes for young Territorians is a priority for this government and an investment in the future economy and growth of the Northern Territory. This government is investing \$1.2m to improve the educational outcomes of middle-years students, \$6.9m for vocational education and training in schools, and \$4.3m to enable students to complete the NTCET to provide skills and knowledge for future pathways and careers.

We are continuing to extend secondary education options in our remote communities through the Indigenous Education Strategy transition support unit, which is currently supporting 470 enrolled in schools with boarding facilities. We are also allocated \$3m to assist with the provision of boarding services for Aboriginal students in our non-government schools.

In 2018, 915 students from government schools completed the NTCET, representing a 94% completion rate against the number of potential NTCET completers. There was also 764 government school students who completed a VET qualification, representing the largest cohort to date.

Our budget of \$111.5m for new and improved school infrastructure will continue to enhance learning environments for our students and support economic growth across the Territory and provide local jobs. Our investment will deliver \$78.7m for capital and minor new works for government schools, including \$29m for stage two of the new Zuccoli government primary school; \$18.3m for the completion of the STEAM building at Darwin High School, the multipurpose hall at Darwin Middle School and the landscaping of Bullocky Point educational precinct; \$11.7m for round three of the Building Better Schools program for government schools; \$2m for the Tennant Creek High School engagement centre; and \$1.5m for the Rooftop Solar in Schools program. There is \$30.1m for repairs and maintenance, including \$1m for repairs to homeland learning centres and \$2.7m in capital grants to non-government schools for building better schools projects.

Our Labor government is investing in generational change to create a brighter future for all Territory children and families. Education is a key component of this. This is why we are working with our families, our communities, and our industries to ensure that Territory children have the best possible start to life, regardless of where they live in the Territory and are able to achieve the best outcomes.

We want our school system to be the most improved system in the country. This is why we are investing in areas we know will make a difference to ultimately deliver better outcomes for all Northern Territory students.

Education provides a strong foundation from which every child can grow to achieve their full potential. We know that investing in the education of our children is a smart thing to do for the Territory's future.

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

**Mrs FINOCCHIARO:** I start by thanking all of the departmental staff, executives and all the people tuned in from their desks right now; there are many of you. Thank you very much for supporting the minister to answer our questions today.

Minister, what is the dollar figure amount efficiency dividend your agency will be achieving?

**Ms UIBO:** Thank you to the Member for Spillett. I acknowledge that we have a great team behind us, of course. We have Brett Roach, our Chief Financial Officer, who I will ask to speak first, then I will hand to our CFO.

**Ms BAYLIS:** There is a number of areas where we have efficiency dividends. I need to start that with a caveat that enrolments are one of the things that will influence the exact dollar figure. I refer you to the overall whole-of-government savings measures. I will get Brett to do this in a little more detail, but we have those whole-of-government measures that we are contributing to. We also have the fleet retention contribution we

are contributing to as a part of the Territory government. Then we have the redundancy packages that we are working through over a period of time.

With our agency-specific measures, there is the indexation that is applied to our schools, our ICT support contributions for non-government schools and the head-leasing. In addition to that, there is an opportunity for revenue measures for ICT contributions from our non-government schools. In doing so, for the exact figure details, I will hand to Brett Roach, the Chief Financial Officer.

**Mr ROACH:** If we are talking, strictly speaking, only efficiency dividends, and if you define that as the amount of money that has been taken off NTG appropriation, that is 1% across the board of the Department of Education; we get a two-thirds discount. That works out to be roughly \$5.3m in total for 2019–20. That is not counting some of the things that our chief executive spoke about, such as longer vehicle leases and a few other bits and pieces.

**Mrs FINOCCHIARO:** To achieve the \$5.3m, what is the department's plan? Ms Baylis, obviously you listed measures outlined in the root and Branch review. Is that a commitment of your department, minister, that you are implementing the Root and Branch review suggestions in order to achieve the \$5.3m savings?

**Ms UIBO:** Yes, we are looking at the different efficiencies we can make through the department. I have acknowledged that the Department of Education has been extremely diligent in managing the budget and making sure we are an efficient department as a whole. Again, I acknowledge that there is heavy lifting we need to do across whole-of-government. Of course, the Department of Education is looking to do its part and parcel as well, and looking at some of those areas where we can find more efficient measures. I will hand to Mr Roach to look at some of those specifics.

**Mrs FINOCCHIARO:** Thank you. For my own clarification, the whole-of-government fleet retention contribution, redundancy packages is one area of budget improvement measures, but the \$5.3m you referred to is separate to that and that comes from initiatives like the indexation, ICT head-leasing that was mentioned second. Is that correct?

**Mr ROACH:** We have the efficiency dividends that the 1% which applies to Northern Territory Government appropriations excluding maintenance. Then, we have another variety of smaller efficiency dividends on top of that. For example, vehicle leases, a small number of voluntary severances, Katherine housing ...

**Mrs FINOCCHIARO:** That is separate to the \$5.3m?

**Mr ROACH:** Yes.

**Mrs FINOCCHIARO:** I am interested in how the \$5.3m will be achieved.

**Ms BAYLIS:** That will be achieved through our usual mechanisms for making sure we come in on budget. As the Chief Executive, I am diligent, I think is the word, probably to the point of frustrating for some of my executive staff in knowing exactly where our financial resources are. We monitor and track that very closely. An efficiency dividend will be applied through processes where every one of the business units will receive a reduction in their expectation and contribution to the savings we apply already.

We closely monitor our staffing so there is a close scrutiny on our vacancies to make sure that we are coming in on budget, but we still are able to maintain our services. We are also looking at the efficiency around where that contribution will apply to our grants and our schools.

**Mrs FINOCCHIARO:** We see, when we look to the Root and Branch review in a sense of the school resourcing model, it refers to indexation. Can you explain exactly what that means? Is that about reducing global school budgets?

**Ms BAYLIS:** The indexation applies to schools and schools would have been expecting a 2.5% indexation. They will still receive indexation and they will still receive 1.5% for the 2019–20 financial year. There is not a reduction in their budget. There may be a reduction in their anticipated budget but again, that is influenced by the enrolment numbers that they have and the attendance of their students, noting also, that the NT Government funding is one stream of funding that comes into our government schools and it is for a proportion of their budget as well.

**Mrs FINOCCHIARO:** How much of the \$5.3m is the Department of Education attributing to this change in indexation? Do you have an amount of savings in mind?

**Ms BAYLIS:** Just over \$3m is what we are anticipating, being mindful of the caveats that we have around enrolment numbers as well.

**Mrs FINOCCHIARO:** I am pleased that you at least have a plan. It is more than other departments and ministers have been able to explain.

You have the voluntary redundancies but that is the whole-of-government stuff. In terms of staffing, I think you mentioned that you have been watching salaried vacancies. Does that mean you might also achieve that \$5.3m through attrition?

**Ms BAYLIS:** If I can continue with that, yes, there will be an opportunity—attrition is not a major strategy, we have a turnover of staff in the agency in our back of house and front of house. We have people who, at different points in time, seek redundancy or positions are no longer required and we enter into those conversations. They are all voluntary, and to date we have managed to progress a number of those in accordance with whole-of-government strategy.

We will need to look at our organisational realignment as a result of government centralisation as well. As we move through that process of centralising our corporate services, there will be a need for us to look at the agency as a whole, to make sure that the functions we are left to continue to deliver to meet our improvement agenda remain, and then we will need to look through the next six months to determine what this looks like and how we best deliver our services with schools at the centre of everything that we do.

**Mrs FINOCCHIARO:** Is there an estimated saving or efficiency from moving corporate services out of your department and into DCIS?

**Ms BAYLIS:** We have not been given a figure to that quantum at all.

**Mrs FINOCCHIARO:** One of the line items for the Root and Branch review is ICT support contributions from non-government schools at \$250 000. Could you expand on that please?

**Ms UIBO:** Yes, Member for Spillett, you are correct. We are looking at the contributions that are made from NTG and using the funds that we receive through the Commonwealth in supporting our non-government schools. As you pointed out, through the Root and Branch review, we are looking at the model of possibly moving to having those schools provided with their funding and whether they choose to use the department's resources and use it as a purchase point of product or look at a different model. That is one of the areas that we have identified.

**Mrs FINOCCHIARO:** Will government schools have that opportunity or is it limited to non-government schools?

**Ms UIBO:** At this point we are looking at the non-government schools.

**Ms BAYLIS:** This focus is around our non-government schools. We have ICT support contributions where government has managed, for government and non-government schools, a device replacement schedule. To a small degree, schools are very active in upgrading their own resources through their own equipment replacement schedules. That will come to a halt for government and non-government schools.

The second part of that ICT support is the Northern Territory Government provides access to servers and also to a range of other support for the IT areas. Where the non-government schools may choose to go to a commercial arrangement, the government schools do not get that. They remain within an NT Government enterprise, or they may choose to purchase it through the Northern Territory Government. It is not a usual service that is provided across Australia for non-government schools.

**Mrs FINOCCHIARO:** Okay. How many principals are there on executive contracts?

**Ms BAYLIS:** At the moment, we have 87 who are in their schools. We have a few more than that, Member for Spillett, who are also on long leave for a range of reasons or on study leave, so we are able to provide that. Currently, we have 92 on our payroll who we are remunerating.

**Mrs FINOCCHIARO:** They would have received their voluntary pay freeze letter? Is that correct?

**Ms UIBO:** The information that has been provided to those executive contract principals will be similar to what has been provided to executive contract officers. We are having conversations with those principals who are in that arrangement, with the expectation, of course, of government that those executives will look at signing off on the variation.

**Mrs FINOCCHIARO:** I wanted to clarify. There are 92 principals—some are on long leave—who are on executive contracts. Is that correct?

**Ms UIBO:** Ninety-two currently.

**Mrs FINOCCHIARO:** Ninety-two. Those principals are on executive contract?

**Ms UIBO:** Executive contract principals are 92 as current.

**Madam CHAIR:** Elementary to that particular ...

**Mr WOOD:** I am asking a question on it. What is the range of salary for those principals, from minimum to maximum?

**Ms BAYLIS:** The minimum, the lowest of executive contract principals, earns \$192 399 per annum. That is inclusive of all their superannuation and other entitlements. The maximum for our principal remuneration for our executive contract principals is \$238 529.

**Mr WOOD:** My understanding was that there was a lower limit for executive officers who would be included in this pay freeze. I thought it was about \$217 000. Is that saying that some of the principals should not have been sent a letter in relation to the pay freeze? I am trying to refer back to the Chief Minister's media release, which I do not have in front of me. I thought he said over a certain amount like \$217 000 was the group of executive officers who would be asked to have a pay freeze, which when I look at the figures there, it means some principals would not need to have a pay freeze.

**Ms BAYLIS:** I would have to take that question and follow that through.

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#### Question on Notice No 7.1

**Madam CHAIR:** Member for Nelson, could you restate the full question for the record.

**Mr WOOD:** Minister, could you explain whether there was a limitation on the salary that is a minimum rate that executive officers will be asked to be included in the pay freeze, and if so does that mean some principals would be asked to be in the pay freeze and others would not?

**Madam CHAIR:** Minister, do you accept the question?

**Ms UIBO:** Yes. Thank you.

**Madam CHAIR:** The question that has been asked by the Member for Nelson to the Minister for Education has been allocated the number 7.1.

**Mr WOOD:** If that was the case, would it not tend to cause some disharmony amongst principals that some were asked to do something and some were not?

**Madam CHAIR:** Do you want to incorporate that as part of the question on notice?

**Mr WOOD:** If I am able to ask that question—if the answer comes back before we finish today for that follow-up question. It may not be the case that my information is correct.

**Madam CHAIR:** For the people before us, as well as for clarity of the record, minister, would you mind allowing that to be added to question 7.1?

**Ms UIBO:** Yes.

**Madam CHAIR:** Considering that we may or may not need to answer that later.

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**Mr MILLS:** Ninety-two principals on executive contract—are there any principals that are not on executive contracts?

**Ms BAYLIS:** Yes.

**Mr MILLS:** How many?

**Ms BAYLIS:** Our teaching principals are in there and of that there are 152, so take off the 60 and then add probably six. There is about 66.

**Mr MILLS:** About 66. I did not do the maths.

**Ms BAYLIS:** I am doing it in my head roughly on those sorts of things. The teaching principals are a smaller cohort up to our executive contract.

**Mr MILLS:** Of those on executive contracts, would you be aware of how many are up for renewal this year, next year and the following year?

**Ms BAYLIS:** I would need to take that on notice, Member for Blain.

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#### Question on Notice No 7.2

**Madam CHAIR:** Please restate the full question for the record, Member for Blain.

**Mr MILLS:** Of those 92 principals that are on executive contracts, how many are up for renewal this year, the following year and the year after—for the next three years?

**Ms UIBO:** 2019, 2010 and 2021.

**Mr MILLS:** Correct.

**Madam CHAIR:** Minister, do you accept the question?

**Ms UIBO:** Yes.

**Madam CHAIR:** The question asked by the Member for Blain of the Minister for Education has been allocated the number 7.2.

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**Mrs FINOCCHIARO:** Has your department has sought legal advice from the Attorney-General and Justice around the pay freeze situation?

**Ms BAYLIS:** We have been working with the acting Commissioner for Public Sector Employment. That is where we are seeking our advice and where we have referred any inquiries received, as an agency, through to the commissioner. I am meeting with the commissioner tomorrow.

**Mr WOOD:** You spoke about generational change. I have been looking through the attendance figures. Attendance figures, for instance, are based on some of your policies which is—regular attendance at school and engagement in learning is fundamental in achieving improved educational outcomes and increasing student wellbeing in life options.

It goes on to say that in relation to compulsory attendance the child who turns six years old on or before 30 June of the school year is of compulsory school age and must attend school or approved alternative education on a full-time basis.

You also say in one of your documents that improving school attendance is a national priority, particularly for Indigenous students, and that in mid-2014 the Council of Australian Governments agreed to a target of 90% attendance for Indigenous students in order to close the gap between Indigenous and non-Indigenous school attendance within five years.

We are now at that five years, minister. The figures I have from your annual report show that of 13 706 Aboriginal students enrolled only 4522, or 33%, attended school for at least four or more days a week. If you are speaking about the record amounts of education money being spent, where are the outcomes that show this money is closing the gap? Because this gap does not look like it is closing at all.

**Ms UIBO:** Yes, it is a big concern for us across the Territory when we look at some of the levels of disadvantage experienced by our students, whether they are Aboriginal or non-Aboriginal students—and making sure that we are able to support the students, the families and their caregivers to ensure that we have high and supported high levels of attendance in our schools.

