

The Estimates Committee convened at 8 am.

## MINISTER VOWLES' PORTFOLIOS

### PRIMARY INDUSTRY AND RESOURCES

**Madam CHAIR:** Good morning and welcome to today's Estimates Committee. I acknowledge that we gather this morning on the land of the Larrakia people, and I pay respect to the elders past, present and emerging.

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

**Mr VOWLES:** Thank you, Madam Chair. I have to my right Chief Executive, Mr Alister Trier; Deputy Chief Executive, Rod Applegate; General Manager Fisheries and Product Integrity, Ian Curnow; Mr Phil Hausler, Executive Director Plant Industries; and very importantly, Ms Karen Simpson, Chief Financial Officer.

**Madam CHAIR:** Thank you. Minister, I will invite you 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 not-output specific budget-related questions.

I will invite the shadow minister to ask their questions first followed by committee members. Finally, other participating members may ask their questions. The committee has agreed that other members may join in the line of questioning pursued by a shadow minister rather than waiting till the end of the shadow minister's questioning on the output.

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

**Mr VOWLES:** Yes, I would, Madam Chair. I am pleased to appear before the committee in relation to my portfolio of Primary Industry and Resources.

The industries my department supports and regulates are fundamental to the jobs and development across the Northern Territory. Today I want to focus on a number of projects and activities that will be critical to our industry and its stakeholders in 2018 and 2019.

The government is well advanced in delivering its commitment to investment \$50m over five years to improve the recreational fishing experience in the Northern Territory. The budget for 2018–19 is \$10m. My department has worked closely with AFANT, the Amateur Fishermen's Association of the Northern Territory, and the Recreational Fishing Advisory Committee in planning the stage delivery of infrastructure and artificial enhancements over this time.

Community consultation and stakeholder advisory processes will continue to be integral to the success of this flagship program. Our projects under way include the upgrading of the car park at the Channel Island boat ramp; commencing this year's program of surface fish aggregation advices and artificial reefs; scoping the feasibility study of improved access to Point Stuart fishing camp; undertaking feasibility study of a new boat ramp at Howard River; investigating the dredging of Nightcliff boat ramp; and investigating the feasibility of establishing land-based fishing platforms that will increase opportunities to land-based anglers, especially junior and disabled anglers.

Other projects scheduled to start this year include a Territory-wide recreation fishing study and obtaining engineering report on the feasibility of a floating pontoon at King Ash Bay boat ramp. The government remains committed to resolving issues presented by the High Court's decision on Blue Mud Bay on 30 July 2008.

The government successfully provided a ranged of agreed benefits to traditional owners groups who have agreed to permit free access to Blue Mud Bay and in to tidal waters such as the Daly River, Borroloola, Nhulunbuy, Wadeye and the Tiwi Islands. This includes working together and managing fisheries within Blue Mud Bay Waters as well as the adjacent waters and broader sea country.

Six marine rangers were recently appointed as fisheries inspectors under the *Fisheries Act* meaning they now have powers to undertake compliance activities. The Northern Land Council has made clear that the interim arrangements that have provided ongoing access since the High Court decision will not be extended beyond the end of this calendar year.

While the NT Government respects the rights of the traditional owners to determine access arranged for their land we believe a negotiated agreement will provide a better way, an outcome, to traditional owners and recreational fishers. The government offer includes payments linked to the level of fishing effort in each area in lieu of payments, support for marine ranger programs including training, funding and joint patrols and mentoring commercial fishing skills, which can open pathways to fishing businesses and jobs in remote communities.

The live cattle export trade to our principal market of Indonesia is facing significant challenges. My department supports the Indonesian domestic cattle industry with training and by conducting programs focused on managing Australian breeding cows within Indonesia. The government is also supporting development of other export markets, particularly Vietnam and China.

Domestic and overseas markets of NT buffalo have increased in the last two years and we want it to grow, and it will continue to grow. The NT Government buffalo industry has great potential to expand and provide employment to remote communities, but there is still significant work on completing and developing the supply chain. How long do I have left?

Biosecurity underpins and enhances Australia's and the Northern Territory's market access for agricultural products. My department achieves this by working with industry, government and communities to ensure best practice biosecurity and animal welfare standards are adhered to within the Northern Territory. A specialist biosecurity workforce protects livelihoods of farmers from the daily threat of exotic pests and diseases. We collaborate with stakeholders to implement biosecurity programs and protect this valuable asset.

The NT has led the way nationally with the eradication and management programs for pests such as banana freckle, browsing ants, cucumber green mottle mosaic virus, Asian honey bee and the Queensland fruit fly. The latest threat to the Australian citrus industry, citrus canker, was in early April and decisive action was taken immediately to minimise the risk of any further movement and impact of the disease.

The plant industry research and development program focuses its efforts on increasing industry profitability and sustainability, maintaining and expanding market access and enabling industry partners to adapt to change. The department is developing a collaborative investment model while working with the industry sector. We are working with the industry to prepare a funding joint submission to Horticulture Australia to provide regionally-based industry development officers to improve national industry communications and regionally specific best practice.

The specific areas of research include investigating mango crop manipulation to enable the expansion of the mango production window in the Northern Territory. We are evaluating new mango varieties with industry partnered research on root stocks and post-harvest performance and we have established cultivar trials in Ali Curung to investigate the potential of further spreading mango production.

We are developing new varieties of passionfruit with enhanced productivity and consumer traits such as visual appeal and flavour. We obviously want to expand horticulture development in Central Australia as well. New table grapes from the CSIRO national breeding program and commercial varieties of garlic have been established at the Arid Zone Research Institute.

The government has announced that it will commit \$26m over the next four years to geoscience and industry stimulus programs to maximise resource exploration in the Northern Territory through resourcing the Northern Territory initiative. This is the biggest investment by any NT Government into programs to attract and support resource exploration in the Territory, demonstrating our commitment to growing the resource sector and providing jobs in regional areas.

The initiative is designed to make the Territory a preferred destination for resource investment and support local businesses and communities such as Tennant Creek that are dependent on the exploration and mining sector for business and employment opportunities. We have an increased focus on supporting the local service and supply sector by introducing a Territory supply incentive for the industry grant scheme to encourage companies to use locally-based businesses and suppliers.

The initiative replaces the existing \$23.8m Creating Opportunities for Resource Exploration initiative, or CORE, which is due to end on 30 June 2018. An external review found initiatives have led to an increased share of national exploration expenditure and that every dollar invested by government had delivered a \$10 return in increased exploration activity.

Moving to energy, the final report of the scientific inquiry into unconventional reservoirs in the Northern Territory concluded that the risk associated with any onshore shale gas industry in the Northern Territory can be appropriately managed. A dedicated team has been established in my department to prioritise and work on those recommendations relevant to petroleum legislation that must be implemented before any further exploration approvals can be granted. The inquiry did not relate to conventional reservoirs and the moratorium did not apply to activities associated with conventional reservoirs. Companies with acreage in the Amadeus Basin, such as Central Petroleum and Santos, are continuing with their activities.

Now is also time to restart the conversation about our energy policy, and my department will commence engagement across government before finalising an energy policy discussion paper for me to take to Cabinet to agree to public consultation.

Mining management plans are currently undergoing reform to streamlining mining approvals under the *Mining Management Act*. My department is working with industry to streamline the approval processes for explorers. A key to making improvements is clarifying and communicating the requirements for exploration activities. It is expected that the review process will be completed by mid-2019.

The Legacy Mines Unit continue this program of safety works in the Tennant Creek region throughout this year. Works completed include stage two safety works centred on the Burnt Shirt and Town areas. Both of these areas are within 10 kilometres of Tennant Creek and the program is supporting local businesses with the local development criteria weighting in those tenders at 40%.

The department has been working with Tourism NT and the Barkly Regional Development Committee with a view to incorporating the areas where safety works have been completed into tourist trails. Under the supervision of the traditional custodians two impacted sacred sites near the town were repaired. Aboriginal Areas Protection Authority certificates have been received for three more areas: Kunjarra Quarry, Lone Star which are doing stage three safety works, and (inaudible) dolomite areas. Tenders for safety works and fencing these sites have been prepared and will be released in the very near future.

The department has also been active in the mineral titles area. Following the introduction of the *Mineral Titles Act* in 2011, my department gave the commitment that a review of the then new act would be undertaken to ascertain the effectiveness and compatibility of the new act with industry expectations. That review has commenced and drafting is planned to be in the latest part of this calendar year.

The department has also commenced a review of the current land access policy from mineral explorers on pastoral land. Consultation with the Northern Territory Cattleman's Association and the Minerals Council of Australia and the Association of Mining and Exploration Companies have progressed well. The updated policy is expected to be in operation by the third quarter of this year and this will further assist the mineral explorers and the pastoralists with a clearer, more transparent and collaborative approach to land access.

Madam Chair, my portfolio represents some of the most fundamental aspects of life, being food, minerals and energy. I would be pleased to take questions from the committee.

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

**Mr HIGGINS:** Thank you, minister for that outline of your department. It really opens up anything in your department to questioning, but I will leave them for the output areas. I think the staff have done a terrific job. It is a fantastic department, as you know. Being a previous minister, I have had involvement with all of the staff there. I thank the staff for the work that they did in answering the global questions and preparing your speech for you today, and I know they will have prepared a lot of documentation for you.

Minister, for every one dollar that is invested into this industry, you get \$10 in return. So we invested \$3.5m into a moratorium. Did we get a return of \$35.6m out of that? If not, what did we get? If it cost us, did your department do any costing on what that has really cost the industry?

**Mr VOWLES:** Thank you very much, Leader of the Opposition. It is a fantastic question. I appreciate your great comments and support for the departments. We all know, as do you as a former minister, that we cannot do our jobs without the support of our department. They do such a broad range of work for us, from mining to energy, to the aquaculture, agriculture and fisheries. They do a fantastic job for us.

It is a really good question about \$1 with a \$10 return. What cost is there for getting the trust of Territorians? Going through the process of an independent scientific inquiry, which we promised Territorians we would do if we were elected—history shows, we were elected and here we are. We have gone through a scientific

inquiry. We have come to the end of it, we have a final report out, a decision was made by government and there is a lot of work to be done.

We have an enormous amount of work to do—135 recommendations. There is an implementation team in the Chief Minister's department for that. As I said, there is a team within my department that do that if you want any more information, I will be able to hand it over to probably Rod or Alister. The return in the long term for the Northern Territory will be enormous. It is imperative—absolutely vital—that we get it right from the start.

I have just come back from America. I went to Texas and Pennsylvania. Pennsylvania was very important for us to see and hear not only from the mining sector, but from the environmental regulators in Pennsylvania who had a massive rush when hydraulic fracturing—or horizontal/lateral drilling, which is what I think they call it over there.

Their responses were, 'We wish we could do what you are doing. You have had one unconventional or lateral drill in the Northern Territory. We wish we could go back there.' Because they have had to work backwards. We have a really important and delicate situation that we need to get right, and that is what the inquiry has done.

The short answer, Leader of the Opposition, is that in the long-term Territorians must benefit financially and economically. Jobs, careers and the social licence aspect of this industry—you have to get right. At a cost. I am happy to hand over to Alister, the CEO, if there is anything he wants to add.

**Mr TRIER:** I do not have anything.

**Mr VOWLES:** That means I am doing all right.

**Mr HIGGINS:** I can see the long-term benefits of having fracking and onshore gas available—it was more the short-term benefits. In actual fact, it has not returned a benefit to us in the short term; it has actually cost us. That was a trick question. That is all I have on the opening statement. I will keep my questions for all the output areas.

**Mr WOOD:** I have a few questions. I did not get to Pennsylvania but I got to Ohio, and I must admit that I was impressed by the environmental regulators there and a lot of the mechanisms they use to make sure the environment is not impacted, even though fracking of some sort—as they said in about 1880—is a hole in the ground and a stick of gelignite. They have moved on from that, thankfully, but it is interesting to hear what people on the ground have to say, and what industry and the environmental regulators have to say about the industry.

Thank you for going on that trip. We should have sent you to Wyoming too; it is a very interesting place to go to. It is a bit like the Northern Territory.

You spoke about the feasibility of a boat ramp at Howard River, and you also mentioned Point Stuart. Can you update me as to where that is at the present time?

**A witness:** Where Point Stuart is?

**Mr WOOD:** Both. I know where Point Stuart is, sorry. I will rephrase. Can you update where the issues around those particular sites is at the moment?

**Mr VOWLES:** What was the first one, sorry?

**Mr WOOD:** Howard River. I was up there recently, talking about that with Billy. I know the Speaker would be interested to know where that is at as well.

**Mr VOWLES:** Yes, of course. I will speak for a minute and then hand over to Mr Curnow. I know it is important that we provide more access. That is why we have \$50m to spend in the recreational fishing infrastructure budget over the next three years. It is important that we are opening up new areas. That is what Point Stuart is about.

The potential of doing that work is around access. I will get Ian Curnow to go through that in a bit more depth. For me, as the minister, it is about what I can do to open up new areas for recreational fishing and

opportunities for tourism and what that brings to the Territory. For a better update, I will hand you over to Mr Curnow.

**Mr CURNOW:** We can start with Howard River first, which is probably dear to your heart, Member for Nelson. We just received our first cut of the detailed consultancy report we have had on that, which examined four potential sites along the Howard River, including the old Casey ramp site. Obviously, there were a couple on Mr Boustead's land as well as some Crown land sites.

The key there is that the sites closer to the mouth of the river give you better title access to get over those issues when you go further upstream to where the Casey and the title site is. We are going through those reporting details at the moment. We will also be having some negotiations with some of those landholders to see if they were interested in disposing of any or part of their land, which will inform on whether any of those sites are realistic to hone down a detailed option.

The key part with that project in terms of cost will be the road elements and getting the road up to the right standard if it will have high levels of traffic and trailers on it. That work will be progressing over the next six to eight weeks. Hopefully by this time next year, there will be a clear decision on whether one of those four options is cost-effective and feasible.

**Mr WOOD:** Could I ask you a question based on a question from one of the members last week? It was about having a regional waste facility. The regional waste facility was originally in an area roughly between the prison and the boat ramp at Howard River.

Have you had any discussions with other departments as to whether you could piggyback off some of that infrastructure that might be required?

**Mr CURNOW:** I am personally not aware of those discussions, but with all of these projects we are partnered with DIPL, which does a lot of the consultancy and work around this. I will follow that up with them. I am sure they are well and truly across that. They coordinate most of these infrastructure projects. We provide the fishing expertise in terms of the ideal sites and requirements from a fishing point of view, while DIPL undertakes the construction and infrastructure works.

**Mr WOOD:** And Point Stuart?

**Mr CURNOW:** Yes. On the Point Stuart one, we have had a more detailed consultancy come back. Recently the consultant, DIPL and our department went on site and met with Mr Holtze. He was wanting to make some variations to his original proposal in terms of access to the ramp and relocate some roads. Further costings are going into that part of the project at the moment.

As I understand, as part of that consultancy there were a number of issues in terms of the alignment of the road identified, which would need to be tidied up again. I guess now we are at the stage of doing the detailed costings of how much it will cost and if it will represent bang for buck.

The key part is the major dollar parts of the infrastructure program roll-out next year and the year after. The plan this year is quite timely in terms of setting those up to guide which projects will be cost effective.

**Mr WOOD:** Minister, you mentioned land-based access. I was a bit disappointed when you said this will be ideal for young people and the disabled. You forgot people who do not own a boat, which can cover a lot of people—including me. Do you have any idea where some of these land-based access sites will be?

**Mr VOWLES:** Land-based is land-based, Member for Nelson. People without a boat will not use the boat on the land.

**Mr WOOD:** I can throw a line off the rocks too, but I presume you are putting in something more formalised than that, like a jetty.

**Mr VOWLES:** We are. We are doing a lot of work around that. I will hand over to Mr Curnow.

**Mr CURNOW:** For the current two priority sites, we have been through a process with RFAC and AFANT to get feedback from the public on what areas they think are important. They come up with a list of six or eight priorities. At the moment, the first two priorities that ticked all the boxes are East Arm and Cullen Bay in terms of trying to seal the current groyne at Cullen Bay to make access easier.

They are the first two priorities at the moment. Consultancy is under way on both of those projects as we speak. They are the first two that have been explored in terms of cost benefits. Hopefully those ones hit the market and go ahead. Then we will move down the list of the other priorities identified by AFANT and RFAC next tranche.

**Mr WOOD:** Minister, you mentioned Blue Mud Bay in relation to the Northern Land Council saying they only have until the end of the year to decide on that issue. If the traditional owners wish to negotiate directly with the government, are they entitled to negotiate?

I am not sure whether you know, but in some areas there are disputes about who the traditional owners are. Therefore, it is likely not to have a decision made until those disputes are sorted out. Is that statement in concrete, or do traditional owners still have the right to negotiate directly?

**Mr VOWLES:** As a government, I do not think there has been a better appetite to get this sorted. We are in constant communication, meetings and negotiations with the Northern Land Council and traditional owners. I am someone who tries to get out to meet people. I have a few trips planned to get out again very soon.

It is important that we get this done. I have had a directive from the Chief Minister that we do not want to roll this over any more. I think time has caught up with us, and that may have to happen because, as you can imagine, they are complex negotiations. It is back and forward all the time. The Northern Land Councils know there has never been a bigger appetite to get this sorted.

We are negotiating to get this sorted. That gives a lot of—comfort probably is not the right word. A lot of people are involved in this, not only traditional owners but the rec fishers and commercial fishers. We have the beds and banks issues bubbling away as well, so we, as a government, are very keen to get this sorted.

I will be meeting directly with traditional owners because I want to hear what they say. The Northern Land Council represents the traditional owners.

It is a double-ended question you have given me. It is something I am respectful of, but I would not like to see negotiations or agreements not being finalised if the traditional owners want an agreement and the Northern Land Council does not. There lies an old chestnut that has been on the fire for a long time on many different issues.

I want to see this happen. It is my job, given to me by the Chief Minister, and I take it very seriously.

**Mr WOOD:** I have two more questions. This is a broad question on biosecurity. Would it be fair to say our biosecurity has failed? We tend to say we have had wins after the event—we have fixed up mosaic virus and banana freckle—yet if biosecurity is working, how did we get panama disease? How did we get that virus in the first place? If our biosecurity is up to scratch—can we really say it is doing its job?

**Mr VOWLES:** Member for Nelson, you have been around a long time, longer than most. With your experience in horticulture—we all forget that. You have extensive experience in the Northern Territory, so, in seriousness, I have enormous respect for you and your experience. This is nothing new for you, so I will not pull the wool over your eyes and tell you something you do not know.

As you can imagine, it is an enormous priority for any government. I sat in opposition, having a go at a couple of people at this desk about banana freckle and how it was handled, but what you will see is now I know a bit more. It was almost week-by-week learning; it is a new biosecurity issue for the Northern Territory.

I stand with our biosecurity team; they do an amazing job. You are seeing that right now with citrus canker. Instead of the pandemonium and lack of knowledge, we are fully prepared. The melon virus and banana freckle disease have prepared—we have plans in place for the first time, I would say. I want to hand over to Mr Trier soon, but with the citrus canker we are so prepared. We have a communications plan and an on-the-ground plan across the Northern Territory. It is plant by plant.

**Mr TRIER:** In answer to your question, the world is a changing place and globalisation and the increased movement of people, traffic and goods and services that is bringing a lot of challenges from a biosecurity point of view. It really has caught the minds right across Australia in the biosecurity area about the challenges that we do face.

As the minister said, it is about being prepared and getting better systems and processes in place to deal with issues that are arising. My view is that our ability to sell product overseas, where you have a mango on

a shelf in Japan beside a mango on the same shelf from Brazil and we want another \$2 for ours. We need to have some good reason for that. One is, it has to taste good. But two, it has to be safe. That is where biosecurity is really important as a foundation for industry development.

I think it is quite clear that we are getting better and more effective at what we do and how we do it. That is playing out right now. That is not to say that there will not be challenges in the future, but it is an evolving process.

**Mr WOOD:** My last question on your opening statement—you spoke about the recommendations of the hydraulic fracturing inquiry. I am interested in what your department's opinion is about water. One of the recommendations is that the water used will be charged for—I am not sure who by. As you are the Minister for Primary Industry and Resources, what ongoing implications does that have for horticulture, the cropping industry, other mining industries—you also mentioned there are existing gas industries. What possible effects, or side effects, will that have in relation to whether other people get charged for water?

**Mr VOWLES:** I might have read about this question in the *NT News* this morning, Member for Nelson.

**Mr WOOD:** Well, someone rang me up at about 6 o'clock last night. You were forewarned.

**Mr VOWLES:** The short answer is we are working through that policy and those decisions right now and getting all the information. Water is pivotal to my portfolio of Primary Industry and agriculture—and access to water and what is available.

The other side of that is, for the first time we are bringing water allocations for the mining sector in. It is probably a question you can ask Minister Moss as well ...

**Mr WOOD:** I have and I will.

**Mr VOWLES:** ... and the Water Controller. It is important that, as the minister, I stand up for the industries that I represent in my portfolios to make sure we are not increasing any costs to those industries to the detriment of any further developments happening or new crops or any new industry. This is part of the scientific inquiry. I think we had three water experts on the panel because we understood the water issue was going to be very important. That report has come down but in the policy decisions—we are still working through all that.

**Mr WOOD:** Then the government has agreed to just a blanket agreement to all those recommendations, has it not got itself in a bind? There are other mining industries, the iron ore industry for instance, which might start up again that use a fair bit of water. In fact, horticulture uses far more water, and people forget that.

Where does the department stand on developing the north and putting a cost on water? Will it be an even policy across all industries or will it just be one industry that has been selected to be charged for water? As I said, there are other mining industries in the Northern Territory that use probably more water than the gas industry.

**Mr VOWLES:** We always talk about the value of water, but it is a resource. It goes to what amount of water is available and what we are using—it all comes down to that. We are still working through all those across the departments and portfolios as well. We have to still work through that policy direction.

Where you are trying to get me is—will we start charging everyone for water ...

**Mr WOOD:** That is where I am going. One industry could say, 'Why are you picking on us? We are no different from the other industries except we just happen to be more in the public arena than others.'

But there are a lot of other industries that use just as much water—or even more—that will still get their water free. I am not saying it should not be free, but I am looking to see whether the government is looking at a uniform policy in relation to charging for water, which could apply to local councils for instance.

You only have to take my council, which uses water for all its fields at Freds Pass—will they be charged for water too? That is the implications it could have. Also for people in the rural area who use more than stock and domestic water. There are implications right across the board.

**Mr VOWLES:** We are going into your area of whether we will charge rural residents for watering a four-acre green lawn and lawn bowls properties out that way, when you drop a bore for \$25 000 and the water is free for the rest of your life ...

**Mr WOOD:** No, I am not advocating that, by the way. But the point is, once you have set a rule about charging for water, you need a reason for doing it. That reason should be even across industry.

**Mr VOWLES:** Yes, I agree. As I said, it is a complex policy and we will work through all that, and we are working through it. As you know, Member for Nelson—you have been in parliament longer than I have and you have gone through a lot of legislation—when you simply say ‘We will change this act,’ then there are all the repercussions of everything else we need to make sure we are working through that. We, as a government, are working through that diligently. I do not know if Mr Trier has anything to add.

**Mr TRIER:** It is pretty well covered from the recommendation in the report. The government has committed to implanting that recommendation as it relates to water. Where water relates more broadly, that is a policy consideration for government going forward beyond this agency. It will require a number of agencies as well as portfolio ministers as part of that discussion.

**Mr WOOD:** I quickly ask for clarification. Water used in conventional gas production will not be charged under the present policy?

**Mr TRIER:** My understanding is the recommendations of the report over time—the way we will implement and set up regulation for oil and gas going forward will be applied across the board, so there will be consistency within the industry.

**Mr WOOD:** Okay, thank you. That is all ...

**Ms NELSON:** It was one of the recommendations of the Pepper inquiry report, was it not? The issues from the previous government with water licences and allocation has led us to where we are today. I welcome the fact that we are taking this very slowly and making sure we are getting it right. Katherine is a prime example of that. There is over-allocation in Katherine.

**Madam CHAIR:** Are there any further questions for the minister on the statement?

**Mr HIGGINS:** Yes. It is more around the charging for water. We heard the other day that Akuna Blue is extracting water, not even paying for that water and then selling it. The other thing is they do not even have a water licence and they are putting it into plastic bottles that come out of the gas industry. How do you rationalise that in the sense that you are charging people to make bottles so you can then give away free water, technically?

**Ms NELSON:** That is a bit of a residual from your government also, Member for Daly.

**Madam CHAIR:** We will let the minister answer the question.

**Mr HIGGINS:** Member for Katherine, there was a review into the water licensing and it did not find anything wrong, thank you very much.

**Mr VOWLES:** Yes, it is out of our purview and our portfolio areas. Gary, you have given me a chance to give you a free kick here.

**Mr HIGGINS:** Try.

**Mr VOWLES:** It is not a decision of our government. This was a decision of your government. We have gone through ...

**Mr HIGGINS:** You are the ones who have given the \$10m. That is a ...

**Mr VOWLES:** It was a decision made before we did it. At the end of the day, we still have some legacy issues we are dealing with. I see where the previous government was going, getting local businesses up and running and those sort of things. I am sure those question you asked—was it to the Treasurer?



**Mr HIGGINS:** The question was that they need to get a water licence. It was our government that removed that exemption. They applied for a water licence over 18 months ago. They have not gotten it. Under your government's watch, you have given them \$10m.

**Mr VOWLES:** As a government, we obviously support local business, and that is a decision for the people who made those decisions. About my portfolio areas—I am not in charge of water. As you can imagine, as the minister for Primary Industry, I wish I was.

**Mr HIGGINS:** As do I.

**Mr VOWLES:** When those water licences come out it is all about primary industry and new opportunities. That is what my job is about, creating new markets and opening up new markets, like we are doing in the USA with our mangoes. I have been to Japan where it is \$200 for a mango. I could not afford to buy it to taste it, but I wish I could. And nobody would buy it for me, as you can imagine. The taxpayers pay \$200 to taste a mango. But, I have no doubt ...

**Mr HIGGINS:** People in the mango industry might see the value.

**Mr VOWLES:** I have tasted a million local mangoes over my time, from when I was a kid on Freshwater Road in Jingili—taken from the neighbour's yard without his permission to now as the minister. The best mangoes in the world, I believe. Any opportunity we have in my portfolios to expand our produce across the world, we will. In regard to water, you will have to ask the relevant minister tomorrow. I am sure they are listening and getting prepared for this question.

**Madam CHAIR:** Are there any further questions on this statement?

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

**Madam CHAIR:** The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2018–19 as they relate to the Department of Primary Industry and Resources. Are there any agency-related whole-of-government questions on budget and fiscal strategy?

**Mr WOOD:** I am not sure where this fits.

**Madam CHAIR:** Why not ask it now, Member for Nelson?

**Mr WOOD:** Minister, this one is a broader question. What real outcomes will come from the memorandum of cooperation with Japan? The MOC includes an intent to invest in agribusiness, projects, the supply of food to Southeast Asia and other export markets. If that is the case, where will all the water come from?

**Mr HIGGINS:** Out of the ground.

**Mr WOOD:** I know it comes out of the ground, thank you. It comes out of the sky as well.

**Mr VOWLES:** Thanks for the question, Member for Nelson. I was fortunate enough to sign the MOC, the memorandum of cooperation, with the Japanese Ministry of Agriculture, Forestry and Fisheries in 2017. It has mainly been about soybeans. We have done a lot of media and opportunities around soybeans, but there is also asparagus. For me, it is really important that we are looking at these links to Japan and beyond about getting our products out and having new markets here. The opportunity for the Northern Territory, if this works, is enormous.

**Mr WOOD:** I agree, and China wants soybeans.

**Mr VOWLES:** It is absolutely enormous. I was recently on a mining visit to Japan and was able to actually sign the work program or a more strategic plan for the memorandum of cooperation with the Japanese government. There are some really interesting strategies and work plan going forward. I am happy to provide them if you do not already have it. It is a really simple document, but it has about collaboration.