We acknowledge that there are factors outside the school gate that can prevent some of our students from attending, and it is one of my priorities as minister to look at the ways we can better support attendance, particularly in our remote and very remote schools. In regard to our attendance average for Aboriginal students, as of term one this year, it was 66.8% compared to that of non-Aboriginal students in the Territory, which is approximately 90.1%.

Where we are looking at our investment into supporting attendance and families and caregivers to get our students to school, that goes to our early years development plan and our strategy. We have a 10-year plan. We are seeing improvements with our AECD data, which is very important when we are looking nationally at where the Territory is improving. They are those critical years, the zero to five years, which is where we are talking about FaFT: Stay Play Learn involvement for families and caregivers in school at an earlier than compulsory school age, again, the zero to fives—before our students are going to preschool—and making sure we have that support in place particularly for our Aboriginal Territorian students.

**Ms BAYLIS:** This is a critical issue for the Northern Territory and we have tried a number of strategies. You are right in your observation about where we are having impact. The analysis that we have done around chronic absenteeism says to us that the solution is not a blanket and universal one. It seems to be identified in different groups and it fluctuates when we look at the whole. We have certain communities where there are things happening that we know that the strategy will need to be unique to that particular context.

To that end, I am going to invite the Deputy CE to talk to you about a couple of the strategies that we have dealt with. From my point of view, this is a whole-of-government response as well. The work on the chronic absenteeism is something that I am also working on with the other Chief Executives in the Children and Families Standing Committee, so that we can be clear that housing is a vital component to getting kids to sleep, being able to get them to school, and that safety and family wellbeing matters—having opportunities for community members to be active in their own health and their own employment opportunities—is another critical component.

Where we can do this deliberate and intentional work in partnership with the communities through our community-led schools as well, is a part of the solution. Where we have started that in our focus schools, we are seeing that we are able to be more discerning rather than the quite blunt strategies we have used before, thinking that would solve the problem. It has not cured it, but we are beginning to see some very clear indications.

**Ms NIXON:** It is a vital piece of the work we do. Nothing is more important than getting our kids to school to make a difference to their future outcomes. One of the projects that we have seen that gives us some glimmer of hope is the joint taskforce established with the Chief Minister and the federal Minister for Indigenous Affairs, the Hon Nigel Scullion, early in 2018. In that project we identified 12 schools that had attendance below 50%.

We have worked intensely with those schools and their communities to put in place, as Vicki referred to, some specific strategies that actually meet the needs of the kids in that group, instead of as a department looking at, 'Here is a problem, we will put a whole lot of programs in place over the top of that and hope the right people pick them up'. It is a very specific strategy.

Nine of those schools are in Arnhem. We provided some top-up funding for those schools and worked intensely with them over the last 18 months, with their last meeting together with community members and the staff in June—that was their fifth meeting. In those 12 schools we have seen an increase of close to 3% attendance, which is a great turnaround considering where those schools were.

Out of that we are taking specific learnings, and our intent would be to grow some of that work. For us, it is fantastic to actually see the data instead of declining, doing the turnaround to a 3% increase.



**Mr WOOD:** What concerns me is that I worry about the 60, because I know you are quoting an attendance figure, but the attendance figure that I reckon makes the sense is the one that says, 'You attended four days or more'. That is the real one because you do not have any idea how many of those other kids came one day a week or two days a week.

The concern I have is that these kids will end up in prison, because they will not be able to get a job, they will just be bored out of their brain. I have just come back from Daly River. I have seen kids there—because there is very little employment unfortunately at the moment. There were 13- and 14-year-old kids playing with knives the other night.

I am concerned that we are not closing the gap. I know I should not make statements, Madam Chair. I come from a background of Daly River, where every kid went to school. There were no kids running around the country. If there was, the leaders would give them a whack on the backside and tell them to get to school.

What work is being done? Regardless of all the other things—the housing in Daly River in 1970 was nothing compared to the housing you have on communities today, yet everyone went to school. What is being done to emphasise with parents that there is a requirement under our law—I am not saying that we have to come down heavy handed so much as, and I know the other concerns that we have just been talking about. There is a law which says that all kids must attend schools. Obviously the responsibility for that to occur is with the parents.

What is the direct connection between the department and saying to parents, 'You have a responsibility'? How are we starting to change the attitudes that education is good? I know that one of the problems can be, 'Where is the work?' But that is another issue. What is the emphasis on trying to put—if I want to put it one way—pressure on parents that we have to achieve better outcomes than this?

**Ms UIBO:** While I speak I will invite the Director for the Indigenous Education Strategy, Mr Tony Considine, to the table to speak about some of the engagement programs.

The responsibility starts at our schools in making sure that we have positive engagement for families. You will hear us speak, time and time again, about programs like FaFT where we are involving families at that early stage. I know some of your concern, Member for Nelson, that you mentioned just a moment ago in your recent visits and looking at the other end of the spectrum, which is our secondary and middle years and making sure that we have continued engagement.

We have programs where we are looking at employment pathways and support for programs like Learning on Country, that we are working from the department in partnership with providers like the Northern Land Council in making sure that learning is engaging for our young people, is relevant and contextual for where they live and supports literacy and numeracy.

I will invite Mr Tony Considine to speak more about the focus that we have for our Indigenous education strategy, in particular your concerns about the connection, communication and relationship we have with our parents and caregivers as well.

**Mr CONSIDINE:** There is a range of strategies that we deploy. I will try to answer this question in two parts, because I think there were two solid parts to your question: what we do and how we compel. I will answer it in those two ways.

First of all, the Department of Education works with the Australian Government, alongside the RSAS programs—the Remote School Attendance Strategy—and that means we work with local people in local communities to build capacity of parents to get kids to school and to be able to influence in a way that people from outside community cannot influence.

Importantly, we have learned over the first three years of the Indigenous Education Strategy, when we were deploying a lot of people—you will remember—referred to as black shirts or SATOs, school attendance and truancy officers ...

**Mr WOOD:** I had not heard that.

**Mr CONSIDINE:** There were yellow shirts and black shirts. The school attendance and truancy officers, over the first three years of the strategy, utilised a range of things including actions to compel under Part 4 of the *Education Act*, which allowed us to influence compliance notices, information notices, infringements and, in some cases, prosecutions.

Our learning in the first three years and in our evaluation was that we needed to engage better with parents, because often the reasons preventing a child from going to school, particularly in a remote community, are beyond the immediate control of a parent. That meant us working hard to break down barriers to ensure the parent could access appropriate school clothing for kids and deal with some of the issues that prevented the child from getting in the gate.

To that end, we have commissioned a significant range of engagement officers and a number of compliance officers, for two separate reasons. It is hard to say to a parent, we can help you do to this, when we are the same person who may be issuing an infringement notice. So we have engagement and compliance officers and they work in tandem to do this work.

You raised the issue of four days a week, and that is a clever way of looking at schooling, because that is where it makes a difference. Attendance has increased by 0.8% over the course of the last year, which is a small gain but in the right direction.

The overall work is working with community, using our engagement officers, and ensuring the focus of our local decision-making is to make a difference with parents. To have those discussions, and focus on why it is important to be at school. The best decisions will come with parents who are engaged, and see the importance of education.

**Mr WOOD:** I looked up the attendance rolls in 2011 and in 2018 and there are less Aboriginal children going to school now than in 2011. Why has there been a reduction? I have the figures here and can read them out: Northern Territory Government schools, Indigenous: 14 688 in 2011. In your last annual report: Northern Territory schools, enrolment: 14 486. Considering that the Aboriginal population is growing faster than the non-Aboriginal population, why would we have less children at school than we did seven years ago?

**Ms BAYLIS:** We have a declining population in our early childhood. The number of babies being born in our remote settings has reduced as a result of deliberate interventions and education about older mums. That means we have babies who are able to be supported, nourished and cared for. We are seeing that change a little in our area.

The second part is around our transition support unit, where we know we have more of our young people in our secondary schooling choosing to take up a boarding opportunity internally in non-government schools and interstate. The retention data on that, which Tony will be able to share with you, is improving as we are seeing kids getting to that cycle of secondary provision when they are living in those small remote and very remote communities.

**Mr CONSIDINE:** The issue with transition support that the CE referred to is that over the last three years we have seen a significant increase in the number of parents making decisions for their children to go away and attend boarding school, either in the Northern Territory or, in some cases, interstate boarding schools. This has also been strengthened by the increasing retention rate that we have seen over the last couple of years.

That has seen the retention rates move from 52% to 67%, which means those kids are going away and staying to complete their years. We can identify that, of those students who are managed by transition support, the 460 or so students—that makes a difference to our roles. It provides an opportunity for those kids to access a full secondary education, which might not be possible in their community.

**Mr MILLS:** On that question and its answers, how can we be certain that all those who are eligible to attend school are actually on the role?

**Ms UIBO:** That is where the work with our engagement officers and our compliance officers is really important. I will pass back to the CE.

**Mr BAYLIS:** In a perfect world we would know. That is not where we are at this point in time. We have a very good idea and most families do the right thing and enrol their young child into our schools. My work, as part of the Children and Families Standing Committee, means that our capacity to share the information with Health and other agencies is really important so that we get a sense of what people believe, as the number of young people in a community at any point in time—and what we are seeing as far as enrolments go.

Our engagement officers work with the remote school attendances officers. Because they are local family members employed to do the work, they have the intelligence and knowledge about which family groups are in community and who has children that should be at school. We are doing this by a formal mechanism at an

information-sharing area and we are getting better and more mature at that. We are also doing that through local intelligence, so that people who know the families are in the community and are able to share that information with us.

**Mr MILLS:** We had the Electoral Commissioner tell us that there were 30 000 or more who are not on the electoral roll, for example. In the responses that were given to that troubling question about why there are less today than there were in 2011, I still remain unconvinced. The issue is that there are a number who are not even recognised. In Palmerston, for example, we know of young kids who are wandering around that are not on a school roll.

How much more—because most of those who are not on an electoral roll—are in our remote areas? That is a concern. How certain are you that that number that is missing? I reckon there should be more attending school in 2019 than there were in 2011. How many of them are not on the roll?

**Ms BAYLIS:** I do not know. I cannot answer that, Member for Blain. That is part of the work that we are growing in terms of our data sets. We do not have all of that as neat and tidy—families do not necessarily stay where they start. That mobility part of the conversation is a critical part of being able to understand what is happening with families as well.

When we think we might have an idea if families are moving, for whatever reason, into a community or out of a community, the definitive answer is not there. If you asked how certain I am, it is as good as the data we have. We are getting better at the data we have, but there is a variable where we know that that may not be everybody.

**Mr MILLS:** The level of engagement in our remote schools—we talk about engaging families and giving all the contextual relevance to what has been taught in a school, trying to connect with the families and making it relevant, and properly resourcing the school. In the resourcing of the school, there would be a greater number of Aboriginal teachers working in the school, or aides from the local community involved in the school. To that end, with a prediction that the Indigenous proportion of our population will rise to about 50% in the next decade or so, I would assume there would be an increased number of qualified Aboriginal teachers working in our education system, particularly in the regions, and that those on a pathway, working in the school, receiving qualifications and training, are encouraged to stay there and contribute.

I would like to know what the numbers are. How many fully qualified Aboriginal teachers are working in our remote schools? How many support staff, recruited from local communities, are working in our school system? How does that—a good number would be in 2011 ...

**Madam CHAIR:** Member for Blain, I am not meaning to be—I guess the minister's opening statement was quite broad ranging ...

**Mr MILLS:** Very broad.

**Madam CHAIR:** We are moving into probably some areas of outputs ...

**Mr MILLS:** Yes, which one? That is the tricky bit.

**Madam CHAIR:** Maybe in Corporate and Governance. I am happy to let it go if the minister is happy to take the questions, but I am aware that we have now moved to staffing numbers, which probably was not specifically talked about in the opening statement. I am not being quarrelsome ...

**Mr MILLS:** No, I know, but I have done this many times and it is very difficult to fit these broad questions into the specific outputs.

**Ms UIBO:** Madam Chair, I am happy to speak to the Member for Blain's question. But for further detail we can go into it at Output 3.0. But I am happy to answer the issue within Corporate and Governance, which is where our workforce ...

**Madam CHAIR:** Yes, we have done staffing under that for previous ministers. We might let this one—we might come back specifically to the statement so we can then get ...

**Mr MILLS:** Could I just ask it on notice and leave it at that?

**Madam CHAIR:** Well, we can leave it there if you want to, but I think the minister has an answer to it if you want one.

**Ms UIBO:** I can speak to it now.

**Mr MILLS:** I would not mind.

**Madam CHAIR:** I am just saying I will bring it back to the statement, then we will start going through outputs. Otherwise we will just do statement and nothing else.

**Mr MILLS:** This is connected to the last thread of questions about how we are able to provide adequate support in the regions to get the families to send their kids. I would assume that there are local people involved in the school system.

**Ms UIBO:** This is another of the areas I am very keen to focus my time, as Minister for Education—in the recruitment and retention of our Aboriginal workforce in the Territory. As you mentioned, we have staff on the ground in schools. We also have back-of-house, so to speak—those employees who are supporting the frontline services from our office space in our Aboriginal employment and workforce.

Our Aboriginal employees have increased in number by 9.9% to 13.4%, with a total of 615 employees across the Territory ...

**Mr MILLS:** That is year to year, is it?

**Ms UIBO:** This is looking at our current figures—where we are standing now. You mentioned something about 2012 ...

**Mr MILLS:** Oh, no, I thought that would be ...

**Ms UIBO:** We can take that on notice ...

**Mr MILLS:** I know that is too hard to do on the fly. But that increase—is that ...

**Ms UIBO:** ... but I will speak to this in particular now.

**Ms BAYLIS:** 2016 to now.

**Ms UIBO:** Over the last couple of years—551 of our Aboriginal employees within the department are school-based and 64 employees are non-school-based. That is the support outside the school.

That is focusing the support for the scholarships, traineeships and capacity building of those who are working in the schools to formalising qualifications or, if they have formal qualifications, going on to tertiary qualifications. We have the Teaching Growing our Future scholarships, which are available to Aboriginal student studying education courses in the NT through Charles Darwin University and the Batchelor Institute. Currently, we have 27 recipients who have been awarded the scholarships and are looking to further develop their professional capability in education.

We also have traineeships within the Department of Education, not necessarily school based. We have 37 employees who are currently trainees, one of those is employed in a corporate role supporting the department and 36 are within our schools. There are 27 in our remote schools and nine of those trainees in our urban schools.

**Mr MILLS:** For fear of going further with that ...

**Ms BAYLIS:** I can give you much more ...

**Mr MILLS:** I know there is much more and I would like to have a whole conversation about this.

**Ms UIBO:** It is a really good point to make, Member for Blain. It is something that we are very conscious of. For me, with my experience, our Aboriginal workforce and our local recruits are the constant in our schools, particularly in our remote schools. Being able to support them and growing the capacity of our Aboriginal workforce in Education is a priority for us.

**Mr MILLS:** Good to hear. I think it is absolutely critical.

**Mrs FINOCCHIARO:** Minister, I just want to take it back to my questions on the voluntary pay freeze. In your view, what are the consequences of executive-level principals in your department if they choose not to sign up to the pay freeze?

**Ms UIBO:** I know this was a topic of interest across all the agencies who were speaking to the Estimates Committee last week. Our department believes that it is an expectation that it is reasonable that we have our executive contracts signing that variation. If there are those who chose not to, then we will have some further conversations.

We have some strong advocacy coming from our stakeholder groups, which I meet with regularly, so we are listening to them. Ultimately, we all want the same thing, to provide quality education for our students and support for our professional educators.

**Mr MILLS:** What does strong advocacy mean?

**Ms UIBO:** We have some very invested people in Education who work very hard to make sure that we have a quality system here in the NT. I value those stakeholders, who are important in their support.

**Mrs FINOCCHIARO:** Do you consider principals to be in a frontline role?

**Ms UIBO:** Principals, as well as some of our other officers—obviously we are valuing all of our public servants, so it is about having those conversations about the variation and having a look at those particular contracts. We know that it is the responsibility of all of government, when we are talking about what savings, efficiencies and measures that we can support to get the Northern Territory fiscal and financial situation back on track. We will be talking about with those who are affected.

**Mrs FINOCCHIARO:** Sorry, did you say principals in your view are frontline staff?

**Ms UIBO:** We have a range of principals who are on different contract arrangements. So we will be making sure we speak to those who are affected.

**Mrs FINOCCHIARO:** So you will not answer my question. Just to clarify your answer to an earlier question when I asked what consequences will there be for Department of Education executive principals if they choose not to sign the pay freeze, you said that we will have to have a conversation. Who will be having that conversation with those individuals who may choose not to sign the variation?

**Ms UIBO:** So it is a whole-of-government approach. We have the office of the minister responsible for Public Employment, who I believe spoke to this point last week through the Estimates Committee.

**Mr WOOD:** It did not get us far. We did not go down—everything became hypothetical in that discussion.

**Madam CHAIR:** Hypothetical questions should not be asked. I shall restate that. I will just wait, though. Patiently.

**Mr MILLS:** The money that was in the opening statement ...

**Mrs FINOCCHIARO:** There was a lot of money.

**Mr MILLS:** There was talk of a lot of money. I was a bit unclear about the dividend that you have been required to save—1%. But then there is a two-thirds discount, so is it only one third? Is that how I understood it?

**Ms UIBO:** I will ask the Chief Financial Officer to speak to that again, which he did point out.

**Mr ROACH:** The default efficiency dividend for most agencies is 3%. But those ones considered to be frontline: Health, Education and a couple others, get a two-thirds discount which makes it 1%.

**Mr MILLS:** Okay. I thought it was two-thirds of 1%. The question about resourcing and the allocation—as I understand it, and the language you use. is that the schools are the centre. The schools receive funding allocation and those schools are then responsible for managing that funding allocation, is that correct?

**Ms UIBO:** Yes.

**Mr MILLS:** There would be an understanding that when that money goes to a school it is for the purposes of delivering a quality education in all its forms in that school. So at the end of a year, there is money left over. What happens to that money?

**Ms UIBO:** Member for Blain, can I just clarify that you are talking about the end of the school calendar year or the end of the financial year?

**Mr MILLS:** Well, I am thinking you have done your job for the 12 months and have been delivering a quality education that you have been funded for. Some schools and some principals, in my view, are definitely frontline. I was a principal for 10 years and I was frontline. You are going to try to make sure you do the best you can; you are quite conservative with that money and you will probably make a saving. What happens with the saving?

**Ms UIBO:** When we are looking at schools and the way that they allocate their operational budgets it is important, and we encourage them to be spending the money on their current student cohort. There can be the benefit of having some of those savings at the end of the school year, which we do not penalise our schools for having a little bit of money in the bank. We encourage our schools to be spending on the student cohort that they have, rather than necessarily saving for a rainy day. I will pass to the Chief Executive Officer, who will talk more about the school resourcing model.

**Ms BAYLIS:** The total school resourcing budget for 2019 is \$580m, comprising \$442m that goes directly to schools in school funding and a further \$76m that is centrally managed, which picks up long leave and all of the things that come into that cost. When schools receive their funding, some of that funding comes in needs-based funding according to their students and a proportion of it is fixed. Then there are some targeted programs, like our bilingual programs. There are schools that get separate allocations and that would be our school for flexible learning. We are talking about slightly different nuances on the budgets.

Most of our schools, as you say, are diligent in being able to come in on budget. Those schools are able to receive the unspent funding that they can carry forward. The accumulation in bank accounts is not what we want to see. We want to see the current funding spent on the current cohort of kids. We have been doing quite a bit of work as we have moved into needs-based funding models with our school. This is their third year of implementation.

To be able to get them to understand what the opportunities are. We have been talking about school resourcing for school improvement. For some of our schools it was a case of if we could do things together creatively. If we think about it—I will give a practical example of where they are choosing to do that: schools have chosen to resource as a group. If we take the Barkly—those small schools were not able to afford a special education teacher, but could combine and create a special education teacher. They employ three to be able to service the small schools in the Barkly. There are a number of schools who have co-contributed together, because they see the value and merit of school counsellors in addition to the centrally funded school counselling positions that exist.

There is an increasing awareness of the flexibility of the budget and what it enables schools to do. Some of the schools have been quite deliberate in trying to work out what they wanted to do for improvements in their physical assets. A number of them have approached our infrastructure about the Building Better Schools funding they have—the \$300 000. They also have money set aside and want to maximise the funding to be able to do a piece of work on their campus.

We are seeing much more intentional use of that funding and seeing them increase the flexibility in the staffing ratios that they have, being able to bring in people. That does increase our FTE in schools, which is a good thing.

**Mr MILLS:** Thank you. I was surprised by that, I got more than I asked for. You said you do not want to see them not use their money, so do you see how much money is in these accounts?

**Ms BAYLIS:** Absolutely.

**Mr MILLS:** Do you know how much there is globally? Would you be able to reveal that?

**Ms BAYLIS:** At the end of the 2018 calendar year, \$17.9m was unspent, that was transferred to school accounts across a range of schools.

**Mr MILLS:** I think in that excellent answer provided earlier, do I detect that there is a mechanism for engaging each of those schools regarding that unspent allocation?

**Ms BAYLIS:** We have created a small team to be able to help schools, because principals come with a range of expertise. Some are brilliant curriculum leaders and then they suddenly have this budget that they need to manage. They do not all come with the same level of expertise, or with the same level of business management expertise.

The special early intervention team, for those with a lot of money in their bank accounts or those who look like they are going to get tight and not come in on budget, is available to work with both ends of the continuum. They are there to provide that additional support for schools and school councils.

**Mr FINOCCHIARO:** With the aim of spending those funds at the school, not putting it back into general revenue?

**Ms BAYLIS:** Yes, it is for the school.

**Mr MILLS:** If a school is in the reverse situation, do you get some money from a school that has money and give it to them?

**Ms BAYLIS:** In fact, some of them offer that. They have been incredibly generous. That is part of what we need to do. There are circumstances where something happens and numbers shift dramatically, and that is the responsibility of the agency, to ensure we are able to work with all schools.

**Mr MILLS:** For fear of falling foul of the Chair, if I want to ask a question about staffing numbers, which is not just primary or secondary?

**Madam CHAIR:** Output 3.1 Corporate Governance.

**Mr MILLS:** I will wait, thank you.

**Mr WOOD:** Could I ask where would I put flexibility centres?

**Ms BAYLIS:** Mostly in secondary.

**Madam CHAIR:** Which would be Output 1.5.

**Ms UIBO:** There is one primary, but we can take it in secondary.

**Mr GUYULA:** Listening to people asking questions, it has taken some of the questions I wanted to ask later. If I could ask those questions now?

**Madam CHAIR:** Member for Nhulunbuy, if the question is not in this area, we can let you know where it is. So if you just ask the question, we can sort it out once we know the question.

**Mr GUYULA:** Minister, if the Commonwealth Government pays you per enrolment and you pay the school per attendance, and schools are currently achieving 33% attendance, as per your budget statement, where is the other 76% of funding being distributed?

**Ms UIBO:** For clarification, are you talking about the funding that is provided overall by the Commonwealth Government?

**Mr GUYULA:** Yes.

**Madam CHAIR:** Minister, are you happy to answer the question now or is there a particular output you think it sits more comfortably under?

**Ms UIBO:** We will take the question now. I will pass to the CFO. We are just talking about the collection data for the student numbers in the Northern Territory, which then is allocated funding from the Commonwealth, which is taken at a point in time each year in August. I will ask Mr Roach to speak to that.

**Mr ROACH:** The Commonwealth funding is based on a point in time in August when the census is completed. Children have to be on the roll at that point in time for them to be funded by the Commonwealth. The Commonwealth collects data at that point in time based on student numbers who have been attending school—I think there is a 20-day rule. They need to have been at school for some time during that 20-day period before the census. Then the Commonwealth looks at student numbers and student characteristics to determine the funding that is attributable to the Northern Territory and other jurisdictions.

With our funding model, the distribution of money to our schools is based on a census point in February and takes into account enrolments and attendance for the year before. It is what we call effective enrolments. The Commonwealth funds not just spending within the school gate; it funds a range of things, like the wraparound support provided by the staff within the department, not just necessarily in schools.

**Mr GUYULA:** As I understand, principals are now removing students from day enrolment lists who have not attended school for a period of time and are called passive enrolments. This means that the school's attendance figures look better than the actual situation on the ground. What is the purpose of removing passive enrolments? Does this also mean that the Commonwealth funding that is paid per enrolment may be reduced?

**Ms UIBO:** When we are using those terms about the list that is on the roll there is the enrolment of a student, then the class list that appears in front of the teacher is the active roll. Then you mentioned the passive student list. They are students who are enrolled at a particular school who may not have attended for a period of time and they may not appear on the class list—the teacher's active roll—but they are still enrolled. It is still the responsibility of that school to look at where that students is and, if they are not attending to work with the family or caregiver, to determine where they are.

I will ask Mr Tony Considine to speak to that in regard to the Indigenous Education Strategy and ways we are making sure we have the collection of data to know where our students are. We are looking at the funding allocated per student and how that affects the resources that a school can invest in their students. Then of course, we are looking at the way our data collection in the Northern Territory can be used for our Commonwealth partnership to support vulnerable and disadvantaged students and supporting the families of those students to get them to school if they have not attended for a period of time. That is really important as you know, and I know you are passionate about this. I will pass to Mr Tony Considine.

**Mr CONSIDINE:** You raised a very interesting question about students who are on a passive form or a passive roll. They are students who have not attended school within the 20 days. They remain enrolled within the school and they do not get taken off a roll. The only way a student can come off a roll is if they transfer to another school or if they complete their school either at the end of Year 12 or attaining 17 years of age or pass away. They are the only mechanisms that a student actually comes off a roll.

We use the passive form to have our engagement officers work with families where we have identified those students. As you would know, in Arnhem particularly, we have students who are highly mobile. As a general rule about 20% of kids in any school in Arnhem are mobile on one day—are in another community.

Our work with the RSAS people at the moment, and our own tracking unit, is to try to find where those kids are. Sometimes if a child goes to another community, even though they may have been a good attender in the community they were in, if we do not know which community they have gone to and they do not go to the school, they can quickly enter that passive form you talk about.

Our work has been using our RSAS people on the ground and our local knowledge in that community to find out where we think that child has gone. We then use our engagement officers to find that family, and the community that they are in, to bring them back onto the roll and have that conversation with the family. Because sometimes families move between communities and intend to stay in one place for a significant period of time.

If that is the case, we work with the family to have that child then enrol at the local school of where they are, or where the family has difficulty getting back because of transport or whatever, we work with the family to try to get them back to the school they are enrolled in. That is the piece of work that goes on in that passive form.

**Mr GUYULA:** Minister, I spoke with many schools that say they have high attendance at the beginning of the year, but they cannot maintain the high attendance because they do not have enough teachers, desks or chairs when all the children come, because they are funded for an anticipated decrease in attendance. If we



had enough teachers to assist students who have not attended regularly, and more local staff to assist at the beginning of the year, do you think we might improve attendance?

**Ms UIBO:** It is a great problem to have when you have too many kids to fill a classroom, it is actually quite a lot of fun. I have learned from experience. But it is a concern if we are talking about losing students and the engagement of our students if there are not enough resources to support the students learning, and of course for our teachers and assistant teachers to be able to provide that support for learning for our students. That is a concern.

If we are talking about the physical resources, that responsibility lies with the school in making sure that each classroom, or sometimes outdoor learning spaces, are well equipped to be able to support our students in their current learning environment. That would be something—if there is a specific school or couple of schools—to be able to work with them to support. I am happy to have a conversation with you offline if we can identify those schools, not necessarily in this forum, but afterwards. I am very happy to work with that if supporting a school, or set of schools, is an issue

Your point about the local staff and being able to support is something that schools, through their global budget system, are able to resource and determine where some of those high pressure points are. It might not necessarily be every single class in a school that might need some of that extra support, but where there is a good population of student cohort we definitely want to support that student cohort if we are bursting at the seams. I see that as a really great issue to have. We can always provide the material resources for a school, but having quality educators in our classrooms and supporting our learning environments outside of the classroom is a way to keep our students involved and to support our families and our caregivers to get our students to school.

I definitely agree with that point about the local staff. And as I spoke earlier to the point that was made, and the question by the Member for Blain, it is an area that the department is focusing to make sure that we are teaching and growing our future by supporting, particularly our Aboriginal education students to gain further qualification. Whether they are at certificate, diploma or a tertiary bachelor level, it is really important to make sure that we have those quality educators in our schools to support our student learning.

**Mr GUYULA:** I am a little uncomfortable sitting here and would like to express or clarify myself. When I ask questions or speak, maybe I can have a look at you in the face or see you, but when I am listening I do not speak by looking at somebody. It is a respect that I look away, but I am listening. In case you are thinking that I am not concentrating on what you say. That is how it is in my culture. Otherwise if you look eye to eye we are stirring up trouble or we are making trouble, and I do not want to do that.

**Mr WOOD:** It is not only in your culture.

**Mr GUYULA:** When I was looking down here somewhere I was listening and concentrating on what you were talking about.

**Ms UIBO:** Thank you.

**Madam CHAIR:** That is noted, Member for Nhulunbuy and thank you for that clarification. It is lovely for everybody to learn something as well as to say something.