It even has about the average age for a farmer in Japan is in their seventies now. They are really concerned about that, so we are looking at exchange programs for trying to entice young Japanese people into farming—'Come to the Northern Territory and do that exchange'—which I think is really positive for both countries.

Water is very important. It is our most precious resource. We have to make sure we are allocating correctly, doing the right things and that we have a plan. There is no need having all these great, grand schemes to supply soybeans to the rest of the world if we do not—we have the land but we do not have the water or the right water. We do not have the sweet water stuff so we need to make sure we get it right.

I just want to talk about the agreement because it is such an opportunity for us and it really is a collaboration and, as you can imagine, the Japanese government are very proud to have a deal with us. What we have is the land and the expertise.

**Mr WOOD:** I support that. That is where opportunities are, but it worries me that we need ways of being able to harvest water if anything, because once the aquifers have reached their limit on what can be extracted we will obviously need other ways of harvesting water.

Does your department deal with that broader issue about where we will get water from if we want to develop these export opportunities?

**Mr VOWLES:** I will hand you over to Mr Alister Trier.

**Mr TRIER:** The point you make, Member for Nelson, is absolutely crucial and I think one of the things we need to do is start to understand what the opportunities are to harvest water during Wet Season high flows.

To do that we need to, I guess, go through a program of developing some research to provide the science that will underpin the policy development in water space—recognising that the *Water Act* and the regulation of water sits with the Department of Environment and Natural Resources. We are talking with that department about how we can develop a science-based mechanism to develop evidence for policy around the extraction or harvesting of water to enable further developing going forward.

**Mr VOWLES:** It is an enormous opportunity, I could talk for hours on this. I think the sharing of information with the Japanese—we could talk about water for a long time.

**Mr WOOD:** Keep the answers fairly tight—we have lots of questions.

**Mr VOWLES:** We got it in there; probably in the wrong area, but that is good.

**Mr WOOD:** I was not sure.

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

### **OUTPUT GROUP 1.0 – PRIMARY INDUSTRY DEVELOPMENT** **Output 1.1 – Market and Enterprise Development**

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

**Mr HIGGINS:** My question will be a bit of a Dorothy Dixier for the minister to start off with. Do you agree that the pastoral industry has a great capacity to increase its production and economic contribution to the Northern Territory?

**Mr VOWLES:** I am sorry I did not hear—I switched off at Dorothy Dixier. I thought I was able to talk about whatever I wanted to.

Of course. As a former mango grower you know the opportunities we have when we are extending, as I said a bit earlier, we have an officer visiting quite regularly to America, to the USA, to open that market up for us. We have new technology that has been used, the Sendum technology—real-time data coming from the flights with the mangoes going over ...

**Mr HIGGINS:** I think this was more the pastoral industry side.

**Mr VOWLES:** I am getting there. You said it was a Dorothy Dixier. I am getting to mangoes and going to pastoral.

Of course, Leader of the Opposition, the pastoral industry is very important. The Northern Territory has—you know how I approach these portfolios—resources and primary industry. People want continuity, not only in policy but in our approach in dealing with them. They are old industries, they mean a lot to the economy of the Northern Territory. They bring huge financial gain to the Northern Territory budget.

We need to do whatever we can to extend and promote that, and to make sure we are doing everything we can not only as a department, because they do that already, but as a government to support any opportunity to grow the pastoral industry and the whole resources and primary industry sector.

I have said they are old mainstays of our economy. The name changes, but the title stays the same. We need to make sure people know we are working for them.

**Mr HIGGINS:** That leads me to the Pastoral Land Legislation Amendment Bill. I suppose that is a necessary piece of legislation that will secure some of these jobs and growth in that industry. I know the Cattlemen's Association was very heavily involved in drafting some of these amendments.

Should they continue to have confidence in government when they had that involvement up front? That legislation then went through a scrutiny committee which then went to your Caucus or to government. We are led to believe that it has now completely changed.

Should these industries continue to have confidence when they know they have negotiated with government? It goes to a committee, goes back to the Caucus or through Cabinet, and then comes out the other end bearing no resemblance to what they agreed to in the beginning. Do you have a comment on that? I think you might be aware of what I am actually alluding to.

**Mr VOWLES:** Thanks for the question, Leader of the Opposition. We absolutely support the industries. The *Pastoral Land Act* does not sit in my portfolio area, but it has consequences to my portfolio areas.

**Mr HIGGINS:** A big impact.

**Mr VOWLES:** Straight off the bat, my negotiations as the minister for my portfolio have always been very professional, honest and up front. That is how we like doing business. Anybody does that and likes that approach. There have been some changes. We have seen this in the media lately. We have an issue, as a government, where some of our information is getting out very quickly on some of the decisions we are making. Things are coming in. You know what that is like. They are issues we have to deal with.

The other side of this is that while I respect and have a great working relationship with the NT Cattlemen's Association—sometimes just a great relationship is enough to do our jobs—they are the only stakeholders involved in the *Pastoral Land Act*. There is a system of government being worked through that will come out. I must ensure I am standing up as the relevant minister for my portfolio areas. That is what I am doing and will continue to do.

The *Pastoral Land Act* sits with the Minister for Environment and Natural Resources, who has carriage of that. I am sure you will ask that question to her as well. All I can say to the industry and the NT Cattlemen's Association in particular—they are going through some changes right now; we have seen it in the media. As all governments have done, we will work closely with the NT Cattlemen's Association. I wish Paul all the best in his next adventures and endeavours. We have a very good working relationship, as I have had with previous NT Cattlemen's Association bosses in government and in opposition. I wish him well.

**Mr HIGGINS:** Is it true that the whole subleasing part of these amendments is now being withdrawn and will not be part of those amendments? It was passed in August, and this is the result of the Chief Minister wanting to incorporate the native title veto provisions into that piece of legislation.

A simple yes or no. Is it true that the subleasing is being removed? You do not have to comment on the Chief Minister's ...

**Mr VOWLES:** I will probably not comment whatsoever on that. Somebody who works through with that—that will be for the relevant minister at the time.

**Mr HIGGINS:** This is advice that has been given to the NT Cattlemen's Association. I am sure the NT Cattlemen's Association, seeing they were advised of that sometime in May, would have spoken to you about it. We are now in mid-June and talking a month. The question is, are you aware of it?

**Mr VOWLES:** I can tell the Leader of the Opposition that as a Cabinet, we met with the executive board of the NT Cattlemen's Association in Newcastle Waters Station maybe a month or six weeks ago, something like that. At Newcastle Waters Station we had a meeting to discuss this and other issues. It is important that governments have these discussions with all the stakeholders. There was a lot discussed there and there has of course been a lot of discussion since, but they are decisions of government that will see the light of day at some stage soon.

**Mr HIGGINS:** I think they have seen the light of day. I think there has been a letter delivered to the Cattlemen's Association outlining that. I might ask the minister if she can table that tomorrow. So if she is listening now she might want to table that letter that was written to the Cattlemen's Association stating exactly what I have just asked.

When we are talking about development in an industry—here we have one of the biggest industries in your portfolio and I think what they are saying is, how can they have faith in negotiating with a government over an extended period to get some amendments put into an industry, or to a piece of legislation that will develop that industry and see it go into the future just to then have those recommendations dropped at a whim?

**Madam CHAIR:** We might save that question for the relevant minister, Member for Daly.

**Mr WOOD:** I think it is a really important question for this minister, because in Budget Paper No 3, on page 181, it talks about enterprise and market development projects for the agriculture sector. Also in your annual report, it says your department will work with the NT Cattlemen's Association to develop investment information for the pastoral sector. Also, in the annual report, you say your department advanced integrated mixed farming to complement and diversify pastoral operations.

Minister, I am not against consultation with the native title holders and, as you would know, in the *Pastoral Land Act*—which I know does not come under you—there are certainly a lot of conditions, especially when it comes to land clearing. There are opportunities for people on all sides to discuss that. Is there a clear distinction between negotiate and consult? In other words, do you see the right to negotiate—the right to veto development—or do you think what we should be looking at here is consultation between all parties?

**Mr VOWLES:** As a minister of a government, any government person will say we want consultation, it is always our answer. It is the starting spot for any discussions on policy or change of policy, the ins and outs of any bits of legislation that we have consultation with everybody. There does come a time when governments have to make tough decisions or simple decisions, but we need to make sure that we are talking to everybody.

This has been one of those situations. I will not speak on behalf of the relevant minister, simply because they have more information than I do, but as the minister for Primary Industry, it is important that I am representing the industry.

What we are seeing in many different areas of my portfolios—mining, land access on cattle stations for mining—we see the diversification of the *Pastoral Land Act* that really has made a significant difference. If there is one thing that I have said the previous government has done well, it was the diversification of the *Pastoral Land Act* to allow mixed-use of that—putting crops on, growing different produce on their cattle stations.

But it is all around—the work is around access. Access is always a very delicate, very topical and an issue between the mining sector and obviously the cattlemen and the native title holders and traditional owners as well. It is delicate negotiations always. We need to make sure we are talking to people. At the end of the day, government has to make a decision and whether it is our decision or the federal government's decision, it just has to be made.

One thing I have learned, coming from opposition to government, is that every decision is a tough decision. They say that when you get into politics you upset 50% of the people regardless of what party you are in. When you get into government, it is important that when you make the decision you have done all the consultation and have all the information. At the end of the day you have to make a decision, and you will always upset somebody. But to make sure that we respect everybody's views, that is what we have to do here.

**Mr WOOD:** Just tagging on from what the Leader of the Opposition said, is it your understanding that previous approvals for diversification, if the government decides to add in the right to negotiate on native title, they will also be included even though originally that was not included in the legislation?

**Mr VOWLES:** I think that is a question for the relevant minister.

**Mr WOOD:** The Economic Policy Scrutiny Committee looked at this issue and spoke about options. The option to negotiate is only one option and there are possibly other options.

You might refer this to the other minister, but do you think, if the government is to change what is probably one of the most fundamental part of this pastoral land amendment bill, that those changes should not go back to parliament before going to the scrutiny committee? They are the ones who are meant to look at this bill—and this is a serious part of the bill, with both sides looking into it.

Before any amendment goes to parliament, do you support the scrutiny committee at least looking at this in more depth? It has implications for your part of northern development, and for people's rights with what is happening on land.

**Madam CHAIR:** Member for Nelson, can I make sure you are not asking his opinion on this? If you could reword the question so you are in line with Standing Order 109(3). Please ask a question relating to the output.

**Mr WOOD:** Fair enough, thank you, Madam Chair.

Minister, would you support an amendment that may come through from your government going back to the Economic Policy Scrutiny Committee for analysis?

**Mr VOWLES:** That is a decision for Cabinet when it comes back to the committee. I am only one of eight. I cannot speak on behalf of Cabinet. That will go through the right processes, and then we will see what goes on.

**Mr WOOD:** What worries me here is that if you have land-clearing that is a big change to the scenery. There are clauses in the *Pastoral Land Act* that cover sacred sites et cetera. There is opportunity for the government and the public to look at it any way they wish. But if it will apply to little things like wanting to put a service station on the main road—where is the reality in all this? Some things may be huge and need far more consultation under the existing diversification rights; tourism is one of those. If you want to go back, will life get a lot more complicated than it needs to be? That is what worries me.

That is a statement, I know. Sorry, Madam Chair.

**Mr HIGGINS:** My question is about Quintis. We had a lot in the paper today about the history of this being retained as a major project. My question is a bit more specific. Over the last year-and-a-half, what financial or in-kind assistance has been provided by the government to Quintis, or more specifically, through your portfolio?

**Mr VOWLES:** I will hand to Mr Trier.

**Mr TRIER:** We have not provided any significant direct assistance to Quintis in the last financial year. They are very technically capable. We have provided assistance over the years, but nothing of significance that I am aware of.

**Mr HIGGINS:** Do you have any idea of the status of their 35 000 million litres of water and what will happen with that? People might question that.

Should that be one for the minister tomorrow?

**Mr VOWLES:** If I were the minister for water I would answer your question.

**Mr HIGGINS:** We are pre-empting a lot of question for her. When did you first become aware that Galderma had terminated its sandalwood oil agreement with Quintis?

**Mr TRIER:** As everyone else, through the media.

**Mr HIGGINS:** That was on the cancelling of their contract?

**Mr TRIER:** The Department of Primary Industry and Resources does not have direct responsibility for Quintis as a major project. We are kept abreast of things that happen by our colleagues in the relevant department.

My understanding is the government understood this at the same time as every other—as it became public, sorry.

**Mr HIGGINS:** Because of your involvement, I presume, of sitting on Major Projects do you have input into the Major Projects group, especially in regard to this project?

**Mr VOWLES:** I will hand that over to Mr Trier.

**Mr TRIER:** Our input is from our relevant technical expertise. That has been our input to date.

**Mr HIGGINS:** Given the serious concerns about it, has your department actually highlighted this back to government to say, 'Hey, there is a risk here with this business or industry, especially with this major project status'?

**Mr TRIER:** Again, our input is from a technical point of view. Technically, the project is very sound.

**Mr HIGGINS:** Okay. Have you ever been asked to provide any documents to any of the court hearings in regard to this through the department?

**Mr VOWLES:** No, not that I am aware of, Leader of the Opposition. The situation we have is that we are reading a lot of this in the media as well. If there is any other information, I will hand it over to ...

**Mr HIGGINS:** No, that is all right. That clarifies it. I was not making any assertions, it was simply getting to the bottom the facts.

**Mr VOWLES:** I will say it is disappointing because it is a project with major project status that we are very keen on. We want to make sure that any investment in the Northern Territory is an opportunity for local jobs in that industry around that area. It is important to those people working there and we want to see it continue. Those issues are for that company and ...

**Mr HIGGINS:** I have been watching this one since way back for the community reference group and the Daly River Management Advisory Committee. That project was around—not as Quintis but as TTF previously, I think. Prior to that I am not too sure. Maybe Mr Hausler will know those answers. But we will not ask that question. We will leave it there.

**Mr WOOD:** A couple of questions on this section, minister. Hang on, we had better be careful here. Are we still in 1.1, or are we still in ...

**Madam CHAIR:** Yes, Output Group 1.0 is the title, and Output 1.1, underneath the title, is Market and Enterprise Development.