**Madam CHAIR:** Are there any further questions relating to the minister's statement?

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

**Madam CHAIR:** The committee will now consider the estimates proposed expenditure contained in the Appropriation Bill 2019–20 as they relate to the Department of Education. Are there any agency whole-of-government questions on budget and fiscal strategy?

There being no questions that concludes consideration of agency-related whole-of-government questions on budget and fiscal strategy.

Just before we commence to the output, I note that it is my intention around 4.30 pm to take a quick break, unless I am called to do so earlier.

**OUTPUT GROUP 1.0 – GOVERNMENT EDUCATION**  
**Output 1.1 – Early Years**

**Madam CHAIR:** The committee will now proceed to Output Group 1.0, Government Education, Output 1.1, Early Years. Are there any questions?

**Mrs FINOCCHIARO:** You mentioned in your opening, minister, about the number for FaFT centres, but I wanted to ask how many will be open this year?

**Ms UIBO:** It is something we are very proud of in investing in the early years in the FaFT sites. Currently we have 39 FaFT sites and at the end of this year we are looking to have either expanded or a new further seven—so 46.

**Mrs FINOCCHIARO:** At what cost will those centres be? What will seven centres cost?

**Ms UIBO:** For the FaFT program it is the investment of \$11.96m and looking at the expenditure as to date from 31 March this year, the expenditure so far has been \$7.57m.

**Mrs FINOCCHIARO:** Is that just the infrastructure and obviously the fit-out that goes with it or does that included ongoing operational costs?

**Ms UIBO:** Yes, operational.

**Mrs FINOCCHIARO:** It includes operational?

**Ms UIBO:** It includes operational.

**Mrs FINOCCHIARO:** At the completion, when you do the further seven is that the end of the roll out? What is the total figure you are pitching for?

**Ms UIBO:** The total figure that we are looking at is 53, seven new or additional FaFT sites by the end of 2019 and a further seven by December 2020.

**Mrs FINOCCHIARO:** At that end point when there are 53 constructed and fitted out, what will the operational costs of those 53 facilities be?

**Ms UIBO:** We will have to take that one on notice. We do not have calculations for the end of 2020—December.

**Mrs FINOCCHIARO:** I imagine there will be some—and you might have it on you, but obviously you are forecasting what that is going to cost.

**Ms UIBO:** Yes, there will be. With the FaFT sites often we can use existing infrastructure based in a school. When we are talking about some of our expanded FaFT sites—for example we have duals sites where a FaFT teacher is supporting a family liaison officer in two different school sites. Those will be split to have a full-time FaFT teacher at both sites.

For example, there is infrastructure that is already available and set up. Obviously we are looking to make sure that we have really great infrastructure for all of our FaFT sites. I recently visited the FaFT site at Elcho Island, which is bursting at the seams. It is a really great program. They have excellent numbers, but they do not have the physical space to cater for the current cohort, which is in excess of over close to, I think 130—do not quote me—but a very big number of families.

It is making sure that we are able to invest and support the current FaFT sites and look at expanding even new or duals sites.

**Mrs FINOCCHIARO:** If I could place that on notice, Madam Chair?

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**Question on Notice No 7.3**

**Madam CHAIR:** Thank you, Member for Spillett. Please restate the question for the record.

**Mrs FINOCCHIARO:** At the completion of the 53 FaFT sites, what is the ongoing annual operational cost, in total, of all 53 facilities?

**Madam CHAIR:** Minister, do you accept that question?

**Ms UIBO:** Yes thank you, Madam Chair.

**Madam CHAIR:** Thank you, Minister. The question has been asked by the Member for Spillett of the Minister for Education, and has been allocated the number 7.3.

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**Mrs FINOCCHIARO:** Minister, you mentioned in your opening, the child and family centres as distinct from FaFT. How many of those are new builds, or are they repurposing existing buildings?

**Ms UIBO:** Currently we have six children and family centres operational across the Northern Territory. Our government is looking to invest to make sure we have 17 across the NT in total, with the Tennant Creek/Barkly region and Katherine region being operational this year.

**Mrs FINOCCHIARO:** Is that the new Tennant Creek preschool?

**Ms UIBO:** Yes, they are early learning.

**Mrs FINOCCHIARO:** So when we say child and family centre, do we mean a variety of things or do we mean early learning?

**Ms UIBO:** It can be a variety. For example, I have one in my electorate of Arnhem, and it services non-government organisations working with early years as well as adult learning. It can be a multi-purpose space in a community or township that is supporting children and families. It is not restricted to government services.

**Mrs FINOCCHIARO:** So there will be 17 by when?

**Ms UIBO:** Over the next four years, as per the Starting Early for a Better Future strategy.

**Mrs FINOCCHIARO:** And what is the cost allocated to the 17 centres? Do you have it down as construction or construction and operational?

**Ms UIBO:** We are looking at the allocation of \$11.4m through that strategy, with an additional \$17.37m over the four years to look at those CFC models to grow them from six to 17. So a further 11 centres across the NT.

**Mrs FINOCCHIARO:** And does that include the operational costs?

**Ms BAYLIS:** It includes some elements of operational costs, depending on who is involved in the service provision. The Reform Management Office is leading the expansion of the child and family centres, so it is a joined-up, whole-of-government approach, not an education-led specific. The first six were, and the next lot will be able to mature that model and work closely in making sure we have Health, Housing, Territory Families and Education working collaboratively in those sites, for families.

**Mrs FINOCCHIARO:** Minister, might not have been an election commitment, but it is part of your Starting Early for a Better Future strategy. I think there was an election commitment to increase participation in pre-school or early learning. What are our numbers of three- to four-year-olds participating in early learning programs?

**Ms UIBO:** While I speak to that point, I will ask Ms Susan Bowden to join us at the table for specifics on that.

We have access to pre-school in our urban areas for four-year-olds. In our remote sites we have access to preschool for as young as three years old, accompanied by their care-giver. As we know, providing quality 15 hours per week, as a minimum, for the early years and supporting those first 1000 days is looking at changing some of that data and reducing the vulnerability of our students in the Northern Territory at that younger age.

**Mrs FINOCCHIARO:** Could I just ask, in remote or non-urban areas, you can start the 15-hour pre-school program from three years old if you are supervised?

**Ms UIBO:** If a care provider supervises, yes.

**Mrs FINOCCHIARO:** Does that mean that child then does preschool for three and four or they get to skip?

**Ms UIBO:** Yes. I will pass to Ms Bowden for the details, as it is operational. Just to finish up before I pass to Susan, that quality access is the main one. We are talking about being able to provide those opportunities in urban and remote settings because it makes such a big difference in the longer term journey of student.

**Mrs FINOCCHIARO:** I might just add then is the plan to roll out the preschool to three-year-olds in urban areas or is that not part of the plan?

**Ms UIBO:** I will get Ms Bowden to speak to that one with the operations.

**Ms BOWDEN:** In terms of the number of preschool enrolments, that is the total number of preschool students, in 2018–19 is 3244 students. Your question about three-year-olds in preschool, as the minister indicated, in remote communities three-year-olds can attend a preschool provided that they have a caregiver with them. However, we still have the Families as First Teachers program which also caters for children from birth to four years old. There are two options that families can choose from. We include four-year-olds that may attend FaFT in some of our figures when we are reporting to the Australian Government.

In terms of your question about three-year-olds accessing preschool at the moment, as soon as a child turns four, in our urban centres, they can attend a preschool. If they are turning four and the cut off is in the middle of the year, they could be three years old when they start the year. We have some children who are currently three years old in our preschools at the moment, but it depends on when their birthdays fall and the cut off time.

**Mrs FINOCCHIARO:** But it is not looking at being expanded like it is in rural and remote areas where if you have turned three, you can access it?

**Ms BOWDEN:** There is a lot of debate nationally around three-year-old's preschool but at this point in time in the Northern Territory that is not the case.

**Ms UIBO:** I will add that this will be on the agenda with the Education Council next week when we attend with the other jurisdictions. We will be speaking with the federal government about acknowledging the importance and the investment that each jurisdiction does nationally into the early years and seeing how we can get further support from the Commonwealth.

**Mrs FINOCCHIARO:** I am thinking about Minister Lawler last year and she was talking about this. Is the three-year-old preschool in rural and remote a new initiative for the last financial year?

**Ms UIBO:** It has been going for a while. I am not sure of the exact timing.

**Mrs FINOCCHIARO:** We were talking last year about expanding it. Are those three-year-old's places funded by the federal government?

**Ms BOWDEN:** No. The current three-year-old's places in remote are not funded by the federal government, they are funded by the NT Government.

**Mrs FINOCCHIARO:** Where will the hearing health partnership sites be located?

**Ms UIBO:** I will get Ms Bowden to speak to that in a moment. Speaking from an education background—educators listening everywhere would know the importance of hearing health for all of our students, particularly when we are talking about disadvantaged and vulnerable young people. It is something that the department is looking to work with other agencies and providers for services to make sure that hearing health is important.

You would know the Mother Teresa Catholic Primary School and the importance they put on the infrastructure and research they had done on acoustic sounds for learning environments. Hearing health is at the forefront of a lot of educators' minds.

**Ms BOWDEN:** Hearing health advisors are part of the Families as First Teachers program in four sites. I will need to get back to you on the actual sites. They are in remote locations and there are also some early indications that may be expanded. It is funded by the Australia Government through the Department of Health, nationally.

**Mrs FINOCCHIARO:** Thank you. Can I put that on notice?

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#### Question on Notice No 7.4

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

**Mrs FINOCCHIARO:** Where are the four hearing health partnership sites located?

**Madam CHAIR:** Minister, do you accept that question on notice?

**Ms UIBO:** Yes, thank you.

**Madam CHAIR:** The question by Member for Spillett asked of the Minister for Education is allocated the number 7.4.

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**Mrs FINOCCHIARO:** While we are on hearing, and we know it is a huge issue, if you cannot hear, how can you possibly learn?—particularly in remote areas where a lot of the schools are older and do not have that newer infrastructure where it presents an even greater challenge. What focus is the department putting on hearing health, particularly in those first five years to ensure that our kids—I recognise this overlaps with the Department of Health—are being assessed properly and then whatever health resolution happens. But from a school environment how are we supporting kids to be able to hear as best as possible in the classroom?

**Ms UIBO:** A really good point, Member for Spillett. In regard to support, that school—and I have visited quite a few schools in my role as Education minister. Some of the schools have invested in equipment, which is audio-enhancing. There are different systems where a microphone is worn by the teacher or the person who is speaking—an assistant teacher support person—and it is amplified through a speaker system. The best thing about this is that even those with good hearing still benefit, as well as our students who have deficits in hearing.

Sometimes it could be a temporary hearing loss effects, or it could be long term, which is why it is so important to have those partnerships with other agencies, particularly with the Department of Health, to ensure that our students and young people have regular tests to see how good their hearing is. We know it impacts in later years, in particular. The absorption of information is number one, but also in instruction—being able to follow the classroom safety measures when they are outside the classroom and making sure we have the best possible learning environment for all of our students.

That is one of the very small things that schools have done at some of the places I visited. Not every school has done it. I encourage schools that are looking to enhance the learning environment for their students to look at some of that audio-enhancing equipment. I will pass to Ms Bowden for some further details.

**Ms BOWDEN:** We have specialist staff in hearing and early intervention who work with children from birth to their preschool and transition years. That early intervention support is when the specialist staff provide—it could be formal or informal—assessments of the children. They also support the families as well as the early year educators in classroom strategy, professional learning and learning resources. In some cases, they also assist with Auslan lessons as well. That is in order to support the development of the children, but also to develop some personalised learning plans for those children as they are entering the important early years of schooling.

**Mrs FINOCCHIARO:** How would the Department of Education specialist staff get that referral? You mentioned from birth. As distinct from Health, how would Education staff know or receive a referral of a child to know to provide that intensive support?

**Ms BOWDEN:** We have request for service. We would have our advisers working with the educators in those schools or communities—or it might be a Families as First Teachers program, for example. The advisory support can support the educators to identify if there may be some early indications through some assessments, to determine whether that child needs any further support or investigation.

**Ms BAYLIS:** Additionally, Member for Spillett, the hearing health teams are on the ground within our communities. Also, if there is something picked up from birth, it is provided with the family contact information and the family's consent straightaway. The hearing health ...

**Mrs FINOCCHIARO:** Education receives that ...

**Ms BAYLIS:** From Health.

**Mrs FINOCCHIARO:** Before you leave hospital, they put the little headphones on ...

**Ms BAYLIS:** Yes, so if there is something that is picked up at that very early infancy age, our hearing specialists are informed so that we can immediately switch in to provide that support for families. Also, as the hearing health teams are out and about in communities, there is that sharing of information.

**Mrs FINOCCHIARO:** Is there any rolling program or additional support provided to schools that require different acoustic infrastructure? You mentioned before, minister, about the headsets. I am assuming that is paid for through each school's individual budget as opposed to a separate pool of funding from the department. Is there a particular infrastructure roll out for that sort of acoustic support?

**Ms UIBO:** Yes, I will get the CE to speak to that in a moment. Sometimes it does not necessarily have to be specialised equipment. I am talking about the trachoma healthy eyes, healthy ears programs that we see, particularly in Central Australia. It can be as simple as a routine of making sure that eyes and hands are clean every day and making sure that students get into that good routine to be able to see if there is any impact on hearing.

I will ask the CE to speak to some of the specific infrastructure details that you just requested.

**Ms BAYLIS:** Susan will tag team with me, because it is a team effort. Yes, there is some investment that we make. As we are doing our new-builds, the hearing components are built into those classrooms so they are acoustically sensitive and response.

**Mrs FINOCCHIARO:** Zuccoli primary school, for example.

**Ms BAYLIS:** Yes, it will have that. If you look at the new science STEM building at Taminmin, it has a whole lot of things wired in. We are a little more contemporary in what we are doing with our new builds, so that it is a quite deliberate and focused area and it is also what we are doing in some of those classrooms. Some of those schools have chosen to invest in that by using their \$300 000 under the Building Better Schools. Some are looking to the federal government community grants element to be able to pick up on where they are and what they already have. It is a range of things. I will hand across to Susan as well.

**Ms BOWDEN:** In addition to the school resourcing model—and every school is allocated \$1000 to support students with additional needs on top of their current budget allocation—there is also the Special Education Support Program. That has an annual budget of \$5.5m. Schools can access that funding in addition to the schools resourcing package. That funding is allocated twice yearly.

The Special Education Support Program funding can be used for schools to purchase any additional support materials, like assistive technology that might be required for hearing, but also they can use that to assist with other adjustments for the children and young people in the classrooms. It is determined by the school in terms of what might best support the students learning. It might actually be to employ additional staff, or it might be for purchasing resources.

**Ms UIBO:** Some schools have used the allocation from the Building Better Schools for infrastructure upgrades as their priority. In my electorate of Arnhem, Milyakburra School has elected to use one of their priority areas as upgrading acoustics for their learning environment. It is something that a lot of schools are conscious of and it supports them to work on those areas that enhance student learning.

**Mrs FINOCCHIARO:** I wanted to ask about the Ministerial Advisory Council for Children and Young People. I believe the Chief Minister stated that the council had not formed yet. Is that correct? Have they met in the last year?

**Ms UIBO:** In regard to a ministerial advisory group for that particular area, I am not aware of it, so I am just wanting to clarify that particular question. We have a reference group and a Children and Families Standing Committee, but you are specifically asking about a ministerial ...

**Mrs FINOCCHIARO:** What was your standing committee called?

**Ms UIBO:** Children and Families Standing Committee. If you have a question for that, I have the CE, who is in that.

**Mrs FINOCCHIARO:** I have here that the council's function would be to provide expert advice and recommendations to the Northern Territory Government about the system, structure and investment needed to support positive early child development and lead to the development of a state of the children report.

**Ms UIBO:** I will pass to Ms Bowden; I think she has some insights for us.

**Mrs FINOCCHIARO:** As part of the Starting Early for a Better Future implementation plan.

**Ms BOWDEN:** Under Starting Early for a Better Future, there is a proposal to have the advisory committee stood up. This is to build on the expert group that was already drawn together as part of the formation of that intergenerational plan: Starting Early for a Better Future. At this point I am yet to be advised if they have met. I will find out that information and take it on notice.

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#### Question on Notice No 7.5

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

**Mrs FINOCCHIARO:** Has the ministerial advisory council for children and young people been established? If it has been established, how many times has it met? If it has not been established, when will it be established?

**Madam CHAIR:** Minister, do you accept the question?

**Ms UIBO:** Yes.

**Madam CHAIR:** The question that has been asked by the Member for Spillett of the Minister for Education has been allocated the number 7.5.

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**Mrs FINOCCHIARO:** Has there been consultation with communities to develop the local decision-making framework?

**Ms UIBO:** Yes, this is a whole of government policy with local decision-making, and something that the Department of Education has been working on, since it was made a policy, in leaps and bounds to look at local decision-making and engagement for communities and allowing the involvement of schools that may not have an advisory committee or a formalised school council to be engaged in local decision-making and determining the best way for students and young people in those communities. To talk a little bit more about our community-led schools, I will pass to Vicki Baylis.

**Ms BAYLIS:** The department is very proud of the work it is doing on community-led decision-making. We are doing this with our central agency and also the Council for Government Schools Organisation in partnership with our school communities to best determine how they can be involved.

We are particularly wanting people to have a voice and have agency in the decision-making on things that make different to their kids. In 2019–20, we will invest \$2.3m in to this process, but we have seven schools who are on the community-led component: Gunbalanya; Yirrkala; Yuendumu; Lajamanu, Nyirripi; Willowra; and Yirrkala homeland.

We have a number of schools that, as the minister indicated, do not have school advisory committees or school councils. They are working through a process to start to build that capability through local engagement in decision-making committees, so they will have control some funds that are separate to the principal, but in partnership with the principal, so that they can influence and inform the work and the decisions within their schools and the community are working with those areas.

At the moment we have quite a number of schools that are in the process of starting up those committees. We have introduced that to 14 of our different schools. We can provide that list if you are interested. There are further areas where they are working in partnership with the Department of the Chief Minister and the local government decision-making led from the whole of community or regional perspective. It depends on where a community is and where the school fits within that decision-making process.

**Ms UIBO:** Madam Chair, I have two answers to some questions.

**Madam CHAIR:** Could you please state the question number first, then read the answer for Hansard.

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**Answer to Question on Notice No 7.1**

**Ms UIBO:** All executive contract principals have received a letter in relation to the pay freeze. All executive contract positions, including executive contract principals are subject to the freeze.

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**Answer to Question on Notice No 7.2**

**Ms UIBO:** As at 17 June 2019, the total number of executive contract principals with end dates in the years that follow are four in 2019, 15 in 2020, and 23 in 2021.

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**Answer to Question on Notice No 7.4**

**Ms BAYLIS:** The health sites are at Gunbalanya, Galiwinku, Ngukurr and Maningrida. There will be new health sites at Tennant Creek, Palmerston, Katherine and Larapinta.

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The committee suspended.

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**Madam CHAIR:** There are no more questions on Output 1.1.

**Output 1.2 – Preschool Education**

**Madam CHAIR:** The committee will now consider Output 1.2, Preschool Education. Are there any questions?

That concludes consideration our Output 1.2.

**Output 1.3 – Primary Education**

**Madam CHAIR:** The committee will now consider Output 1.3, Primary Education. Are there any questions?

**Mrs FINOCCHIARO:** Thank you. I wanted to ask—this may not be the output but I can ask and you can tell me—if you can detail what is included in the budget allocation on page 247, Budget Paper No 3 under new initiatives for Breaking the Cycle of Crime in Palmerston?

**Ms UIBO:** This is another example of our commitment to young people in the Northern Territory, in particular the families and young people of Palmerston.

Palmerston is the fastest growing region in the Northern Territory. We are looking to support those young people. There was a point made earlier about what we are doing in those areas to make sure middle years students and senior secondary students are engaged in education or training.



**Ms BAYLIS:** We have Student Voice Positive Choice as part of the budget process in that area, which supports all of the schools in the Palmerston area. We have extended the Clontarf program and the girls engagement programs into the Palmerston primary schools. We have also added a psychologist to the Palmerston reengagement Top End Flexible Learning Centre.

There is a \$1.85m investment in the Breaking the Cycle of Crime in Palmerston initiative. In addition to that there is a commitment for education to look at a youth skills centre and establish that in the Palmerston area. We are in the process of doing the research and undertaking what that would look like so that we have a youth skills training centre that is about connecting for all kids and making sure they have other pathways to be able to learn for middle and secondary-aged students in the Palmerston region from the schooling sector through to young people who may need to be involved in the programs because they have been referred there.

**Mr WOOD:** Is it in Palmerston?

**Mrs FINOCCHIARO:** We will come back to that. I will ask another question on the first part and we will come back to that. I knew the Member for Nelson was onto it.

Student Voice Positive Choice is well known across Palmerston, as is Clontarf and the Girls Academy. Are Clontarf and the Girls Academy being expanded into all the Palmerston city schools?

**Ms BAYLIS:** No.

**Mrs FINOCCHIARO:** Which schools will that be, as part of this budget allocation?

**Ms BAYLIS:** Driver, Moulden and Gray.

**Mrs FINOCCHIARO:** And will they have both Clontarf and Girls Academy?

**Ms BAYLIS:** We are finalising contracts on those at the moment. We are sorting those through.

**Mrs FINOCCHIARO:** That \$1.85m is for the psychologist, Clontarf, Girls Academy and the Student Voice Positive Choice initiative. What is allocated just for student voice?

**Ms UIBO:** Member for Spillett, while we are looking for that detail, you have been to some of those workshops and I had the pleasure of being able to attend one earlier this year—the engagement of those young people across different parts of Palmerston, and being Palmerston proud, I thought it was really nice; that language about supporting each other.

The mix of students sitting on different tables and interacting from different schools, I thought was brilliant. You did not just represent your school, you were part of the Palmerston student cohort. It was enabling those young people to have some of those confidence skills and being able to publicly speak, workshop, interact with other youth and adults, and really clarify what they thought could be better enhanced and improved, not just in their schools but also in the region of Palmerston and the city they are proud of.

I think the CE will take the question on notice.

**Mrs FINOCCHIARO:** I might make it a bit wider then, seeing as we will put it on notice. I am going to put a question on notice, Madam Chair.

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#### Question on Notice No 7.6

**Madam CHAIR:** Go ahead, please state it for the record.

**Mrs FINOCCHIARO:** Minister, could you please break down the \$1.85m allocated to breaking the cycle of crime in Palmerston, specifically how much is for Student Voice Positive Choice; how much is for Clontarf and Girls Academy combined; and how much is for the psychologist service?

**Madam CHAIR:** Thank you, Member for Spillett. Minister do you accept the question?

**Ms UIBO:** Yes thank you, Madam Chair.

**Madam CHAIR:** The question by the Member for Spillett for the Minister for Education has been allocated the number 7.6.

**Mrs FINOCCHIARO:** Minister, the CE mentioned the skills training centre, which I believe is part of Back on Track, is that correct? Yes? So separately there is \$1.385m allocated to Back on Track, could you expand on what will be delivered on that program funding?

**Ms UIBO:** I will had to the CE. We are looking at the various mechanisms we can use of existing and new resources to support Palmerston and our rural youth. I know the Member for Nelson probably has a few questions in regard to this, but I will hand over.

**Mrs FINOCCHIARO:** The location is not in Palmerston, I think is a point of contention.

**Ms BAYLIS:** The Department of Education, for the Back on Track, has invested \$1.4m in 2019–20 to provide services through our registered training organisation, to 14- to 17-year-old youths. They will be young people who are part of the youth skills centre. The youth skills centre attracts additional funding that is currently located with the Department of Infrastructure, Planning and Logistics, DCIS, depending on whether it is an infrastructure upgrade or rental. As the Department of Education, our commitment is to the vocational education training.

**Mrs FINOCCHIARO:** That was announced in October or November last year, is that correct, Member for Nelson? How much closer are we and when is this program looking to begin?

**Ms BAYLIS:** We are aiming to have the program established this year, for full implementation. We will do staged implementation once the site has been secured and fitted out this year, and full implementation so that schools are able to prepare their timetables and look at the alternatives on what they are offering for curriculum for 2020.

**Mrs FINOCCHIARO:** Is the Buslink Vivo site on Howard Springs Road the site?

**Ms BAYLIS:** That is not the site we are looking at, at this point in time.

**Mrs FINOCCHIARO:** Is that the same announcement?

**Mr WOOD:** That was the announcement made by the Chief Minister. Has that been changed?

**Ms BAYLIS:** Yes.

**Mr WOOD:** Is that because the bus depot is not going anywhere either?

**Ms BAYLIS:** I cannot tell you the reasons but when we started this, Buslink VIVO was one of the sites under consideration and we received advice that it was no longer the alternative, so we went back to look the opportunities in the Palmerston and rural area to see how we can set up something that is easily accessible for students and can be purposed for a training area.

**Mrs FINOCCHIARO:** Is this budget allocation based on the previous site and will a new site need more?

**Ms BAYLIS:** The infrastructure is not the Department of Education's responsibility. That question may be best directed to the Department of Infrastructure, Planning and Logistics. Our commitment was to the vocational education and training internally—regarding the location.

**Mrs FINOCCHIARO:** What do you envisage will be taught in that facility?

**Ms BAYLIS:** We have a number of vocational areas that we are looking at. What we are looking at is in the area of being able to have kids involved in the electro-technologies where we can use simulator-type experiences so those young people can have electronic digital interface with tools and technology. We are looking at the core skills of the industry areas where we have skill shortages, particularly automotive or construction and, potentially, hospitality. We are making sure that when looking at infrastructure we have those capacities. The first will be in the area of emerging industries of electro-technologies.

**Mrs FINOCCHIARO:** This is about jobs of the future, so surely we will be trying to engage young people who are disengaged—or else they would not be part of the program—to an area that leads to a job in the future.

**Ms BAYLIS:** Absolutely, but the youth skills centre is not just for disengaged kids; it is for all young people. It is a bit like the Nightcliff training precinct, which is now for the middle school kids who come from government and non-government schools to have that exposure to vocational education and training.

This is taking this to another step while providing pathways for young people at risk of disengaging or who have disengaged. We are also working with industry players for some of those vulnerable and at-risk people, because it is about the purpose of doing that. We have some first steps programs already commenced in the Palmerston area for young people who have been placed in industry, and they would come in to do their skills readiness training component. But they already have industry mentors and placement.

**Mrs FINOCCHIARO:** It would be a mixture of young people who identified as disengaged or at-risk and young people who are in school who would like to pursue a different vocational training opportunity. This budget amount is for implementing Back on Track. The name suggests it is to get kids back on track, so it would not necessarily target kids who are full-time in school and on track, essentially, wanting pursue other opportunities.

**Ms UIBO:** There are two parts to that. There is the Back on Track program which the department is working in partnership with Territory Families to deliver—you were talking about vulnerable and at-risk youth. We also have the Palmerston youth skills centre, which might be utilised by Back on Track depending on where the tender process is with those programs. It will be accessible to all young people.

**Mrs FINOCCHIARO:** Is there a different budget line item for the Palmerston youth centre?

**Ms BAYLIS:** The Back on Track program has wraparound therapeutic support that is being managed by Territory Families for young people and vulnerable young people. There is additional funding that government has committed to which is not with the Department of Education. That is in regard to the infrastructure refit and fit-out for the youth skills centre. Then there is the commitment by the Department of Education to invest in the registered training organisation and being able to deploy the resources to have the trainers and support staff to be able to run the programs.

**Mrs FINOCCHIARO:** The \$1.385m is for Education to deliver the education?

**Ms BAYLIS:** Yes.

**Mr WOOD:** If the youth skills centre is being used as a way of getting kids who have dropped out of the system, is that it not the same as what flexibility centres were meant to do as well? Is there a clash of ideas here?

**Ms UIBO:** I believe that you were going to have a specific question on flexible learning, or is this part of it?

**Mr WOOD:** I will, but I just wanted to see the distinction here is, because I have some more specific questions.

**Ms BAYLIS:** I do not think so in that this is quite directly for training and vocational education training. If we think about the schools in the greater Palmerston city, the capacity for them to do industry-ready vocational education training is not as progressed as some of our other schools.

When we are looking at those areas that, in opening up, we would open it up to kids who were potentially enrolled at the flexible learning centre, kids who were in the government/non-government mainstream school setting, as well as those young people who were on the Back on Track program young people. It would have all of that. We would need to have a range of capabilities to be able to provide that education provision, but it is the curriculum we are talking about at this centre for a range of young people to access, where we do not have, in each of our individual schools, all of those resources able to be duplicated multiple times over.

**Mr WOOD:** So what is the different between the VET courses that you provide? Are they the same thing?

**Ms BAYLIS:** This is hubbing it all into those areas.

**Mr WOOD:** That was the first I heard that you were not going there. My question was when the bus depot was going to close down, because it does not look like it is closing down. Do you know when that decision was made?

Minister, do not take this too much to heart, but we talk about including people in decision-making. The decision to go to the bus depot and now the decision not to go to the bus depot—people in the rural area were not involved. You might say, 'Well, big deal. It is not going there so do not cry over it.' But with the process to get to where it got and the process to move it, I would have thought the government would have at least included me—I am saying me on behalf of the community. For me, I could not care too hoots, but my job is to represent the people and tell them what is going on. But no one tells me anything. I am not Labor and I am not CLP, but I am still the local member.