**Mr WOOD:** Okay. Minister, the section on Aboriginal support, on page 99 of your annual report, says—I will ask the question; that would be better.

Can you give details of the support to apply, receive and project manage \$700 000 of funding for pastoral infrastructure, business diversification and land management activities employment for 20 Aboriginal people? Can you let us know what exactly that was all about and what it achieved? In relation to diversification on an Aboriginal pastoral property, are the same rules applied as the pastoral industry in general?

**Mr VOWLES:** They are good questions, Member for Nelson. I will hand you over to the experts to make sure we get it right—Mr Phil Hausler.

**Mr HAUSLER:** In response to your question, the department provided carrying capacity and grazing management advice and assistance for a natural capital accounting case study for the Indigenous Land Corporation. That case study was based on an Aboriginal-owned property in the NT and aimed to demonstrate how pastoral businesses might diversify their enterprise mix.

The department also conducted a grazing land management training workshop for 13 Indigenous cattle station managers from WA, Queensland and the Northern Territory, supporting improved business operation, best practice pastoral production and increase financial return from Aboriginal lands.

The department also supported business management advisory project training workshops with 12 participants to assist Aboriginal pastoral businesses to achieve high-level business management and an

understanding of responsibilities and legislative requirements in current pastoral production. We also conducted a carrying capacity assessment on Twin Hill Station, Wagait Aboriginal Land Trust, and provided pastoral identification and grazing land management training to 10 participants.

There is a range of other activities.

**Mr WOOD:** Could I just ask a question on that? Who did you discuss the Wagait Land Trust with?

**Mr HAUSLER:** I think we will have to take that question on notice.

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#### Question on Notice No 6.1

**Mr WOOD:** Minister, could you inform the Estimates Committee of who the work was done with in relation to the funding for Aboriginal support for the Wagait Land Trust?

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

**Mr VOWLES:** Yes, I do, Madam Chair.

**Madam CHAIR:** The Member for Nelson's question has been allocated the number 6.1.

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**Mr WOOD:** The question I threw in after the main statement was, do Aboriginal pastoral properties have to comply with the diversification requirements that apply to all pastoral properties?

**Mr TRIER:** It will depend on the underlying tenure. If the pastoral property in question is not on the *Pastoral Land Act* tenure then those provisions would apply. If they are sitting on Aboriginal freehold then it is a completely different arrangement than administered under that act.

**Mr WOOD:** Would you be able to give us a general indication of how Aboriginal pastoral properties are going, because it is something that is relatively new in time, but I know there are some successful pastoral properties and it would be interesting to know where that side of industry is at the present time.

**Mr VOWLES:** Thanks for the question, Member for Nelson. Of course it is important that we give everybody the opportunity to go through the Indigenous pastoral—we have 16 000 head of cattle are grazed on Aboriginal land in the Northern Territory. The cattle turnoff for Aboriginal land is combined with lease payments, income generates significant financial and employment training benefits and Indigenous pastoral businesses. Of course we want to make sure they keep it viable. We are giving them all the technical support we can as well.

We provide assistance by securing external funding, Indigenous enterprises, project management, all the things you would expect governments to do to make sure we have a success story, as we would do for all the pastoral industry as well, I might add. It is making sure we provide all that support and to allow them to have all the information as well and up-to-date technology and information about how we can keep improving that business and making it sustainable.

I do not know if Mr Trier has anything else to add to that.

**Mr TRIER:** There is a program called the Indigenous Pastoral Program that was commenced in 2002. It has gone through changes of government at the Northern Territory level and the Australian Government level. It has been a partnership between the Northern Territory Cattlemen's Association, the Northern and Central Land Councils, the Indigenous Land Incorporation and the Northern Territory Government. It has been very successful, as the minister just pointed out with those figures.

It is coming to a crossroads now. We are in discussions with the Indigenous Land Incorporation and the relevant land councils. We are hoping to organise a workshop in the very near future. Proposed agendas are currently with the Northern Land Council for consideration to work through where we go from here. There has been a lot of lessons learned. A lot of good things have happened and we have learned a lot along the way.

Paralleling livestock, there are some emerging or real opportunities for Indigenous landholders with buffalo and other possibilities and also a program called ALSEDA, which is looking at horticultural development on Aboriginal land. In the discussions around diversification—how do we bring that together where we should and keep it separate where we should. Those discussions need to happen, or we hope will happen in the very near future. We are actively trying to progress a workshop on that now.

**Mr VOWLES:** We do have all that in there, I think we have two positions, Indigenous Pastoral Development Officers, supporting them directly.

I pick up on Alister's comment around buffalo and the opportunity there. We are meeting and we have said it many times, the Northern Land Council have an amazing opportunity to open some land up, especially in the Arnhem region, where we have so many buffalo sitting. We have seen our buffalo trade go from 500 to nearly just over 9000. Being in Vietnam in particular—saying they want to double the buffalo orders—we see an amazing opportunity, even across the Tiwi Islands. If we could get those lands opened up, we could see new Indigenous pastoral programs happening. It is an amazing opportunity but, again, it all comes down to land access.

**Mr WOOD:** Thank you. I do remember the buffalo lease on Melville Island.

A completely different question about magpie geese. What were the results of the research done on magpie geese in mango orchards and was there a positive outcome for the geese and the mango growers?

**Mr VOWLES:** I know we are all laughing. It is like when I talk about the opportunities for donkeys everybody laughs, but it is a real thing. Visiting all the mango farms across the region, across the Top End in particular, it is a real issue. They are very smart, those magpie geese. They do the Bird Frite and they disappear, and then they come straight back.

**Mr WOOD:** They know where the shooting is not happening.

**Mr VOWLES:** Yes, that is right. I also researched some drone footage program they do in WA where they have the drones going over the top. It worked for the first week, I think, then they worked out, 'This is no threat to us,' so they just—I think there are some photos of all of these geese just looking up at it. They are very smart. I might pass onto Mr Hausler, who will have more information.

**Mr HAUSLER:** The department in consultation with mango growers, identified that magpie geese were having a significant impact on mangoes and orchards. As this is really out of our expertise, we sought funding pathways and partnerships with other people who have more expertise. We put together a project with Charles Darwin University and applied for grant funding. The project is run out of CDU.

We have input on the steering committee for the project. The activities that have been undertaken are to catch and put GPS locators on geese and release them again. That project is still under way, but I know some results have come back in—from the location devices—and some of the preliminary information is telling us that the geese identify mango orchards as their home and a safe place, so they continue to come back to the same place.

**Mr WOOD:** It is ongoing—so you do not know when there will be some results of the work?

**Mr HAUSLER:** I cannot tell you exactly when the results will be coming out, but there will be a number of meetings with producers. There have been already. But whatever outcomes from the project will clearly be communicated back to growers.

**Mr WOOD:** Thank you.

**Madam CHAIR:** Any further questions? I believe, Member for Nhulunbuy had some and the Member for Daly as well.

**Mr HIGGINS:** Yes, I have a couple. Overall, minister, the budget for the department seems to have gone down—or there is a variation of \$2.7m. In this output it is around \$2.3m, depending on whether you look at the budget or the estimate. Can we get a breakdown on what that decrease is? The budget was a fraction over \$13m, next year is a fraction under \$11m.

**Mr VOWLES:** We have a variation of \$2.14m, a decrease. I have this explained here—plus \$105 000 net effect of adjustments to agency overheads, plus \$22 000 for a number of minor budget adjustments. We are



minus—which is a big chunk of it—\$1.24m for repairs and maintenance as part of the economic stimulus program 2017–18. We are minus \$300 000 one-off carryover from 2016–17 to 2017–18 to investigate the establishment of a bush foods co-op distribution centre in Alice Springs. We are minus \$300 000 in reprioritisation of existing resources within the agency.

We are minus \$200 000, a one-off carryover from 2016–17 relating to growing northern agriculture through innovation strategic farms initiative. We are also minus \$134 000, which was a carryover from 2016–17 relating to the funding for the Cucumber Green Mottle Mosaic Virus Interest Rate Subsidy Scheme to support Territory growers affected by the virus. We are minus \$93 000 relating to the finalisation of externally funded projects. If you have any further questions, I can hand you to ...

**Mr HIGGINS:** What do you mean by the \$1.24m reduction for the economic stimulus?

**Mr VOWLES:** I will pass you to Karen Simpson.

**Ms SIMPSON:** Karen Simpson, CFO. It was a one-off, the additional money that the government allocated in 2017–18 only, on top of our existing R&M. We generally have about ...

**Mr HIGGINS:** It was a bonus?

**Ms SIMPSON:** Yes, it was a bonus. It was a one-off in 2017–18 only.

**Mr HIGGINS:** Okay. You have \$300 000 for reprioritising. What have we reprioritised?

**Mr VOWLES:** I will hand you to Mr Alister Trier.

**Mr TRIER:** Some of the reprioritisation has gone to biosecurity and ...

**Mr HIGGINS:** So it has moved out of this area into another area of the department?

**Mr TRIER:** That is correct, yes.

**Mr HIGGINS:** Right. The Industry Development Plan 2013–17. Has that been replaced or is it in the process of being replaced?

**Mr VOWLES:** This is something I prepared earlier.

**Mr HIGGINS:** Very good. So when is that being released?

**Mr VOWLES:** We are working on it ...

**Mr TRIER:** It is out.

**Mr VOWLES:** It is out now. I did not do any fanfare because ...

**Mr HIGGINS:** That is an exceptional ...

**Mr VOWLES:** As I said earlier, I am happy to provide a copy, but we want to just get on. The industry wants to get on with doing the job. There is a lot of great work done here. I can hand a copy over ...

**Mr HIGGINS:** Where can people get access? You might like to table that. That would be a start. Where can people get a copy?

**Mr VOWLES:** Is it the only document? Of course we will table that, Leader of the Opposition. A lot of work has gone into it and, as you can imagine, industry just wants to see us doing our jobs and moving on without much fanfare. In the background there has been a lot of work on this document. Industry has taken it on board. I am happy to table this, Madam Chair.

**Mr HIGGINS:** Okay. Referring to the old plan, have we done an evaluation of how successful we were in meeting the objectives of the previous plan, or is that part of that new report?

**Mr VOWLES:** That is a great question, Leader of the Opposition. I will hand it over to Alister Trier.

**Mr TRIER:** The short answer is yes ...

**Mr HIGGINS:** Yes we met them or yes we reviewed them?

**Mr TRIER:** Yes, we reviewed them. In terms of developing this plan, I guess there is a bit of context, we are a new agency, emerged from two agencies—Primary Industry and Fisheries, and Mines and Energy—both with their own industry development plans expiring in 2017, so we had an opportunity to start again.

There are a number of processes in development. The very first one was to ask the minister to come and address the senior level, or the 70-odd people within the department, about his vision and his priorities for the department, which really gave us a good platform to start to build our new strategic plan.

The next step was to form a group within the agency to develop the plan and we took a cut across the agency from the different sectors, but also from different levels of management so that we are getting a pretty broad view into what should go in to the plan.

The next step was to go through the previous plans and work out what worked and what did not, and what we should be doing better, and a draft plan was put together which went to the minister for initial endorsement. The minister was happy with the draft. Then the next step was to go out and consult with industry about the contents and the direction of the plan, which we did, and we got a lot of very constructive feedback back which helped us shape the plan further. At the end of that we took it back to the minister for final endorsement prior to release.

**Mr HIGGINS:** How would you assess that you went against the objectives of the previous plan? Fair, average or good?

**Mr TRIER:** They are subjective things. I think one of the things we have learned is that we need a better system of KPIs between what we say is a strategy and our accountability processes—say, our budgeting and our annual reports. I think that is something that we need to do better. We have really picked up on that and we are actively working at getting consistency in our KPIs that align with strategic plan going forward.

**Mr HIGGINS:** I interpreted that as the previous objectives were not that successful. For whatever reason—it is not being critical of the department. That might have just been the way it was being measured.

**Mr TRIER:** I think the issue was that there was no clarity in how the things lined up. I think our performance will be judge by others. In my personal view, we have delivered on the broad expectations of both government and industry.

**Mr HIGGINS:** In your annual report, you also—there is details on how the department undertook the department's first investment mission to India. Can you give us a bit of an outline on what that activity was and what outcomes were achieved out of that?

**Mr VOWLES:** Thank you, Leader of the Opposition. I will pass you to Mr Alister Trier

**Mr TRIER:** The department sent a couple of officers from the Geological Survey to India to do some scoping as a part of a broader objective of government, as India being one of the areas of interest for international investment. I think in terms of outcomes, we have made a number of initial relationships and basically got an understanding of the situation in India and where we should be applying ourselves.

One of the key issues of being a relatively small agency is that we need to be really careful about where we spread our Vegemite. I think the trip to India was scoping that out and with other agencies going across in other portfolios, our view now is that we will maintain a dialogue with them while we continue to focus in our more traditional areas for mines and energy such as Japan, Korea and China.

**Mr VOWLES:** I think we will add in there, Leader of the Opposition, it is important to government, as you are aware, to promote the Northern Territory. It really was a bit of a fact-finding mission—and saying, 'These are the resources we have here, are you interested?'

I want to go to Canada and around the world saying, 'These are the resources, opportunities and support you can have'. As I have said, it is important that governments get out and promote the Northern Territory. That is pretty much what it was.

**Mr HIGGINS:** I completely agree. I will never criticise ministers for legitimately travelling. I think a lot of them do not do enough to promote the Territory internally and externally and out of the country. That is all I have on that output.

**Mr GUYULA:** Good morning, minister and everybody else. My questions might vary between outputs.

Minister, Aboriginal people want to benefit from our country and give something to the next generations, but there does not seem to be a clear pathway for Aboriginal landowners to develop and profit from businesses on our country. I appreciated meeting with you on this issue last year, but I want to know what this budget has for Aboriginal people who want to enter into commercial fishing, livestock crocodile skins et cetera.

What programs are available to create a transition for Aboriginal people living off their country into a modern economy? Could the department map out a flowchart for people on country? How communities and landowners can get from here to businesses?

**Mr VOWLES:** Thank you for the question, Member for Nhulunbuy. As the minister, it is important that I give every Territorian the opportunity to start a business in this industry and provide any support. If they need any information and the expertise the department has, it is important that we support them, the department and me.