**Ms UIBO:** I take your point on board. My pledge to you as a local member, and as Minister for Education, is that once we have some further clarification and details, I will make sure you have some of that detail, because you represent a diverse electorate and you are interested in things across the Territory.

I know that you are talking about something very close to your heart. I will ensure that, when I have some of that finer detail, that you are included in those conversations so you are able to represent the people of Nelson, but also more broadly, the Northern Territory, because I do value your input.

**Mr WOOD:** Thanks. I do support anything that will help kids get a better a life. The worse thing I see is kids that I see wandering the streets aimlessly and I just worry that ...

**Ms UIBO:** It is a big concern, yes.

**Mr WOOD:** There is a budget of \$6.3m to upgrade Ludmilla Primary School. I have been to Ludmilla, because you might remember the days when Richardson Park was going to take over parts of Ludmilla. We had an opportunity to tour the school and I knew that there would be some upgrades. Could you tell us what stage we are at with those upgrades? Has it been keeping to the budget?

**Ms UIBO:** I see your interest goes far beyond the electorate of Nelson, which I acknowledge. I recently visited Ludmilla Primary School to see some of those upgrades. There are some beautiful facilities, particularly in the early years learning space, but also to support the primary students. The school, the community, and the wider Darwin community will benefit from those upgrades. It is one of our oldest schools in the Northern Territory at 51 years old, as you would know, which is slightly older than I am. It needed to have those infrastructure upgrades.

The greatest thing about that school upgrade that I took away from the visits is that the students were part of that planning process and not just to the point of being able to pick some of the funky colours that are now painted, but also in the design of the space and what they wanted the space for. For example, they are doing some robotics courses there for students of all ages in their primary cohort, which is fantastic. We are talking about industry focus for the future for our young people.

In terms of the specifics for the budget, I will pass to the CE. They were much needed upgrades at that school and it was money well spent. Generations to come will be able to benefit from those beautiful upgrades at Ludmilla school.

**Ms BAYLIS:** The upgrade is complete at Ludmilla and that all went according to schedule and on budget. There was an additional amount of funding that was allocated to Ludmilla that took it into just being able to do a little bit—but in total the cost for Ludmilla was \$6.3m. They used the \$300 000 from the Building Better Schools to be able to top up the budget allocation.

**Mr WOOD:** To round it off.

**Ms BAYLIS:** Yes.

**Mr WOOD:** This question may be something that DIPL can answer. Someone said to me that the fans were extremely expensive. Are they electronically controlled fans? Someone said it was extravagant, so I did not know whether anyone knew about it. They were not the normal fans, I gather? Would you believe I heard it at another public meeting?

**Ms UIBO:** I might pull up our infrastructure—Simon Scally will join us.

**Mr WOOD:** Someone simply said 'what was wrong with the ordinary fans?' I get asked about it and I do not know the answer.

**Mr SCALLY:** The fans selected are a high-quality fan and there are a couple of reasons for that. Part of it is to do with the acoustic quality of the fans. Small, cheap fans whirring through a classroom are making a lot of noise and also it is the lifespan of those fans. It was figured that spending a little bit more to get a higher-quality fan that operates with less noise and lasts longer was a worthwhile investment.

In terms of the controls, which is still something that we are working through, when the fans were initially specified by the architects, the switching controls was an on-the-wall control mechanism. When they were supplied six months later, they were supplied with a remote control which is a mobile device. We are working through that to find a way for them to become fixed or to replace them with a fixed switching system so they do not go walkabout.

**Mr WOOD:** Do you have any idea what they cost, each one?

**Mr SCALLY:** I could not tell you the individual cost, no.

**Mr WOOD:** I have been asked about it so can I put it as a question on notice?

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#### Question on Notice No 7.7

**Madam CHAIR:** Member for Nelson, can you restate the question for the record.

**Mr WOOD:** Minister, could you tell us how much the individual fans cost in the new, upgraded Ludmilla Primary School? That includes the remote.

**Madam CHAIR:** Minister, do you accept the question?

**Ms UIBO:** Yes.

**Madam CHAIR:** The question that has been asked by the Member for Nelson of the Minister for Education has been allocated the number 7.7.

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**Mrs FINOCCHIARO:** How many schools are currently at or above 85% enrolment capacity?

**Ms UIBO:** I am assuming your interest is about the enrolment management plan?

**Mrs FINOCCHIARO:** Yes.

**Ms UIBO:** For the 85%?

**Mrs FINOCCHIARO:** Yes.

**Ms UIBO:** That is when our schools' operational capacity—looking to support that through population demand. Some of the schools that currently have enrolment management plans—we have 19 schools in the Northern Territory. I can list those if you would like.

**Mrs FINOCCHIARO:** Yes, that would be great.

**Ms UIBO:** Yes. Bakewell Primary, Bradshaw Primary, Darwin High School, Darwin Middle School, Driver Primary, Durack Primary, Girraween Primary, Jingili Primary, Katherine South Primary, Larrakeyah Primary, Leanyer Primary, Nakara Primary, Nightcliff Primary, Parap Primary, Rosebery Primary, Ross Park Primary, Stuart Park Primary, Taminmin College and Wulagi Primary.

**Mrs FINOCCHIARO:** Sorry, just to clarify. They were all schools above 85% enrolment?

**Ms UIBO:** Yes. They are all schools that currently have the enrolment management plans ...

**Mrs FINOCCHIARO:** And they all have an enrolment management plan in place?

**Ms UIBO:** Yes.

**Mrs FINOCCHIARO:** Okay. That means that those schools you listed are now only enrolling from within their catchment? Is that correct?

**Ms BAYLIS:** According to the enrolment management plans, some of those schools have unique educational programs, so they have that as part of their enrolment management plans. You would need to refer to each of them. Yes, they have an enrolment catchment area, but there are some additional details for some of those schools that provide clarification.

**Mrs FINOCCHIARO:** So, it is not as simple as, 'You have hit 85%, you can now only enrol students in your ...

**Ms BAYLIS:** Yes.

**Mrs FINOCCHIARO:** For some schools, there is more to it?

**Ms BAYLIS:** Yes.

**Mrs FINOCCHIARO:** Do we know what portion of students are enrolled from outside a catchment zone for schools?

**Ms UIBO:** Yes, we will take it on notice if you are talking about those 19 in particular?

**Mrs FINOCCHIARO:** No, I have four I was more interested in.

**Madam CHAIR:** If you want, we will put this as a question on notice then, will we?

**Mrs FINOCCHIARO:** Yes, thank you.

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#### Question on Notice No 7.8

**Madam CHAIR:** Please restate the question.

**Mrs FINOCCHIARO:** How many students are enrolled from outside the catchment zone from Stuart Park Primary, Parap Primary, Nightcliff Primary and Nakara Primary Schools?

**Madam CHAIR:** Minister, you accept that question?

**Ms UIBO:** Yes, Madam Chair.

**Madam CHAIR:** The question asked by the Member for Spillett of the Minister for Education has been allocated the number 7.8.

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**Mrs FINOCCHIARO:** How does the enrolment management plan get developed? Is that something between the department and the school or is it just the school?

**Ms UIBO:** Yes, with the support through the department. I will get the CE to speak to that.

**Ms BAYLIS:** It is done with the school council at a school level, but it also comes into the department. Then, when it comes to the geographic boundaries, we seek advice on that as well so we have the equidistance or the mapping of that external to the agency.

**Mr MILLS:** I am interested in primary school behaviour issues. How many principals have reported being assaulted in the last 12 months?

**Ms UIBO:** I know we have some data on this. First I say we do not accept any violence in our schools. Of course, we want to ensure that all our staff, volunteers, students and community members are safe when they enter a school ground. Also, there is a duty of care, as you would know being a former principal. Sometimes that duty of care outside the school gate—drop-offs, pick-ups, making sure if a student has not made it home safely that the school has been aware and we can ensure we know who those students are.

Your question about work health and safety and school principals—we have some of that data we can share with you.

**Ms BAYLIS:** I am looking for the information, Member for Blain ...

**Mr MILLS:** I will also ask about teachers.

**Ms BAYLIS:** I may need to take that as a question on notice so I can get that level of detail for you.

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**Question on Notice No 7.9**

**Madam CHAIR:** Are you restating the question?

**Mr MILLS:** Yes, I am restating the question.

**Madam CHAIR:** Thank you.

**Mr MILLS:** The question relates to the number of reported assaults on principals, teachers and support staff in primary schools.

**Madam CHAIR:** This financial year or this calendar year, or the school year? School year.

**Mr MILLS:** Well, no.

**Mrs FINOCCHIARO:** Is there a standard reporting period for that?

**Ms UIBO:** We have some data, Member for Blain, as of 1 July 2018 to 31 March 2019.

**Mr MILLS:** That would be good, but it is more helpful if it is comparative, too, so we can get a sense of

**Ms BAYLIS:** We can do that. When it comes to the occupational violence I do not have it broken down in to primary school and then by classification of staffing group. But between July 2018 and March 2019 this year we had 178 incidents that we consider to be occupational violence. I will need to get the detail for you to be able to give you that level of detail.

**Mr MILLS:** To make it more meaningful—comparative for the last two years if that is possible?

**Madam CHAIR:** If there is a question—a secondary part to the same question it is better to have them both under and then you just have the one response. Is your second part related or is it an independent question, Member for Blain.

**Mr MILLS:** Do you mean the question I am about to ask?

**Madam CHAIR:** Yes.

**Mr MILLS:** It is unrelated.

**Madam CHAIR:** Okay, thank you. Then we will clarify that previous question by the Member for Blain to the Minister for Education has been allocated the number 7.9

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**Mrs FINOCCHIARO:** Member for Blain, can I ask one question on your question?

**Mr MILLS:** Yes, that is fine by me.

**Mrs FINOCCHIARO:** Of the 178 incidents of occupational violence, Ms Baylis, was that for primary, middle and senior school altogether?

**Ms BAYLIS:** Yes.

**Mr MILLS:** In conversations I have with teachers, I am picking up—and I have a particular interest in primary schools because we are trying to understand what the behaviour of the young people coming in to the criminal

justice system. We are seeing it is clearly identifiable in primary school, and what I have noticed is, you have the standard classroom teacher that is operating in the classroom but it seems to be more and more support staff—I do not know whether they are still called ISAs, Inclusion Support Assistance in the classroom as well as aids.

Is this number increasing? The number of other people who are in the classroom to keep an eye on certain students while the teacher is trying to teach? I would be interested in getting an idea. Anecdotally it appears that these numbers are increasing off other professionals in the room to keep an eye on the behaviour of students.

**Ms UIBO:** When there are targeted support personnel supporting students—not necessarily keeping an eye on a student but being able to support them to learn in that environment. I want to make that language quite clear. It is not policing students in classrooms it is about providing them with the best support possible so they can learn. I wanted to put that on the record.

**Mr MILLS:** I understand all of that.

**Ms UIBO:** Your question is going to what is the amount, or the ratio.

**Mr MILLS:** It appears to me to be increasing. I may be wrong. May be my anecdotal record keeping is incorrect, but I would like to know in the last three years—the support staff by different titles in classroom—has it increased or is it the same?

**Ms UIBO:** I will pass to the CE in a moment to add to that. One of the increases that we have seen in classrooms and in schools overall is the support to be able to assess and identify if there are learning needs or support needs for particular students. There is more access and dialogue about being able to assess students to ensure they are supported to the best of their abilities in the classrooms. In terms of supporting students, it is a positive if we have been able to support their learning capacity, and in that we get the support for the educator and the families.

We have seen an increase in terms of assessment of learning support. I will pass to the CE to add to that particular question.

**Ms BAYLIS:** What we have seen when it comes to behaviour is a decreasing number of students suspended since 2017 into 2018 and it looks like so far what we are seeing is that holding. That is one indicator.

**Mr MILLS:** Is that an indication that behaviour is improving or do you just have a different strategy—a different way of responding to it?

**Ms BAYLIS:** That is the piece of work we have not done at this point in time. When it comes to your question of whether have more people in classrooms, we would need to go back and I would need to do that analysis. We have funded additional support to mainstream schools, including mainstream primary schools, for students with additional needs who need support to access to the curriculum. Schools make that decision.

When we were answering the question before about hearing, acoustics and adaptive technology, that is one way of doing that. Another way might be having an appropriately trained support staff member, whether it is an ISA or whoever it happens to be. I would need to go back and look at how schools are choosing to invest their funds to be able to support that. It is not something that would necessarily come through as a NTG-funded position, it might be a school council position. That would take us a little while to be able to track that information. But, we do additionally fund the special education and support area.

**Mr MILLS:** Maybe it is an area for a PhD or something. I am not asking you to provide all of that deeper analysis, but what you are able to measure, could you provide that for the last three years?

**Ms BAYLIS:** Yes.

**Mr MILLS:** Those additional support positions?

**Ms BAYLIS:** We can tell you what additional funding schools have received in primary areas and for what levels of complexity in terms of accessing the education program. We can definitely provide that, for the last three years.

**Mr MILLS:** I will put it on notice.



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**Question on Notice No 7.10**

**Madam CHAIR:** Member for Blain, could you please restate the question for the record.

**Mr MILLS:** Hopefully I will have this accurately enough. For the past three years what amount that has been spent on additional classroom support in primary schools? Additional to the teacher.

**Madam CHAIR:** Minister, do you accept the question?

**Ms UIBO:** Yes.

**Madam CHAIR:** The question being asked by the Member for Blain of the Minister for Education has been allocated the number 7.10.

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**Mr MILLS:** You are not funding behavioural awareness officers to walk around schools like in the AFL?

**Ms BAYLIS:** We are not as rich as the AFL.

**Mr MILLS:** We had a bit of a problem with NAPLAN this year. What contingencies do you have in place to ensure that it does not occur next year?

**Ms UIBO:** Member for Blain, what particular issue are you talking about?

**Mr MILLS:** The online system crashed.

**Ms UIBO:** Yes. In terms of the Northern Territory and being a smaller jurisdiction, we did not suffer the same disruptions that the bigger jurisdictions did. You probably saw in the news, some of our much larger jurisdictions had a lot more students participating online. For the Northern Territory our online participation was Years 5, 7 and 9. Just so that people realise that Year 3 students ...

**Ms BAYLIS:** We had Year 3 online, but not for writing.

**Ms UIBO:** For the Year 3s, not all of the five components were online. Across the Northern Territory we had 151 students who resat the NAPLAN testing for the writing, which was across five schools. We trialed in 32 schools across the Northern Territory and that was with government and non-government schools. A cohort of five of the 32 felt like they were affected and were able to re-sit the test.