We have met a few times and I am very supportive of growing industries in your region. I think it is very important that our remote regions and people have every opportunity they can to have a sustainable business that keeps people on country and gives them economic opportunities for development.

A clear example is the Maningrida Aboriginal coastal licence holders. Slowly and surely they have progressed from having a licence—we were just over there a couple of weeks ago opening the fishing processing facility, which is the next stage of their business plan to fillet their fish, freeze them and send them elsewhere.

Not only are they doing that locally through the aged-care centre, the shops, Ramingining and the school, but the rest were coming to Darwin. We want to see that grow, and they do as well, into the rest of Australia. There is a real opportunity for remote Territorians to market their products. We have local hatcheries and the crocodile stuff throughout Ramingining. I think Maningrida has some issues at the moment. I think something has happened at their hatcheries.

There are clear opportunities for this. This is nothing new. As I said to you when we met, and as my office has said a few times, we will assist where we can. That is our job. Over many years, we have seen many Territorians think and plan big. They have been caught up in that. That enterprise, which had a really good opportunity, has fallen over because they have gone too big too early. That is why I will always highlight Maningrida, because they have just gone bit by bit. I think they have seven people working under Don on his land. There are three Aboriginal coastal licence holders there. They are all working, which is really quite inspiring.

The traditional owners of the other land are working with Don on his land first, and they will move across others when they get set up there. It is a real opportunity.

We have seen the Gulkula mine get set up. I want everybody to have the opportunity—not only Aboriginal but all Territorians—and all the information we can provide to assist them in getting through.

We have ALSEDA, the buffalo situation, the Indigenous Pastoral Program—there are a lot of opportunities. We can work together to set something up; that is what governments are supposed to do, work for the people of the Northern Territory no matter where they live, and give those opportunities. At the end of the day, the people who want those opportunities need to have a long-term plan.

**Mr GUYULA:** The frustration or confusion some landowners have, especially when they want to do a bit of fishing around their tribal waters—they have found out they cannot access that water or have a licence because that body of water has been given to somebody else, some other fishery.

You are talking about Maningrida as an example. There are other people in, for instance, Caledon Bay and other areas in East Arnhem Land who do not have access to trepang or fisheries because the licence has already been given to another company. How can we get them to work together or get the Yolngu to have access through a joint venture or something like that—at least get their minds going, that they have a pathway to work on.

**Mr VOWLES:** You are talking about commercial opportunities for trepang—those commercial licences have to go through the appropriate processes, like anybody else. There are huge opportunities, especially in fisheries. I was talking before about the enormous opportunity remote people have to market their product. Maningrida mullet or barramundi in Sydney ...

**Mr GUYULA:** Yes, you can probably start with this—in Maningrida we can see it is going with no problem. But when they want to start another business it is put into another category, like commercial fishing licence.

Private fishing for markets in communities and commercial fishing—maybe that needs to be explained to people out there.

**Mr VOWLES:** I could talk around the edges for a while, but to make sure you get the exact answer I will hand to Mr Curnow.

**Mr CURNOW:** I think the Member for Nhulunbuy is talking about the Aboriginal coastal licence, which allows Aboriginal people in coastal communities to develop small-sale fisheries and supply local, fresh seafood. That licence had been there for a while. One of my directors and I met with a lot of people, particularly around Nhulunbuy and Ski Beach a number of years ago, which highlighted what some of the impediments were to people getting back into commercial fishing.

It is a real shame that, historically, a lot of Aboriginal people owned mud crab and barramundi licences and over the years let them go or sold them to someone else. Now, being limited-entry licences, people who decide they want to get back into the fishery—it means they need to purchase them off the owners of those licences.

For those reasons we have developed the Aboriginal coastal licences, of which we have about 22 granted around the coast. There is nothing to stop any community applying for one. All it needs is the support ...

**Mr GUYULA:** Even reapplying to get back into business again?

**Mr CURNOW:** Yes. Anyone interested in an Aboriginal coastal licence can get in touch with the department of Fisheries, I think it is a \$30 or \$40 licence, it is very cheap. It is just an admin fee. Importantly though, our department also then provides training and support around the use of those licences. So far 47 Aboriginal people have done a Certificate II in Fishing Operations. That teaches people a lot of skills in repairing gear, quality around icing of fish, keeping fish suitable for the market in terms of health requirements and all those other aspects you need around fishing.

We also work quite closely with the department of Business on business training and support to put together business plans. I guess the real aim of that program is to teach skills and start people out so that when they apply to things like ABA and other federal funds like that—in the past they have said, 'We have tried to apply for a grant to buy back into the barramundi fishery or the mud crab fishery were told our application is not very good or we do not have the skills'.

These programs are about proving they can operate for a couple of years on an Aboriginal coastal licence. They will actually have a business case behind them so that when they go forward to some of those processes they will have a much better chance of taking that forward.

In addition to wild stock fishing, there are also aquaculture opportunities and the department has been doing a lot of work around oysters. I think there are now some oyster trials at Nhulunbuy, also on the Tiwis and Goulburn Islands. Tasmanian Seafoods which is the owner of all the wild stock trepang licences at the moment is also doing a lot of work with a lot of Aboriginal communities around aquaculture and farming of trepang rather than wild catch. That looks like an exciting opportunity there.

In the past we have also done a lot of work with a number of communities around the breeding and harvest of clams, which has mostly been about small scale local supply. So there are plenty of opportunities there. I guess if there are people in your electorate who are keen—there are a number of people who already have Aboriginal coastal licences in your area, but if there are others they can get in touch with the department of Fisheries as well.

**Mr GUYULA:** Sure. The other problem people are having is—I have spoken to landowners who are completely frustrated about their dealings with the land council, particularly landowners who want to develop businesses on their own land and are being required to obtain section 19 leases. It does not make any sense for a landowner to give themselves a lease on their own land. This is costly and time consuming. I understand

some of your grants require landowners to have NLC consent. For those landowners who do not want to jump through these hoops and simply want to start businesses on their land, what support can government provide?

**Mr VOWLES:** Thank you for the question, Member for Nhulunbuy. I will not get in the middle of a dust-up between the land council and traditional owners.

**Mr GUYULA:** We are at the moment.

**Mr VOWLES:** Yes. That is your right and almost your responsibility to go through that process. I cannot step outside of the jurisdiction; section 19 is with the federal government. I do appreciate your concerns around that.

On the other side of things, it gives me an opportunity to say that as a department we have the expertise to assist people getting through that but in regards to your first statement there. I will not get into who is right or wrong or the issues regarding land councils. That is for the traditional owners and the land councils to deal with and I wish you well in your endeavours.

**Mr GUYULA:** We just want to get some sort of support and get started because since I got here, the business opportunities have been there. People are wanting to start, and I know they want to do it because there were fisheries and timber businesses a long time ago and that is the system people want to get back into and get started. Because of different laws here, there and everywhere, it is not giving people any choice but just to sit under a tree and think about it. We are not getting anywhere.

Budget Paper No 3 talks about supporting local skills development and employment among industry. I want to see on-the-job training for Aboriginal people, communities and on homelands. Can you outline the plan for local skills development?

**Mr VOWLES:** Of course, in all governments and all politicians across the country—I will speak about the Northern Territory. We want to see opportunities for employment on country, looking after country and industry, as you know.

Aboriginal people, for many years, have been involved in these industries—the cattle industry, fishing, agriculture and horticulture. It is a real opportunity for us. We are talking about taking care of land and country. I say that all happens, but what I would like to see is the opportunities that happen through jobs—real jobs.

That ideally would be with their own enterprises with economic sustainability. We never want to see—but we continue to see—people sitting under trees, bored out of their minds. While, respecting culture and traditions is very important parts of our community and makeup, we also want to see them reach their full potential—whatever potential they want to have.

I digress a little here. It is not always about the footy and rugby league players playing on the national stage being role models and getting people out doing jobs, for me it is the people working in the schools, the tuckshops, and having full-time jobs within those communities. They are the real role models—people out doing this stuff.

We, as a government, need to make sure we are providing every opportunity for jobs.

Fishery compliance—what am I reading here? Supporting that is our Indigenous rangers. We have Cert I and II. We have 177 people trained through our rangers program. That is an important aspect of it. But you are going to industry—is that where you are headed on this, Member for Nhulunbuy?

**Mr GUYULA:** Yes. Some business people came to my office and talked about giving on-the-job training, especially for school leavers. When they leave school, what is there for training in building, fishing, on country or even out on apprenticeships—motor mechanics or whatever? At least they get towards getting a profession. Here we are talking maybe fishing industry, cattle or even crocodile. How do they go about it? They have the skills and we can gain the skills. It is no problem in having our skills. It is just a pathway that we need to walk on and be guided where we do not fall into more hoops and stuff.

**Mr VOWLES:** Yes, I agree, Member for Nhulunbuy. We would always take it back a bit about training, from when people leave school to actually start the training while they are in school, to keep them in school—in Year 9, Year 10 starting that training. There are certainly other programs in other communities that have started engaging then. Not everyone wants to finish school or go to university.

We make sure they have every opportunity to get into the industry they want. If that is fishing, trepang, cattle, being a teacher's aide at the school, chef or whatever, we need to make sure we are giving every opportunity. That is we are all trying to do here. As I said, the offer is open always. I am someone who gets sick of the talk. Talk is cheap—and I will talk for seven hours here—but that there are actually some outcomes about it because there comes the time when the talk is over and we need to do something.

In our term of government I want to see some real outcomes beyond election cycles. That is what we are all trying to do here. If there is any assistance we can provide—as I said, we met a few times. We are always happy to meet, but I would love to see some real outcomes.

I think Mr Trier has something else to say.

**Mr TRIER:** Just some tangible examples of training—one is in the Indigenous Pastoral Program. The Indigenous stockman's workshops generally happen every year based out of Alice Springs or Tennant Creek regions. That is focused on a range of practical activities, from operational activities such as breeder management in yards and those sorts of things to branding of cattle, but also land management and the importance of managing your stock on your land and ensuring you are looking after your land resources to ensure there is enough native pasture to feed your cattle—and to make sure you are keeping your native pastures in the condition that they need to be in. That is an example.

Another example—which is not a government one but an industry one—is the Northern Territory Cattlemen's Association regional jobs program. That program is focused on getting Aboriginal people into jobs in the pastoral industry and providing the support and skills necessary to do that. They have a slightly different focus in that the Indigenous Pastoral Program is focused for Aboriginal people who are working on their land and building skills in that area, whereas the real jobs program is focused on getting people into jobs in the broader industry.

**Mr GUYULA:** While I am on this subject, I would like to clear up another thing. Most people out there would have no proper education to pass the written exams. I had that problem when I left school. I have found that in exams, you sit down for written exams and they ask all sorts of questions that are not clear to—what you really want to do out there. I failed them so many times. It is not because I do not know how to go about it, but it is how the questions are written in exams. Practically, I did above average. That is the step that we need to get to. People will have knowledge and the skills, but when the written exams talk about something different—that is probably something we need to clarify. I have been through that myself.

**Mr VOWLES:** I do not think there is a question there but I would like to respond. You are right, Member for Nhulunbuy. As a former VET lecturer at the Batchelor Institute on sport and recreation and business—it is about tailoring the needs and tailoring the programs to compliance and keeping that right. We do not want to see people pulled out of the system because it is not right.

If you want to become a sport and recreation officer in a remote community, you only need the basics of how to ask for funding and how to provide a short budget about what that looks like. But there are other people with those expertise as well. It is about using what is around you.

We have obviously been very successful in the rangers program, over the years in the fishing program—I do not know if Mr Curnow wants to add anything about the training.

**Mr CURNOW:** I think the minister has highlighted it there, that it was recognised very early on that when we looked around for some of the training around compliance powers and also some of the fishing operations, there were courses nationally you could do and training providers that would do it, but they were very much focused on a reading and writing Balanda-type approach to those trainings.

The department actually did a lot of work and has developed some training that is very much focused around practical skills and oral presentations. It very much—particularly at the Certificate II level—picked up the fact that reading and writing skills might not be that strong, but the rangers in the field were actually very competent.

We redesigned those courses that now have very large field components. A lot of the training that is done by our departmental staff and water police is focused on skills in the field. That is how the people on country are assessed in terms of meeting those requirements. It has taken away a lot of the reading and writing. With the new fisheries inspectors and the six rangers who were actually appointed with powers for the first time in the *Fisheries Act*, that gets into the area we need good reading and writing skills in, which limits it.

We have certainly tiered the training so that the Certificate II courses can all be done without needing the reading and writing skills, but as you start getting in a proper compliance role with powers, you need the ability to read and understand legislation. That is why it becomes a bit harder. Clearly, a lot of the young fellas coming through in the communities have those skills.

The Chief Minister presented the first group of six rangers with their fisheries authorisation cards earlier this year. That was a great achievement. We saw people with six or eight years of training. We are at the point where we are rolling out the first people with proper powers. That is a real achievement.

**Mr GUYULA:** Last one, you can advise me which output this might be relevant for. This is one of the questions being asked by people out there. Could the minister detail all other public expenditure committed to or projected to be spent on resourcing and implementing the inquiries, recommendations and the roll-out of a fracking industry in the NT?

**Mr VOWLES:** It is not in this output, but I can just answer it.

**Madam CHAIR:** It is up to you, minister.

**Mr VOWLES:** Thanks for the question, Member for Nhulunbuy. The government has gone through—you are talking about the scientific inquiry into hydraulic fracturing? We have of course gone through that inquiry and made that commitment. The report has been delivered and we have made a final decision. We have let the moratorium go through that with all the recommendations.

The government has allocated \$5.3m, which the Chief Minister announced. Our department has new money of over \$500 000 to do our work on legislation and other changes. We have our team and there is an implementation team in the Department of the Chief Minister that is purely working on the implementation of the 135 recommendations. We are doing the engine work, to a degree, regarding the changes. The Department of the Chief Minister's implementation team are collating with that. That is the best way to describe it in going through.

As I said earlier and will probably say a couple of hundred times today when it gets to this section, we have to get it right. We promised we would get it right. The recommendations and inquiry is the process we have to follow. We need to make sure we get it right because we have a real opportunity. There is only one environment and we need to make sure we look after it. There is a lot of work happening now across the whole of government. I am sure people will be kept up to date as that work progresses.

**Mr GUYULA:** Thank you. That is all.

**Madam CHAIR:** Are there any further questions for Output 1.1?

That concludes consideration for Output 1.1.

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

**Madam CHAIR:** I will now call for questions on Output 1.2, Plant Industries Development.

**Mr HIGGINS:** A strategic issue for the agency is collaborating with industry stakeholders to expand markets and new investment. Can you give us an example of how that has occurred over the last year, in this output—besides India?

**Mr VOWLES:** Across the whole agency, when we are talking about the USA—we mentioned the mangoes going over. The technology I was talking about was the Sendum PT300 tracking device, which was used for the first time going over to America with the mangoes to get real-time data on how that product is being affected.

We have the Singaporean market we are very keen on going in to. We are talking about the US here, but I know we are going to Singapore. I said I have been over to Japan—I am trying to think of the right terminology. Fludioxonil in mangoes is stopping us going in to Japan and Canada.

That would be a real opportunity. Like I said, \$200 mangoes over there. They have Vietnamese mangoes going to Japan. Ours are world-class, a lot better tasting. I think there is a real market for us in Japan if we can get through. I know the embassy and everybody over there is working hard to make that happen.

We are working hard with Humpty Doo Barramundi to get them over to China and Japan and even further. We have a heap of things going on. We have buffalo in to Indonesia—all the staples. We are trying to increase our trade of buffalo in to Vietnam, in particular, and we need to make sure we look after the cattle industry in any way can. The buffalo industry, horticulture, Project Sea Dragon, hopefully ...

**Mr HIGGINS:** I was thinking more the plant industry.

**Mr VOWLES:** The plant industry—I am getting there.

**Mr HIGGINS:** (Inaudible – mic off).

**Mr VOWLES:** Yes, the mangoes are pretty good. That is a good enough question and a good enough answer. The US, Singapore and Japan opened up. When I saw that \$200 mango I was just gobsmacked and I saw what an opportunity if we can come in and have \$50, \$100 ...

It is a gift—a \$200 mango and a \$100 rockmelon, which I thought was outrageous. Look at the opportunity we have. But I just think how fantastic the opportunity is for mangoes. If we came in with a \$50 or \$100 mango—that specialty gift of Territory mangoes—then I think we will open up a whole new market.

**Mr HIGGINS:** One of the roles is that the department is protecting the Territory's primary industries from exotic pests and diseases. I know we have the citrus canker at the moment but have there been any other instances in the last 12 months that have not been as big an issue as that that we have come across?

**Mr TRIER:** The short answer is no. There are a couple of smaller things—I think there is the Asian honey bee issue, which the minister mentioned in his opening statement, and there was also a recent incident in Alice Springs—these guys are mouthing at me so it might be better that they answer.

**Mr CURNOW:** I was subtly trying to say browsing ant, which has been around for a couple of years now and still going because it was found in a transport facility, so it has been detected at other places where stocks have been moved around. I think some of that goes back to the earlier comments at the start of the session today, which really goes to highlight with the bigger global movements in trade and people. There is no doubt biosecurity risks are increasing every year, both nationally in Australia and globally, so it does require that we are vigilant.

It is becoming incredibly clear to industry as well, certainly on the back of banana freckle and cucumber green mottle mosaic virus, that it certainly has been a wake-up call not just to governments but industry as well. We have seen the practices amongst industry really pick up and they are a lot more aware and reporting early in terms of any suspect things.

I think that has been one of the pleasing things we have really noticed is the department in recent years is getting a lot more reports of things that fortunately have all be proven to be nil events but the fact they have been reported and investigated early is the most critical part in a biosecurity.

**Mr HIGGINS:** Are we still using the dogs with the browsing ants? I think they were from Queensland.

**Mr VOWLES:** Yes, with their special little shoes on them—they are pivotal. They have little boots on them.

**Mr HIGGINS:** Are we using them in any other—not those particular dogs—but are we using anything like that in any other ...?

**Mr VOWLES:** What? Dogs with boots?

**Mr HIGGINS:** No. Dogs looking for pests.

**Madam CHAIR:** Member for Daly, we will take a short recess. We will recommence 10.20 am.

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The committee suspended.

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**Madam CHAIR:** Thank you, Minister. We will resume the questioning. We are in Output 1.2.



**Mr HIGGINS:** In the budget papers it states that there are 19 programs that develop plant industries. Can you provide a list of those programs, including the purpose and the cost of each?

**Mr VOWLES:** We can get that list to you very quickly. Have you got it there Phil?

**Mr HAUSLER:** We can go through the main programs but for the detailed costing, we would have to take that on notice.

**Mr HIGGINS:** Yes, if we just take the whole lot on notice. All I want is a list and a brief purpose of each one and then the cost or the budget for each one.

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### Question on Notice No 6.2

**Madam CHAIR:** Member for Daly, can you please repeat the question for the record.

**Mr HIGGINS:** The budget papers state that there are 19 programs that develop plant industries. Can you please provide a list of these programs including a brief purpose and the cost or budget of each?

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

**Mr VOWLES:** Yes we will do that. We will get on that pretty quickly.

**Madam CHAIR:** The Member for Daly's question has been allocated the number 6.2.

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**Mr HIGGINS:** Okay. VHT, the Vapour Heat Treatment—the previous government provided \$2m in Budget 2016–17 budget for that facility to be developed. Can you give the committee and update on what is happening with that? What happened to the \$2m, and where it has been redirected to if it has been redirected?

**Mr VOWLES:** Thank you Leader of the Opposition. There was \$2m for a Vapour Heat Treatment—not facility but machine, apparatus, something like that. Coming into government we redirected that money after talking to industry, which allowed us to—and correct me if I am wrong please, Alister and Phil—redirect that into other funds for the three positions for the planning industry development officers between the NT Farmers.

Also, there was some funding allocation to the NT Cattlemen's Association. They are feverishly looking for that breakdown, but that is where that money has gone. I think it was \$1.55m that was put to the NT Farmers for three years for three positions—one based in Katherine, of course. We have a commitment to developing an agribusiness hub—or there is an agribusiness hub and we are further developing a logistics hub in Katherine. It is important we have one position based there with NT Farmers. The money has been allocated.

Yes, there was \$1.85m left after the request for proposal process and then I announced the reallocation of the \$1.85m, including \$1.55m for three years for NT Farmers. I am sure there was some money to the Cattlemen's Association as well ...

**Mr TRIER:** Yes.

**Mr VOWLES:** I think some went to AFANT as well, but that is where it went.

**Mr HIGGINS:** AFANT?

**Mr VOWLES:** It did not go back into the coffers, you can imagine, as you are fully aware. When you get money allocated you do not want to give it back; you want to use it. We are very supportive of the NT Farmers and those positions as well. How we got that money out—I will get a bit more breakdown. I am sure we gave some to the Seafood Council as well.

**Mr HIGGINS:** Possibly someone can come back to us later rather than putting it on notice.

**Mr VOWLES:** Yes, we will get back to you.

**Mr HIGGINS:** We can get an update to that.

**Mr VOWLES:** Hang on. No, that is something else.

**Mr HIGGINS:** Okay. Can you give us an update on the support resources and otherwise that the government and the department provide to industries regarding the development of GMOs—genetically modified ...

**Mr VOWLES:** I will go to Alister first. I will pass that to Alister then over the Phil.

**Mr TRIER:** I might just go straight to ...

**Mr VOWLES:** Oh, straight to Phil. That is what I thought, we might go to the bloke whose job it is.

**Mr HIGGINS:** It is in this portfolio? It will not be flicked off to someone else?

**Mr HAUSLER:** In answer to the question, Member for Daly, the department is responsible for the *Gene Technology (Northern Territory) Act*. From memory, we have had an application—it was in the media—for a private company to trial some genetically modified bananas at Lambells Lagoon.

In terms of support to industry, there is not a lot of work for the agency with regard to GMOs.

**Mr HIGGINS:** So, the industry is not supported or financed through the department? I use that word 'supported' loosely. Supported as in providing resources to it.

**Mr HAUSLER:** Well, there is some work at a national level in aligning with the other jurisdictions. The department is involved in that. In terms of GMO crops in the Northern Territory—there has not been a lot of interest in that to this point.

**Mr WOOD:** Can I get you back on that? There was some talk in the media recently about an overseas farmer wishing to look at the possibility of growing GM cotton. Some years ago, of course, we had a seven-year successful trial of GM cotton in Katherine. I would like to know if there was ever a legislative ban—not a ban by the minister—on the growing of GM cotton in the Northern Territory?

**Mr VOWLES:** Member for Nelson, my advice is no, there is no legislative change to that. But I am sure someone will get back to me if there is. But my understanding is it is no.

**Mr WOOD:** Okay, thanks.

**Mr VOWLES:** Are you looking for one? I knew as soon as you mentioned GMO bananas you would pipe up there.

**Mr WOOD:** I have bananas on my list here.

**Mr VOWLES:** I am sure you do.

**Mr WOOD:** Having seen quite a successful trial, from the point of view of the use of insecticides, the sad thing was that trial was stopped from continuing work on varieties that were resistant to fungal diseases, which is one of the issues growing in the north. It was a Labor government that said the trial could not continue. So I was fairly disappointed that that was not able to continue.

**Mr HIGGINS:** One of the concerns with GMOs is really the ability of a crop to become a weed. I think that was part of the concern around cotton, which would use things like glyphosate to control the weeds, which meant if it got off the property, what chemicals would be used to eradicate it. Has any consideration been given by the department of actually splitting your GMOs—I know you are saying you are not doing much work with it—into those two categories. One is GMOs to fight pests et cetera, as opposed to ones that are weeds, which means it would allay some of the fears of people that some of these crops can become weeds.

**Mr WOOD:** That was part of the study, and it was not regarded as a high risk. You got cotton growing on the Daly, by the way.

**Mr HIGGINS:** I am not talking specifically about cotton. I am saying the weedification of any of the GMOs.

**Mr WOOD:** That was one of the trial requirements.

**Mr HIGGINS:** There is cotton actually growing down the lower part of the Daly if people go have a look from the original cotton stuff from years ago.

**Mr HAUSLER:** With regard to cotton, when the extensive trials were undertaken in the 1990s and early 2000s, there was some work done on the weediness or potential weediness of cotton, so those GMOs cotton cultivars escaping into the environment. I guess, broadly, GMO crops are grown under licence from the Office of the Gene Technology Regulator. With that licence comes other conditions. Cotton at the time—and this would apply to other crops—required trap crops and for the crop to be sprayed out when it is harvested. It is all to ensure that—it is really to maintain the qualities that are infused into the genes of the crops and that resistance does not develop and that sort of thing.

**Mr WOOD:** If you have a licence to grow gamba? It might have made a difference.

**Mr HIGGINS:** I have some great photos of cotton being grown out around hay in the 1950s, for us people who were around then.

**Mr WOOD:** Things have changed a lot in that industry, I can tell you.

**Mr HIGGINS:** That is all I have for that output.

**Mr WOOD:** Just a clarification, I have some questions on citrus in regard to citrus canker, and also bananas with some questions in regard to Panama disease. Can I use this section for that?

**Madam CHAIR:** Minister, would you be happy to take questions in regard to that under Output 1.2, or would you prefer Output Group 2.1, Biosecurity?

**Mr VOWLES:** (Inaudible – off mic).

**Mr WOOD:** Minister, can you give us an update on the citrus canker situation in the Northern Territory and interstate.

**Mr VOWLES:** As I said earlier in my opening statement, the department has learned a lot of lessons around banana freckle and we have the situation right now where we are doing a really good job of isolating this—the knowledge and the plan around this. We have had citrus canker in Darwin and Katherine and Western Australia.

I do not need somebody from interstate telling us to cut down our industry. That bloke from Queensland needs to stick to Queensland and not into the Northern Territory. We will look after our own biosecurity because we know what we need to do here.

We have a response plan. It was detected in early 2018. We have infected premises, greater Darwin rural area and (inaudible) premises of Katherine—I think we have seen it in Alice Springs. Was there something in Alice? The response plan was endorsed by National Management Group on 11 May. The state control centre continues to manage delivery response from the Berrimah Research Farm. We have a control area. We have restricted areas such as the airport, Lambells Lagoon, Humpty Doo, Woolner, Wulagi, Palmerston and Katherine. I think we are doing traceability for where it has come from.

That is the work that has been going on. Have you sent your photos in and had your property checked yet?

**Mr WOOD:** They were looked at; they thought they were plain, ordinary thrips. I am having a briefing with the department soon and shall bring them in for a second opinion.

**Mr VOWLES:** If there is anything more—the CEO wants to have a go.

**Mr TRIER:** In relation to where we go with citrus canker—the minister has just clearly described where we are at. The process for understanding and working out what we do with the disease under the plant health deed act, which is the national legislation that governs biosecurity responses in the plant area—it is a logical process when you describe it, but we have to understand where the disease is, how broadly it has gone and the implications of that.

At the moment we understand the disease is primarily found in plants that have come from nurseries, so they are not commercial plants that would normally be picked up by the commercial sector.

**Mr WOOD:** So, it did not come from a commercial nursery?

**Mr TRIER:** The plants are aimed at the private sector—for people wanting to purchase plants in the private sector more than commercial orchards. In effect, that is a good thing because there is a lower likelihood of finding plants in commercial enterprises, although you cannot rule that out.

Understanding where the plants are is the first thing. That is called the delineation stage, which is what we are going through at the moment. We are tracing forward and back to try to get a handle on where there are affected plants. As we are finding them we are taking what is called a cookie cutter approach. Where there is an infected premises we undertake eradication of plants in a localised area.

**Mr WOOD:** Is that similar to the original banana freckle process? The circle has gotten much bigger.

**Mr TRIER:** Yes. This is quite a different scenario, though. It is a different disease with different characteristics.

The next stage, once we have an understanding of where the disease is, the next stage is to look at the technical and economic aspects of eradication. As we are finding it through the delineation stage we are undertaking eradication in areas around each of the suspect premises. Once we have a clearer picture of how broadly the disease is spread, we go through a more technical process to see if the disease can be eradicated fully, and if so, what the best way is of doing it. The last piece of the puzzle is whether it can be done economically.