There were 151 out of 4650 students in the Northern Territory were affected or felt they were affected and needed to re-sit the test. In terms of the Territory's capacity for our first trial—this year was the first time we were doing online testing compared to other jurisdictions that trialed last year—we had a reasonably good first run at it. Bearing in mind, Member for Blain, we still do not have the capacity to do the online testing through schools that have low or no bandwidth. That is something the Northern Territory, through our Department of Education, is looking to work further on with Education Services Australia, ESA. This is to look at what type of support we can get from ESA to do the online testing for schools that have no or low bandwidth.

**Mr MILLS:** It appears to be a different story in the Territory. Contingencies for next year, do you predict there to be any changes?

**Ms UIBO:** Yes, operational so I will pass to the CE.

**Ms BAYLIS:** Member for Blain, the root cause of why the interruptions occurred nationally is still unknown. That is being looked at nationally through Education Services Australia and also through ACARA, to look at what has gone on. An external independent has been employed to be able to review. We do not know whether it was a test item, a firewall or a connectivity issue. That all has to be explored and determined. The Education Council will be briefed on the preliminary information when they meet next week. There will be further work depending on what comes out of that subsequent to all of this.

The reason that we were able to be as successful in the Northern Territory is a high degree of preparedness that is provided NAPLAN online support team and the test administration authority. Every one of the schools,

because we are a small jurisdiction and had an individual visit on more than one occasion, was provided with a range of checklist materials. Some of the schools visited interstate to be able to get that knowledge. We will continue to do that. We will bring our schools to go, 'What did we learn? What do we need to learn?'

There were things that we could have done at a school level and a system level that we have reflected on subsequently. I have a highly skilled, highly capable group of people who are working on this area. They wire themselves in nationally, but they are very focused on the Territory context and are absolutely present to be able to make sure that they know, with those schools, exactly where we are and our capability in our schools.

**Mrs FINOCCHIARO:** Are school counsellors and school psychologists subject to the recruitment freeze as part of the government's budget repair measures?

**Ms UIBO:** We have some school counsellors who are employed through the Department of Education. The CE spoke earlier about a further six that are employed by schools with their global school budget and the resources that they deem necessary for each school. There are some schools who have done some jointly-funded positions with school councils. We know how important they are—mental health and wellbeing for our students, and access—to be able to have those support provisions in schools is really important. I will hand to the CE for that level of detail.

**Ms BAYLIS:** Member for Spillett, the answer to that is no.

**Mrs FINOCCHIARO:** No, is the answer—great.

**Mrs FINOCCHIARO:** How many school counsellors and psychologist positions are there in Northern Territory Government schools?

**Ms BAYLIS:** We have 25 school counsellors that are Northern Territory Government funded and two senior counsellors that provide support as well. In addition to that, there are six school counsellors who are funded through schools' global budgets.

**Mrs FINOCCHIARO:** How are they allocated a case load? Does one school counsellor have 20 schools each, or how does it work?

**Ms BAYLIS:** It does not work quite as simply as that. Some of that is to do with the location. If they are school-based—school-funded—the schools make a determination and they have control of all of that. In 2018 we undertook a review of school counselling services. One of the recommendations was on how we best apply the resources that we have. We are currently working through with school counsellors about that service provision. They are based on rough numbers, but not solely that.

If we have a look at them, in Arnhem for example there are four school counsellors. In Darwin, with a greater population, those that are government-funded—there are seven; in Palmerston there are six; in the Katherine region, two; in Tennant Creek Barkly region there are two; and in Alice Springs there are four. Of those that had the six funded—Henbury funds its own school counsellor; Braitling Primary does as well; as does Sadadeen; then the cluster of Woodruff, Driver and Durack share a school-funded school counsellor; Parap Primary School and Bakewell Primary Schools each fund a school counsellor.

**Mrs FINOCCHIARO:** Are there any positions that are currently vacant—for counsellor or school psychologist positions?

**Ms BAYLIS:** I am aware of at least one with maternity leave that we have vacant, but I would have to go back to check if there are any others at this point in time.

**Mrs FINOCCHIARO:** Can I just that on notice, Madam Chair.

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#### Question on Notice No 7.11

**Madam CHAIR:** Could you please restate the question for the record.

**Mrs FINOCCHIARO:** How many school counsellor and school psychologist positions are currently vacant? How long have they been vacant? What are the recruitment processes?

**Madam CHAIR:** Minister, do you accept the question?

**Ms UIBO:** Yes.

**Madam CHAIR:** The question that has been asked by the Member for Spillett of the Minister for Education has been allocated the number 7.11.

**Mrs FINOCCHIARO:** Is there a ratio for schools if you have a certain number of students, you need a counsellor?

**Ms UIBO:** It does not operate in that sense. If a school feels it is something that will benefit their student cohort and their school, then they can use their global school budget to add in, like the example of the six that was read out by the CE.

**Mrs FINOCCHIARO:** So there is not a point of time where one needs to be provided?

**Ms BAYLIS:** It automatically kicks in.

**Ms UIBO:** Unfortunately we have seen some of our schools—when a crisis point has occurred we then see the extra support being provided by the schools and those students that have been affected, which is really important when we are talking about trauma.

**Mr PAECH:** In relation to school counsellor positions, from a remote perspective in Central Australia, would the positions based in Alice Springs service the regions—say Docker River or Papunya and those type of regions? Is that the case? And if so, is there a schedule of the frequency in which they visit?

**Ms UIBO:** I know your interest as a bush member is similar to mine in making sure our schools are serviced in the remote areas. There are two school counsellors based in the Alice Springs regional office who are servicing Central Australia and the schools there. Obviously you know in your electorate there are some quite small schools so there might not necessarily be the capacity of funding for a single school counsellor, but in terms of the example that was provided by the CE of the three schools in the Palmerston region, there is capacity for schools, homeland schools and outstation schools to look at doing proportionate funding, to have a position.

One of the areas that we have found a barrier and a challenge, particularly in our remote delivery, is our school counsellors being able to access schools and being able to find the expertise and those people who are qualified and trained to be able to support the needs in a remote context. That is also an area where, if we have more people in that particular profession, we will see the benefits for our students and our families particularly in our remote areas.

There is no reason why some of our smaller or remote schools could not look at getting school counsellors in that could be supported by our regional officers to make sure that there is an existing schedule. We can probably take on notice the specifics of scheduling if there are schools you are interested in making sure they have that school counsellor support.

**Mr WOOD:** You have probably covered some of the questions I had. Are school counsellors shared between middle schools, senior schools and primary schools?

**Ms BAYLIS:** In some circumstances, yes, but not universally that way. It will depend.

**Mr WOOD:** The question I have here might relate to—you said there was one counsellor on maternity leave and the question I have been given here is that there was a delay in replacing that counsellor, which meant that the school—which was Taminmin—had no counsellor at all. There was a concern that this might be trying to save salary costs, because they did not have anyone for a period of time. Was there a real issue there? Was that the reason?

**Ms NIXON:** Yes, the counsellor at Taminmin has gone on leave. We are in the middle of a process of selecting another counsellor who will be in place shortly. In the interim week, we have put a counsellor, who has previously worked at Taminmin for one day a week, in there three days a week. We have been in contact with the principal to ensure that if there are any priority cases and they need some more support, to let us know and we will provide further support.

**Mr WOOD:** Was there any issue with being a little bit slow to get that recruitment process started?

**Ms NIXON:** Not that I am aware of. I am aware that the process went through the normal advertising processes and approval processes and that the panel has formed and is currently making a decision.

**Mr WOOD:** The Member for Spillett asked about a ratio of school counsellors to students. There was a finding of the New South Wales Coroner in 2011 that high schools of more than 500 students should have a full-time counsellor. Based on that figure, do you think Taminmin should have two full-time counsellors?

**Ms BAYLIS:** I am sure that if the Taminmin board and principal thought it was a priority with the resources they have available they would make that decision.

**Mr WOOD:** I will pass that on.

**Mrs FINOCCHIARO:** I wanted to ask about teachers in Katherine. The government made a commitment to increase the number of teachers on permanent contracts. How many teachers are currently employed in Katherine and how many are on permanent contracts?

**Ms BAYLIS:** We will need to take that on notice.

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#### Question on Notice No 7.12

**Madam CHAIR:** Member for Spillett, please restate your question.

**Mrs FINOCCHIARO:** How many teachers are currently employed in Katherine and how many are on permanent contracts?

**Madam CHAIR:** Minister, do you accept the question?

**Ms UIBO:** Yes.

**Madam CHAIR:** The question asked by the Member for Spillett is allocated the number 7.12.

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**Mrs FINOCCHIARO:** What is the average time taken to recruit a teacher to Katherine? Is it a relatively easy process? Do you get a lot of people wanting to teach in Katherine or is there often an extensive delay in the recruitment period?

**Ms UIBO:** You would have to look at the specific positions in regard recruiting to a high school that might need specific qualifications of subject areas, versus a primary school which could be more generalist. I am assuming you are talking specifically about teachers, as opposed to education staff in this question?

**Mrs FINOCCHIARO:** Yes.

**Ms UIBO:** We would need to take that on notice if you are looking at specific times for recruitment. I acknowledge that there are different pressure points throughout the year—the beginning of the school year in Term 1, beginning of Semester 2, Term 3—and higher recruitment needs across the whole of the Northern Territory. You are asking specifically about Katherine, so we will take that on notice.

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#### Question on Notice No 7.13

**Madam CHAIR:** Member for Spillett, please restate your question.

**Mrs FINOCCHIARO:** Please provide the average time taken to recruit a teacher, and you can divide it into primary and senior if that is the best way to do it, for the start of Term 1 and the start of Term 3.

**Madam CHAIR:** It would have to be last year's Term 3 and this year's Term 1. I just want to make that clear for Hansard.

Minister, do you accept the question?

**Ms UIBO:** Yes.

**Madam CHAIR:** The question asked by the Member for Spillett is allocated the number 7.13.

**Mrs FINOCCHIARO:** While I am on Katherine I wanted to ask about the budget savings measure, which I am trying to look for—the removal of \$500 000 from teachers' accommodation.

**Ms UIBO:** I welcome the opportunity to put this one on the record. I know there has been some misinformation in the media regarding this. The subsidy received for government employee housing for education staff in Katherine is undergoing a review. We are looking at a subsidy approximately of the amount of \$2m in total received. We are looking at the department's work in the review as a result of the root-and-branch report we received on 16 April this year. The way that subsidy is used in Katherine for accommodation for education staff—there are approximately 300 education staff in Katherine. We are looking at 94 education staff who receive the subsidy, which is approximately a third. There are anomalies in this subsidy, which is an incentive that was established nearly 30 years ago in the 1990s to attract teachers and education staff in Katherine.

Looking at some of the anomalies we have seen over the close to 30 years, the subsidy received has never been indexed since it was established. That is part of the root-and-branch review process, which the department is undergoing. The CE, Vicki Baylis, has started a process of consultation rounds with the 94 affected staff in Katherine about who is receiving subsidies, who is not, where the subsidy is being used in the fee that is paid to the Department of Housing to keep the GH on the books, and where we can find the \$500 000 efficiency measures.

One of the examples is that I have spoken to Katherine locals, being a person who lives in Katherine who bought my house in Katherine. It is a really great town to live in and we have some very passionate and committed teachers and Education staff who love being part of that community. It is a really great community to be a part of.

I have been talking about some of the efficiencies without having to even look at the measures of savings affecting our education staff—for example, some of the dwellings that might be occupied by one or two people and looking at some of the efficiencies of a three-bedroom house versus a one- or two-bedroom unit and the costs that could be associated with being able to find that \$500 000 efficiency measure.

I will pass to the CE if she has anything to add. But it is an area where messaging has been misunderstood with people thinking that the subsidy is being cut. That is incorrect. We are looking at that \$500 000 out of the overall \$2m housing subsidy in the township itself to see what type of efficiencies we can put in place there in an area that has never been reviewed or indexed.

**Mrs FINOCCHIARO:** Can you rule out then, that any of those entitlements will be loss?

**Ms UIBO:** To clarify, it is not actually an entitlement. It is not under the EBA as an entitlement. It is a subsidy that has been an incentive. I want to make that clear.

**Mrs FINOCCHIARO:** Yes, okay. Can you then rule out that anyone will lose the subsidy?

**Ms UIBO:** The subsidy is in the amount of approximately \$2m. The subsidy will remain. It will be a quarter less, basically, with the \$500 000. I will get the CE to add to that.

**Mrs FINOCCHIARO:** Going back a step, sorry. If it is a matter of looking at how to drive it more efficiently—you used the example of having a three-bedroom house and perhaps all that is need is a one-bedroom unit—the teacher is still getting the subsidisation. Will the housing, for example, dry out? It is, 'Okay, you are not getting a three-bedroom or a unit'.

**Ms UIBO:** Making the point, Member for Spillett. There are two-thirds of our Education staff in Katherine do not receive any subsidy. We are looking at, through this review process, an equity process as well to see who receives a subsidy, if they are receiving it as part of a legacy, and making sure we can remove some of the anomalies that have happened over the last 30 years.

Two-thirds of our educators—be it Education staff or teachers—in Katherine township are not receiving a subsidy at all. First and foremost, the consultation process that has started with this review through the

department is engaging those 94 people who receive the subsidy, which is approximately \$2m. Speaking with the affected people who receive the subsidy is a priority for the department to progress the review.

**Mrs FINOCCHIARO:** I asked this question about solar panels in schools last year. I note that \$1.5m has been spent in the last year. Which schools received solar panels pursuant to this initiative?

**Ms UIBO:** I will ask Simon Scally to join us at the table. This is a good news story for our schools across the Northern Territory and a great story for the Northern Territory in terms of looking at solar infrastructure and particularly rooftop solar. I had the pleasure of being able to announce the project in Alice Springs, alongside Minister Wakefield, who is the Minister for Essential Services. She was very excited to be at Centralian Middle School announcing the rooftop solar project. You are asking for the specific schools?

**Mrs FINOCCHIARO:** Yes, and what is the strategy in deciding a school? How does a school apply to be a part of it this program?

**Ms UIBO:** Simon is going to join us in a moment to talk about those details. There were three rounds for the Rooftop Solar in Schools program. In round one, the schools allocated the program are Casuarina Senior College; Centralian Middle School; Katherine High School; Nightcliff Primary School; Nhulunbuy High School; Palmerston College Senior Campus; Sanderson Middle School; and Tennant Creek High School.

**Mrs FINOCCHIARO:** So has there been three rounds since estimates last year?

**Ms UIBO:** This is the first round.

**Mrs FINOCCHIARO:** That is the first round, yes.

**Ms UIBO:** First round of three.

**Mrs FINOCCHIARO:** This is the first round of three that has happened?

**Ms UIBO:** Yes. I will pass to Mr Scally to talk about the schools that have been identified, and how they are identified for round one.