**Mr WOOD:** How was it discovered in the first place?

**Mr TRIER:** It was reported by an off-duty biosecurity officer who was visiting a plant sale.

**Mr WOOD:** I understand it came from a nursery in Lambells Lagoon. Do they know where the original material came from which must have had the infection?

**Mr TRIER:** My understanding is that we do not have a fully clear picture yet. There are some thoughts on how that might have happened, but I cannot say we completely understand that yet.

**Mr WOOD:** That would be a fairly important issue, would it not? If that stock had come from elsewhere, until you find out where it came from there is always the risk we will have this disease.

**Mr TRIER:** That is part of the trace forward, trace back process. That work is currently under way.

**Mr WOOD:** Minister, I know it has been mentioned that it has been found in Wyndham and Kununurra. I thought there was some talk on the radio that quite a few plants had been sent interstate to Queensland. Is that also the case and how difficult will that be?

**Mr TRIER:** Our interstate colleagues, where we have traced plants into other jurisdictions, we inform our interstate colleagues and this is now a national response because it is in more than one jurisdiction. Our interstate colleagues are following through on those plants. Ian did you want to add any more to that?

**Mr CURNOW:** I think Alistair has covered the main elements. I think the important thing is that the tracing is under way at the moment both forward and back. The pleasing thing, if there is ever a pleasing thing in a biosecurity response, is that they are all linked to the one infected property. There has been no new detections of this disease that do not have a direct link from that one source. That is actually a good thing if you are going back to banana freckle, as you mentioned, where we started off on the cookie cutter approach but just found it in more and more properties. In the end there were some 300 properties that were infected. At this stage, everything is linking to the one source, so it is actually a good situation to be in this early in the response.

The other key area that I think Alistair touched very well was the tracing and containment that is under way at the moment. The other key thing the department has been working on is some market protocols around the trade of fruit. We have actually now reached agreement with the other states that fruit can be still sent interstate. We are working with our industries on that compliance framework and actually implementing that, which will allow fruit to go. The issue would then still remain with leaves because they are a much higher risk in terms of the spread of the disease, so they will not be allowed to go interstate.

The department is doing some work at the moment exploring overseas markets for countries that already have citrus canker and where there would not be restrictions on taking the infected leaves. That work is under

way as well. An important part of any response is about how you try to keep supporting industry to actually keep those operations ticking over.

**Mr WOOD:** I was going to ask that. My understanding, under the banana freckle campaign—commercial operators who paid their levy into the banana—is that there is a fund you pay is it per box. Is it related to the levy on banana boxes? Is that correct? Is there a similar process for citrus growers in the Northern Territory who have been affected commercially by this outbreak so they can recover some assistance?

**Mr VOWLES:** I will pass that to Mr Curnow.

**Mr CURNOW:** That part of it has not been explored yet, given the stage we are at. The focus is on trying to work out the extent of the disease and what management actions need to be taken. The key is, at the moment, it is not in any commercial properties. While the other states have said from a precautionary basis that there are those restrictions on trade, the fact they have developed the protocol to allow fruit to be transported at this stage, I think that is the focus. If, down the track, the disease was found to be more broadly found than we think it is at the moment, some of those things would then be explored.

**Mr WOOD:** I think someone said on the *Country Hour* that she was losing hundreds of thousands of dollars because she could not sell her limes. I imagine that would be more than just the local market that would be an interstate market. I am presuming that some people have lost income already because there has been a ban on exporting our citrus into other states.

**Mr VOWLES:** We will work through those as we go through this process. But no, not at the moment. But of course we want to address any issues producers have.

**Mr WOOD:** Minister, in regards to bananas, have there been any promising results in the panama disease trials for bananas? Does that also include GMOs?

**Mr VOWLES:** I will pass that fantastic question onto Mr Hausler.

**Mr HAUSLER:** There are no GMO bananas being trialled.

**Mr WOOD:** There were some originally before banana freckle?

**Mr HAUSLER:** Not to my knowledge. In the project that we are undertaking in partnership with Queensland at Coastal Plains Research Farm, we are not trialling GMO bananas.

**Mr WOOD:** I was of the understanding that there was a trial there before banana freckle, on GMO, so that was not correct.

**Mr HAUSLER:** There could be, but that is not part of the current project, to my knowledge.

**Mr WOOD:** 'There could be' does not mean there is not.

**Mr HAUSLER:** There may have been some trials on GM bananas prior to this current trial. This trial we are looking at now in terms of developing resistance to tropical race 4, to my knowledge there is GM.

**Mr WOOD:** Right, just a varietal control.

**Mr HAUSLER:** We are looking at—this is a really technical term, but we are zapping bananas.

**Mr WOOD:** That is technical.

**Mr HIGGINS:** With a mozzie zapper?

**Mr HAUSLER:** Cultivars of bananas are being zapped at Lucas Heights.

**Mr WOOD:** Radiation.

**Mr HAUSLER:** Yes, that is right. We are looking for modifications, I guess. We are screening those trials at Coastal Plains. There have been some promising results. We are looking at growing out some of those varieties that are showing some interesting traits, but on a broader scale.

**Mr HIGGINS:** Member for Nelson, can I just go back to citrus for a minute? The Member for Nelson said that one of the wholesalers at Lambells Lagoon has not been made all that public. If that is a wholesaler, why are we not saying which retailers potentially sell these? If we have not, can we?

The other thing is, what do a mum and dad living in the streets of Milner look for on their citrus trees? Who do they contact if they want more detail? These are questions I get asked in my office. It is not really on the streets, it is the people in the rural area.

**Mr VOWLES:** We have put a lot of press releases and information out. We are happy to provide that. I know people want to see—I go to Rapid Creek markets in my electorate on Sundays. Thanks for talking up Milner in the fantastic electorate of Johnston.

**Mr HIGGINS:** I knew you would not understand where Berry Springs was.

**Mr VOWLES:** I used to live out that way as well.

**Mr HIGGINS:** That is good.

**Mr VOWLES:** It has rounded me, it is okay. We are trying to get as much information out as possible. That is part of the fantastic response from learning about the banana freckle. We have this process we go through to get it out there, photos of this and what it looks like. When I am at the markets on Sundays, I have been checking the trees and plant out as well to make sure they are moving.

We have a restricted zone in Lambells Lagoon, which is part of it. We are happy to share more information and get it out.

**Mr HIGGINS:** It would be good if some of that could be sent to the electorate offices. That is where people are coming and looking for that information with some pictures.

**Mr VOWLES:** Do you have anything else to add?

**Mr CURNOW:** Member for Daly, as I understand, getting that information out to electorate officers was the next stage in the comms plan. On the government website there is already a mechanism so that people can take photos of any suspect plants they have in their backyards and submit those photos either for immediate response of, 'No, it is not canker,' or if it is of concern, 'We will lend some staff to investigate that on site'.

What is important—we are not wanting people to chop off leaves and sending them somewhere. In terms of disease management, we are trying to keep those things contained. We are certainly encouraging people to take a photo or ring the department. We can make sure that information gets out to the electorate office as well.

**Mr HIGGINS:** That would be good.

**Mr WOOD:** Thanks, minister. Has the banana freckle eradication program finished? If so, do you have the total cost to the NT of the program? I understand there were other costs to other states involved. Is there any ongoing surveillance?

**Mr VOWLES:** We had the banana freckle eradication program phase 4, 30 March 2018, and no detection of banana freckle. The proof of freedom assessment report can now be completed. The Territory will be able to announce eradication of banana freckle once agreement to the report has been received from across share partnership support. The national proof of freedom statement—the first round was completed in May 2017. Phase 4 has had over 300 properties that have been inspected. In regard to the total cost, we will still be working on it.

**Mr TRIER:** That is the shared ...

**Mr VOWLES:** As of 31 May it is at \$24.284m? That is the shared component. Our component—that was the national one we talked about earlier. The contribution by the NT Government is \$870 000.

**Mr WOOD:** Cool. It just shows you the importance of biosecurity. That is a lot of money to overcome a relatively little problem, really, in the term of diseases.

**Mr VOWLES:** Yes. The enormous cost of that is the inspectors going property to property, time after time.

**Mr WOOD:** Is there ongoing surveillance still?

**Mr VOWLES:** Yes

**Mr WOOD:** Can we export our bananas interstate at the moment, or that has not been cleared yet?

**Mr VOWLES:** I will turn to Mr Curnow.

**Mr CURNOW:** At the moment we still cannot export. The final round of inspections has finished this year. That was phase 4. There are no more inspections now. Originally it was scheduled to finish in phase 3, but nationally they are after a bit more assurance of the proof of freedom requirements around that element, which is why we entered into phase 4.

As the minister said, 348 inspections were done in phase 4. The last lot finished at the end of March this year, at the end of the Wet. We got through another Wet cycle with absolutely no detections. That included inspections in Darwin, Batchelor, Daly River, Ramingining, Dundee and Tiwi. That last phase was certainly focused around areas where the disease had been found on adjoining properties, just to get that extra proof of freedom.

That write-up now is being done in getting the right statistical robustness required to get through the market things. That should be finished in the next couple of weeks and submitted nationally. We hope by the end of this calendar year interstate restrictions will have been eased. But at the moment, all bananas are just being sold domestically within the Territory.

**Mr VOWLES:** I cannot go on without mentioned Alan Petersen and Julie-Ann Murphy, who received the Producer of the Year category in the Australian Biosecurity Awards. Well done to them—Rum Jungle Organics—for their bananas.

**Mr WOOD:** You heard it all on the *Country Hour*.

**Mr VOWLES:** Yes.

**Mr WOOD:** If they privatise the ABC just leave the *Country Hour* alone.

There was a proposed new banana farm at the Douglas Daly. Did that actually eventuate? There were plans to grow bananas down that way to avoid panama disease. Did that ...

**Mr VOWLES:** By the look of this table, I would say that is a no, Gerry.

**Mr WOOD:** No, it did not happen. I am fairly sure the ex-minister ...

**Mr VOWLES:** I do not think that eventuated. But we would look at any opportunity to grow the industry and bring more producers to the Northern Territory if it means jobs for the Territory. Of course, we would look at anything, but I do not think that went ahead at all.

**Mr WOOD:** This is one out of left field a bit from your budget papers. It mentions the Cotton Research and Development Corporation providing funds for the nitrogen mango project. Can someone tell me the relationship between the Cotton Research and Development Corporation and mangoes?

**Mr VOWLES:** I will ...

**Mr WOOD:** Nitrogen is the connection.

**Mr VOWLES:** It is a great connection. Just connection the dots, Member for Nelson. I will put you over to the expert on nitrogen.

**Mr WOOD:** Nothing against nitrogen.

**Mr HAUSLER:** The short answer is that nitrogen is the common element. Nitrogen is the main nutrient for many crops—all crops, I guess. We were part of a national project looking at nitrogen in tree crops, so we put a mango project forward and we won funding for that. We are doing a number of studies looking at nitrogen use, efficiency of nitrogen fertiliser. We are looking at doing that at coastal plains in Katherine and on a couple of the commercial farms. It is quite a large project and, as an agency, what we do quite well is

leverage our Northern Territory Government base funds with funding bodies all around the country. We partner with whoever we can to answer research questions, and the efficient use of nitrogen is a major one for Northern Territory mango growers.

**Mr WOOD:** We know how much it leaches.

**Mr HAUSLER:** It is looking at how much is leached, how much escapes to the environment, the effect of irrigation, the nitrogen cycling through leaves and stems falling on the ground. It is quite a detailed project.

**Mr WOOD:** It would probably be good for the banana industry as well. I remember the banana plantation out at Lambells which actually showed nitrogen coming back through the groundwater, so it does leach.

I did have a question on sandalwood but maybe I could just ask the general question. I know the Leader of the Opposition had more technical questions, but do you have any idea what the future is for the sandalwood industry. Is it really up in the air at the moment? Is it all to do with the private companies?

**Mr VOWLES:** The short answer is no. It is a private sector company, so that would be a no, Member for Nelson.

**Mr WOOD:** Can you give us an update of the forestry industry in the Northern Territory. A lot of Douglas Daly properties were taken over for mahogany plantations. Where is that at, and is the industry looking good or is it just sitting there at the moment?

**Mr VOWLES:** I will hand that to Mr Hausler.

**Mr HAUSLER:** There are significant areas of properties in the Douglas Daly region under African mahogany and Indian sandalwood. As far as the African mahogany goes, they are a number of years, up to 10, of the growth cycle of the current crop. They are undergoing management. There has been some talk of the potential value of that plantation down the track. As a department, we are working with African Mahogany Australia. We are looking at the use of water in the trees. The trees down there are not irrigated the African mahogonies. They are growing off Wet Season rainfall.

On a regular basis, I think monthly, we have officers down there monitoring the uptake of water through the trees so from that we can measure or determine if the trees are undergoing water stress through the Dry Season. We have also been working with African Mahogany Australia around grazing cattle under the trees and the benefits they might get from that. We are also using some of that information to look at some projects in Indonesia, with grazing cattle under oil palms.

**Mr WOOD:** So it is a long-term project, naturally. Could you give us an update on what is happening with Tiwi Forestry? We heard of one big shipment of chips to Japan, but there does not seem to have been anything happening since.

**Mr VOWLES:** Any industry, especially over the Tiwis, is something we are looking at supporting. I know there is a lot of talk around the roads infrastructure and what we can do there to keep that up and running. I might hand to Mr Alistair Trier for an update or some comments.

**Mr TRIER:** We certainly maintain relations with the board for Tiwi Forestry and provide technical assistance going forward in areas of what future plantations might look like, which Phil might want to talk about in a second. The other side of it, the commercial side, really sits with the Tiwi Plantation Corporation. We do not have a direct role there.

**Mr HAUSLER:** We are working with Tiwi Plantations to help them identify options for the next rotation crop. We are also working with them to put together a project for funding through the CRC for northern Australia. I guess there is some ongoing technical work that we do with them, but generally it is a minor effort from our behalf in terms of the agronomy of the forestry plantation.