**Mr SCALLY:** The round one schools have been listed by the minister. For round two, six schools have been selected. The selection criterion are based on a range of things, initially one of the main drivers is going for schools that have a high power use. Then there has been a spread of schools selected across the regions as well, to spread the work and opportunity across the whole of the Northern Territory.

For round two, six schools have been selected and five have been selected for the third round in 2020–21. For each of these years, a further two schools will be selected through an expression of interest process.

**Mrs FINOCCHIARO:** So the schools that have been selected so far are those identified by the department?

**Ms UIBO:** Yes, with high energy use, which Mr Scally spoke about.

**Mrs FINOCCHIARO:** Yes, so the department is overseeing high energy use and then approaching those schools and asking if they want to be part of the program, and then the government is funding the solar panels?

**Mr SCALLY:** That is correct, yes.

**Mrs FINOCCHIARO:** So schools do not have an option to apply, as such, until the end of round three?

**Ms UIBO:** No, round two and round three both have the EOI process. So two schools in round two will be able to apply.

**Mrs FINOCCHIARO:** On top of the schools that are already being allocated?

**Ms UIBO:** And two in round three.

**Mr SCALLY:** Yes, two in round two and two in round three.

**Ms UIBO:** Through the EOI process.

**Mrs FINOCCHIARO:** How much did round one cost?

**Mr SCALLY:** Funding over the three years is \$5m.

**Mrs FINOCCHIARO:** So \$1.5m was spent last year?

**Mr SCALLY:** Yes, \$1.5m for round one and two, and \$2m in the final round.

**Mr PAECH:** Can I follow on from there, Member for Spillett? I note you mentioned the high use schools, but is there a formula being discussed for remote schools? These do not necessarily have higher usage than urban schools, because of the population, but are reliant on diesel generation, which in turn costs the environment more anyway. Are remote schools being considered as a future solar initiative?

**Ms UIBO:** Before I pass to Mr Scally, I made sure the rounds include regional schools, whether regional or remote. That is something I specifically asked the department, so we do not have those regional and remote schools missing out in rounds one, two and three.

**Mr SCALLY:** You are right in terms of the cost of diesel generation and the impact of that on the environment. And also the cost of transporting that diesel to remote locations. Conversely with that, is the cost of maintaining and operating the solar power systems. They need to be regularly checked, maintained and monitored to make sure they are working correctly. It is a balancing act, but there is no reason why schools in remote areas could not access the program, and some schools are already running off solar power. There are outstation schools throughout central Arnhem Land, for example.

**Mr WOOD:** If a community is part of a program to put solar panels into the community, to reduce the overall usage of diesel, would you then bother to put more solar panels on individual buildings, or would you just say, 'Look, we have a program to reduce diesel usage by using solar', and that would be sufficient?

**Ms BAYLIS:** In considering all of this we have chosen to take advice from Power and Water on their plans to make sure we are in sync with them to make the decision, so that we are not duplicating, but are also not getting in the way of things as well.

**Mrs FINOCCHIARO:** I wanted to ask about school-based constables. Will the 10 schools that currently have school-based constables continue to have them into the next budget—this next financial year?

**Ms UIBO:** As you are probably aware, as being shadow Education minister, the Minister for Police and I recently released the interim report into school-based police. As you know, as being a member based in Palmerston, we have seen some positive feedback from the ten schools across the NT. It is a joint partnership with the Department of Education and the Department of Police, Fire and Emergency Services to have that very valuable resource and engagement model that we were lobbied for by the community and were able to reinstate under this government. I will pass to the CE in regard to the technical details for the financial implications

**Ms BAYLIS:** There is no intention to change things for 2020. We are very early in the stages of implementation. There were no recommendations to say that we would shift, but we do need to continue refine role clarity and make sure that all parties are contributing, so that we get the best impact possible for that service.

**Mrs FINOCCHIARO:** Is there any budget allocation for it to be expanded?

**Ms BAYLIS:** The cost for the school-based police officers is met by Territory Police. That question would need to be directed to them.

**Mrs FINOCCHIARO:** How is Education measuring the effectiveness or success of the program? What indicators do you look to say, 'Yes, this is working for our students'?

**Ms UIBO:** Some of that has come through with the interim report and seeing what are the measures and expectations that the community has of having these resources and engaging with the school. I will pass to Ms Baylis with regard to our department's specific measures. We cannot speak for Police.

**Ms BAYLIS:** We use a number of internal survey tools. This is around perception. We could not extrapolate suspension data, for example, because it has not been in operation that long to be able to draw any

conclusions about that. It is really about the experiences and the perceptions of the students and the staff within that school at this point in time.

**Mrs FINOCCHIARO:** I wanted to ask about the Zuccoli government school, which is coming along extremely quickly. I drive past it every day and it is popping out of the ground. I wanted some exact clarity on where things are at with the Zuccoli government school. There is a huge amount of local interest. As the local member, it is something we have been wanting and looking forward to for a long time and we are very close.

If you could take me through time lines, completion, when we might have a principal and when will enrolments start? As part of when it opens, what exactly will the school be offering? I know there was going to be eight classrooms, but that does mean we are going to see preschool right through to Year 6? If you could just paint the Zuccoli government school picture, that would be terrific.

**Ms UIBO:** I know you do have a very keen interest in this area. In total, the allocation budgeted for Zuccoli with the stage two development, in total, is \$42.6m. We have the two stages, which you are quite aware of. In 2018–19, \$6.9m has been budgeted, and \$3.5 was spent as of the 31<sup>st</sup> of—this year, 2019.

In regard to the specific development in stage one and stage two, as you said, paint the picture which I am very happy to do. I am very supportive and very excited to be the minister now responsible for this project. A new school in the Territory is great news, particularly for Palmerston, our fastest growing region—and being able to support the students and families of Palmerston, which the Labor government is very happy to do.

Stage one consists of a preschool, eight primary classrooms—which goes to your specific question, an undercover assembly area and a car park.

**Mrs FINOCCHIARO:** Will those eight classrooms be every year level?

**Ms UIBO:** Yes, we can talk to that in a second. I do want to finish this specific one. That includes preschool and the eight classrooms.

**Mrs FINOCCHIARO:** Preschool plus eight classrooms.

**Ms UIBO:** I will get the CE to talk to the operations of that in a moment. Stage one commenced last year with a design concept and the construction work. That is on track to be completed by Term 1 2020. Stage two incorporates areas which will be shared facilities with Mother Theresa Catholic Primary School, including an oval, a multipurpose hall, a flexible specialist classrooms and delivery of subjects in the areas of music, home economics and science.

Stage two has been fast-tracked. It was due at a later date, but because of that need in Palmerston, we have seen the growth of our student numbers and we want to be able to support those students. That has been fast-tracked and that is being advertised with a target of opening in Term 1 of 2021. In terms of the grades of the classrooms, I will pass to Ms Baylis about the specific primary grades.

**Ms BAYLIS:** We have gone out for recruitment for the position of principal and we would anticipate—all of that going according to plan—that we would have a principal appointed for Zuccoli for semester two or early in semester two for commencement, depending on where they need to move from and how we need to adjust and accommodate that.

At this point in time, we have a number of options about how we will commence the structure of the school. We want to talk with the community about that, so with the eight classrooms we could do an intake of early childhood and then grow the school. It might be early childhood and siblings and run some multi-age classes so that families are not doing multiple drop offs. Or it might be that we restrict it to a class of each year level to be able to do that. That is where we need to do some further work with the community, understand the profile of the need from the families and then be able to structure the way we open the school so that it is most responsive to families.

**Mrs FINOCCHIARO:** Will there be community consultation as part of that? Will there be an open forum concept where families can come and discuss that directly?

**Ms BAYLIS:** Yes. I think we will also need to do the demographic data from the feeder schools the families are currently going to, to get some of the numbers as we understand the family configuration. If you are a family with a child in Year 5, moving into Year 6, to then transition to high school in Year 7, you are probably not wanting to muck them around. At the same time, if you have one car and you have four drop offs, you



might find that preferable. It is just getting a bit of an understanding of where families' lives are. We can do a number crunch but we need to go and listen.

**Mrs FINOCCHIARO:** That is good to hear. I am sure people will be very responsive to that. Once the school principal is then appointed, they will become known, there will be an announcement so that the community can get to know that person as well.

**Ms BAYLIS:** Yes and we will base them in Palmerston and find them a known location so they have a presence there. We will also have the President of the Northern Territory Principal's Association providing some of the additional support for a short period of time so they can get in and we will wrap that support from the educational rationale and brief. We have great support on the infrastructure build, but we now need to get into what this school is about.

**Mrs FINOCCHIARO:** I guess you cannot determine an enrolment date until you have worked out what you are seeking enrolments for. That is envisaged to be Term 4 I believe.

**Ms BAYLIS:** It will have to be so that we can recruit. We also need to understand what will shift in terms of teachers, potentially, or the demand for teachers and classes in the neighbouring schools. It is important that it is not just about opening Zuccoli, but what is the net impact and will we be looking for teachers who would volunteer to transfer to come with some of those families and how we go about doing that.

**Mrs FINOCCHIARO:** Is the feeder suburb going to be just Zuccoli or will it extend to Johnston? Johnston is currently at Rosebery or Bakewell.

**Mr PAECH:** Is feeder the school zone?

**Mrs FINOCCHIARO:** Yes.

**Mr PAECH:** Or you say catchment. Is that right?

**Ms BAYLIS:** Yes, it is the same.

**Ms BAYLIS:** If you were doing the last set of estimates, feeders were a totally different thing. The schools where the zones are.

To be able to make sure that we meet that, we need to understand the need based on the eight classrooms and the preschool availability to determine how broad we can go to start with.

**Mr PAECH:** But at the moment it is just Zuccoli? That will be the catchment?

**Ms BAYLIS:** That is the primary area of focus; however, if we have space you would not deny that. It is just around understanding the quantum of need first.

**Mrs FINOCCHIARO:** If there are eight classrooms plus a preschool that will be done stage one, will there be more classrooms to come in stage two?

**Ms BAYLIS:** Yes, there are another eight. The total capacity by 2021 will be for 432.

**Mrs FINOCCHIARO:** Nice.

**Mr PAECH:** Can I ask a stupid question now? How do you determine a school catchment?

**Ms BAYLIS:** It is a fundamental question to what we do. It is normally a geographic area that is equidistant to the next closest school. That is the simplest starting point from that. That is where you start look at the neighbouring schools. The catchment is the equidistance between them. It makes it a bit messy when you have major highways, sides of streets and all of those sorts of things. It is not as simple as that, but that is the general premise.

**Mr PAECH:** Is it the Department of Education that sets those or is it the school?

**Ms BAYLIS:** No. We do it in collaboration with planning. We get external advice on that for all of the mapping as well. We go to whoever does the wonderful mapping exercises in the Northern Territory to get that advice.

It is also then managing traffic flow, because while it might look logical on paper, families do not always flow the way that geography looks.

**Mrs FINOCCHIARO:** It is envisaged that some of those shared facilities—they have a multipurpose hall and the oval—will be open for the broader community? Will people be able to walk their dog, run on the oval and utilise some of those facilities after hours?

**Ms UIBO:** Yes, my understanding in the work that is being done with the working group is that it will be a community facility as well as a school facility.

**Madam CHAIR:** That concludes consideration of Output 1.3.

#### **Output 1.4 – Middle Years Education**

**Madam CHAIR:** The committee will now proceed to Output 1.4, Middle Years Education. Are there any questions?

**Mr WOOD:** When I was in Alice Springs for the Masters Games, I visited St Joseph's Flexible Learning Centre. How many people are in this centre and does the centre now have its home completed? Why were they moved from Anzac Hill before a decision was made about the art centre? How much has it cost to move them and who paid for that cost?

**Ms UIBO:** I start by acknowledging our flexible learning centres and that they are a really important part of the Territory. I did my practicum at a flexible learning centre in Queensland, so I understand the model quite well. I am very supportive of that model.

I am conscious of time and I will quickly speak to some of the details for those questions. The original move to be able to get St Joseph's Flexible Learning Centre into the Bloomfield Street site was part of the discussions being had by government with other agencies in regard to a major project in Alice Springs, which you are aware of.

So it was delayed but the school was moved in anticipation for the timing of that major project. In regard to the cost, my understanding now is that the school is fully operational. We have had the support of the community to make sure some temporary spaces were put in place. Flexible learning models do not necessarily have to be a four-walled classroom space—just to point that out because there was some questioning about that—flexible is a flexible model as well as flexible learning space. The CE has some of the points about the specific costs which you asked.

**Ms BAYLIS:** St Joseph's is operating from the Bloomfield site now and, in total, we have needed to spend \$1.7m to assist with that relocation. Some of those were rectification issues that we would had to have done on the site regardless of St Joseph's moving in or not and those ones were \$397 000 for asbestos removal that needed to occur on site.

There was a fire hydrant installation that is out for tender that we needed to cover and that was \$470 000. They were site-specific not necessarily specific to St Joseph's. There was some additional funding that we put towards relocatable classrooms at around \$650 000 and then we needed to make sure that we had certification of the security of the fencing, the replacements and those sorts of things—about another \$200 000. All up, to date, we have spent \$1.2m. We are anticipating with the fire hydrant about \$1.7m.

**Mr WOOD:** It is up and running?

**Ms BAYLIS:** Yes.

**Ms UIBO:** Madam Chair, I have three answers to questions.

**Madam CHAIR:** Would you like to read them out or you could table them if you would like. Would you like to table them?

**Ms UIBO:** It is up to the Chair, because I am happy to ...

**Madam CHAIR:** Yes, can you please clarify the numbers of the questions you wish to ...

**Ms UIBO:** Yes, 7.3, 7.5 and 7.6.

**Madam CHAIR:** That is fine, somebody from the back will collect those.

That brings us to the end, the time being 6 o'clock. That concludes the considerations of outputs relating to the Department of Education and the minister's other portfolios. Thank you to all the department officers across your department and areas who have provided advice to the minister today. We know a lot of effort goes into preparations for estimates from many staff across departments.

**Mrs FINOCCHIARO:** Thank you, everyone.

**Ms UIBO:** Madam Chair, if I can say thank you to the Estimates Committee and the DLA staff. A big thank you to the Department of Education and all the officials who joined me, but also all of the staff who are sitting at the back and doing the hard work to support the estimates process. I acknowledge the Office of Aboriginal Affairs under the Department of the Chief Minister, who were ready and waiting for the hearing today; also the Department of Trade, Business and Innovation and the staff working in workforce training. Thank you for your preparation for estimates. I really appreciate all of the support. Thank you again for the opportunity to speak to part of them

**Madam CHAIR:** Thank you, minister. That brings the estimates hearings for today to a close. Hearings will recommence tomorrow morning at 8 am with questions to the Minister for Tourism, Sport and Culture.

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The committee suspended.

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