**Mr WOOD:** Minister, just in relation to Tiwi Forestry—it is great that it is an industry, but what concerns me is how much public money has been poured into Tiwi Forestry, especially when we are looking at a truly sustainable industry. Is there any idea of what government—there is probably more than one government—investment has gone into getting this operation off the ground? It has been through a lot of ups and downs with Southern Cross plantations as well.



**Mr VOWLES:** The money for us has been about the technical support and whatever we can provide to make that a better business or a better enterprise than it is. It has its issues and continues to have them, but I think any funding will come out of the Chief Minister's areas or something like that. For us, it is just about the technical support we give, so my understanding is no actual funding comes from our budget directly into forestry over there.

**Mr WOOD:** My last question on this—I do not know if it is the right place to ask this—in relation to Ord River Stage 3 ...

**A witness:** I am not sure I will be able to answer.

**Mr WOOD:** It would be plant production. Is it going anywhere or is the government more or less saying Ord River Stage 3 is just an ongoing issue at the moment?

**Mr VOWLES:** We have been in government nearly two years now and people have asked about stage three and what is happening there. It is not our government's top priority at all, but it is still some sort of priority. It is always about—I think there was an RFP a request for priorities ...

**Mr HIGGINS:** It sounds like a priority based on the number of papers getting passed here.

**Mr VOWLES:** It is coming. I am thinking fast. I get a bit worried when everybody is throwing me paperwork.

**Mr WOOD:** But if you added in the cost of the new road for the Sea Dragon issue, does that sort of put a different perspective on development of Ord Stage 3?

**Mr VOWLES:** Ord Stage 3 is always open. The reality is, if someone comes in and has a viable opportunity in the Northern Territory then we obviously would have to have a good look at it to make sure we are doing what is best for us in the Territory, but at the moment we have some funding from the federal government around our water studies, if I remember right.

**Mr WOOD:** I know some salinity studies have been done.

**Mr VOWLES:** Yes, the regional biosecurity emergency science plan is currently being developed, which obviously includes in particular Ord Stage 3 and Project Sea Dragon, so it is getting mixed up in that. The answer is, if somebody comes and says, 'We want to grow something here,' then we will seriously look at it. Like I said, it is not our greatest priority, but it is still something we are very keen to explore. The reality is, we do not have anybody knocking down the door at the moment.

**Mr WOOD:** Thank you, Madam Chair. That is all the questions I have.

**Madam CHAIR:** Are there any further questions for Output 1.2? That concludes consideration of Output 1.2.

### **Output 1.3 – Livestock Industries Development**

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

**Mr HIGGINS:** In regard to livestock export, what support is the department giving to the NTCA to help them progress their class action regarding the shut-down in 2011? What resources is government providing industry to promote the export industry overseas following that?

**Mr VOWLES:** We are not involved, as you can imagine. You are probably aware through the class action.

**Mr HIGGINS:** I had to check. It was more about what support.

**Mr VOWLES:** We support the cattle industry growing its business throughout Asia and new markets. People are starting to gather a bit of excitement and/or hope for China. We need continuity for the industry and supply. The industry is facing the Indian buffalo coming to Indonesia particularly. Numbers are down—I think it was decreed 47 or 43 from President Widodo.

Everybody should be able to afford beef after Ramadan or what not, and have food and those requirements he has brought in—that has seriously affected our cattle industry.

As a government, with the support of the department, we have done a lot of work on those markets. We have so many different programs operating. I will pass to Alister to talk more about it shortly.

We were over there last year, and there was the NTCA—there were students from Indonesia who came over to do that program. I have met those students; it is a fantastic outcome. We will continue that program.

We gave the NT Cattlemen's Association \$140 000 for an innovation, adoption and extension officer position last year. We have the support officer in East Kalimantan for the breeder programs there. How we can have a sustainable industry in Indonesia—that comes with its complexities regarding artificial insemination, timing and how to grow that industry.

We have seen a real threat, which was expected, where the price has gone down. It will probably go down a bit further as well, so as a government, we need to make sure we support the industry. Leader of the Opposition, as you know, nobody knows better than the people on the land doing the job, whose income and economic futures rely on this. Our job is to support them as much as we can.

**Mr HIGGINS:** Do we have a development strategic plan for the live export market?

**Mr TRIER:** There is not a specific live export plan; it is part of a bigger picture. That is about developing a range of markets and products so you have risk mitigation.

As the minister just described, there has been a lot of work overseas in trying to ensure a range of market opportunities are available for livestock and, from a local point of view, that there are a range of types of produce that can go overseas, not only cattle but buffalo. I imagine donkeys could be part of that mix also. It is a broader approach.

I do need to say that government does not support the live export of donkeys.

**Mr VOWLES:** Thank you for clarifying that. I was going to jump in there.

**Mr HIGGINS:** I was going to ask a question on that.

**Mr VOWLES:** Adding to that, we have some really good news. Exports to Indonesia at the end of this month are up 68% on the same period last year. That is a good thing. That will probably even out after Ramadan and everyone is going in there. That is all right. We have NT cattle going through, but we have some good news, but we expect it to plateau out over time. Obviously, the 15 000 breeder down to 7000 is a great and sensible outcome for the industry.

I do not know much about the palm cow program that is being developed. That is about getting cattle on a palm plantation. It is almost like diversification of that land in that area. They are trying to develop that. There is a small industry over there, home-grown. As I said before, it has its complexities in us assisting them. I think that is part-funded or fully-funded by—is it Meat and Livestock Australia?

**Mr TRIER:** Yes.

**Mr VOWLES:** They do that funding. We have someone based over there. Of course, we have all the technical support we can.

**Mr HIGGINS:** My question is more I see that we should have a specific live export development strategic plan. Most of the answer has been what is happening overseas. There is also the side here in Australia. How do we help the development of that? That looks at a lot of the stuff around infrastructure. One of them is we put the covers over the export yards. I have also had RTA come in and say, 'How come they get it? What about us?' There is a lot of other work we can do, even in Australia and the Northern Territory as well as there. It somehow seems to warrant a bit more planning in that sense.

**Mr VOWLES:** Of course, we have ...

**Mr HIGGINS:** You know what the Treasurer is like. She will say, 'If you want money, where is your strategic plan?'

**Mr VOWLES:** Well, they must be all the same.

**Mr HIGGINS:** Yes, they are.

**Mr VOWLES:** Of course, as you just mentioned the cattle export yards, the Live Export Association is very happy to have it completed. We are just going through some final—not issues—certifications of the export yards. When we came in the former government had a commitment. We had the same commitment when we came in.

It looks fantastic there. You will see it before the certification. Come Wet Season, instead of the animal welfare of the beasts, they will be a lot better in a covered environment in a world-class facility. That infrastructure is something governments can do.

Of course, you are right. We need a plan. I am sure we are working on that. I will hand that over to Alister.

**Mr TRIER:** As mentioned earlier, we are talking to the land council about opportunities with buffalo. For buffalo we need a strategic approach that looks at the animal from the point of harvest right through to the point of slaughter in whichever country it is going to. There is a whole lot of things that happen along the way that need to be looked at, in isolation and in conjunction with the other steps in the process. We are looking at a strategic plan for buffalo industry development to ensure we can get the best outcome, both from an animal welfare point of view and from a production point of view for that industry.

**Mr HIGGINS:** Yes. Okay. Moving from live export to boxed beef. Livingstone—when did you first become aware that there was a problem there, or was that again through the media? What sort of action have you taken in regard to that? What has happened with it?

**Mr VOWLES:** It was certainly concerning news. I met with the AACo's Hugh Killen—it must have been about three or four weeks before the announcement. It was not around that they were closing. They were trying to work their way through it and it was very disappointing from a government point of view and anybody in the Territory, we will have people leaving the Northern Territory and it is not just the that position, it is their families leaving the Territory. I know there is a real need in Queensland, people have been trying to recruit those who have been let off or are about to be let off from their jobs.

We tried to assist where we could, but in the end it is a private company doing business. I am sure they are reviewing that after—they have already had a review. It has been mothballed, but I think for the future of the Northern Territory cattle industry and the opportunities we can have long-term, I would ideally like to see that re-opened. I am sure at some stage we will talk about the opportunities for buffalo.

There are federal discussions now regarding trade, banning and live export trade of different animals. AACo is pivotal, being in the Northern Territory, as is our proximity to Asia. We have an opportunity there and the forward planning—it would be ideal for us to have AACo and the Livingstone abattoir open, but it has been through the media. I met with them four to five weeks before—just getting an update on what was happening—and then heard on the news that they were closing down, or they were mothballed.

**Mr HIGGINS:** Yes, it was interesting that there was an article in the paper that said they closed within three years of opening and compared them to the one at Batchelor. I wonder about our water bottling plant. There was one at Batchelor that also closed down within a certain time after opening, so I wonder whether our water bottling plant will continue, especially without a water licence. But anyway, I will ask the minister that tomorrow.

**Mr VOWLES:** I am sure you will ask that question. I am sure the minister is very prepared. If I could just add something about the abattoir—what I am organising now is getting industry together to front-foot this and have a chat. I will get the Cattlemen's together, NT Live Exporters, RTA, AACo—who am I missing?

**Mr HIGGINS:** The local member.

**Mr VOWLES:** They are getting together and forming a panel to sit down and say that we have a bit of a crisis going on here. Let us get all the players sitting around a table and let us front-foot and have a plan, or a discussion about how we can assist. At the end of the day, we need the industry and we need to support it, but it is important that I hear about the impacts firsthand. We will get that together pretty soon I think. It is something that we need to do as a government—get all industry together and chat about what needs to happen now. Long term I would love to see that reopen but that is a commercial decision, obviously.

**Mr HIGGINS:** That is good. You are getting industry together and I have concerns about the local environment and the impact it will have on that. I am in Canberra next week so I will be raising that with him so if you want me to raise any of the cattle stuff, just give us a hoy.

**Mr VOWLES:** I will take you up on that offer as well.

**Mr HIGGINS:** That is all I have in that output at this stage.

**Mr WOOD:** Just a couple of questions on the cattle. With the closure of the AACo abattoirs, what effect will that have on the sale of cattle in the Northern Territory, especially overweight or older cattle that was not suitable for the live trade?

**Mr VOWLES:** That is why it is important that we get the industry together and ask, 'What will we do with those old beasts, those big boys and girls?' That is the Brahman market through there ...

**Mr WOOD:** I know what Bullo River used to do—send them to Bathurst Island.

**Mr VOWLES:** That is right. That is the discussion I want to have. What are the options, because there is a market for that and it was going to AACo? I do want to get industry together, and that is part of those discussions I want to have with everybody. What will we do there?

**Mr WOOD:** In relation to the live cattle exports, how much of a threat do you see the buffalo imports from India having on our exports industry?

**Mr VOWLES:** I mentioned that briefly in my response to the Leader of the Opposition. When I was in Indonesia, my first trip last year was over there—a few discussions are around that. I think we were looking at a 50% decrease.

It has come back a bit, but it is a huge impact. I think our cattle at the time was \$3.80 per kilogram, and I think they were getting it for \$1.50, or even less, from India. We are not talking about our prime cuts; we are sending premium products at \$3.80 per kilogram, over to Indonesia. This is the buffalo beef market—in their soups and their woks. They do not care about what sort of product they are getting. It is about the availability and the affordability. That is what we said—Indonesian President Widodo has been focused on getting everybody the ability to afford that food.

It has had a serious impact; you will see that in the numbers. At a record number in 2015 or 2016—and it has plateaued out. Although there is a 68% increase to Indonesia right now, it will level out as well.

**Mr WOOD:** Would you agree that the issue of diversification, which we discussed before, is very important if the Northern Territory live cattle industry is either at risk or is diminishing in its importance?

**Mr VOWLES:** In exporting out?

**Mr WOOD:** That is right, yes.

**Mr VOWLES:** One thing I have learned in the industry is that they are very resilient. There is nothing they have not faced. They have been preparing—I know there have been recent articles about it, but this was happening last year.

**Mr WOOD:** It was mentioned at the forum down at the conference centre. I think they discussed the imports of buffalo.

**Mr VOWLES:** I think they were just waiting to see what the real impact will be, but if you have a market and it is shrinking by 40%, 30% or 50% you have to deal with it. Of course it is important to diversify that, but as I said, the industry is resilient and they know tough times and good times. We are seeing the price of cattle drop per kilo. I think we are at about \$2.40 or something like that right now, from \$3.80 or \$3.40 last year. Of course it is important.

**Mr WOOD:** Just a couple of other questions in this section, I am fairly sure. It is about water but it is a slightly different question, although Mr Trier might have answered it to some extent before.

You were developing a project proposal under the CRC for Developing Northern Australia targeting sustainable irrigation farming systems using off stream water harvest. How far have you progressed with that project?

**Mr VOWLES:** I know the project you are talking about. It is being considered. This is about the water catchment—what is that station? Flying Fox—about the water catchment from the Wet Season. I think that proposal is being processed or worked out. It is the future though.

**Mr WOOD:** Yes. That is why I think it is a really important area, if we were to expand ...

**Mr VOWLES:** Water catchment—we do not talk about it. ‘Dams’ seems to be a bad word in the Northern Territory, but when you have extra flow through rivers and we do not utilise it, it literally washes down the stream.

**Mr WOOD:** I think if you took 5% of the Daly River in the flood you would not have noticed that it might have dropped an inch.

**Mr VOWLES:** I will pass to Mr Trier.

**Mr TRIER:** There has been discussions at a northern Australian level, if you like, with my colleagues in the Queensland Department of Agriculture and Fisheries and the Western Australian—and we are very much in agreement that water policy is one of the most significant things we can do to promote northern Australia development going forward.

Jointly, we are working with the CRC for Developing Northern Australia and the Australia CRC to try to get a proposal over the line. We missed out in the first round, which we were quite disappointed about, but fortunately one of our officers is now in the CRC and she is right across the importance of this project, so we are hoping that might lead to a more favourable outcome.

**Mr WOOD:** Minister, it would have to be the key to developing the north. If we do not find another way of expanding our water base, we are really not going anywhere. We will be stagnant.

**Mr VOWLES:** Yes, you cannot do anything without the water. That is why it is so important. In particular, this project and proposal will revolutionise horticulture in the Northern Territory. That is why we are very supportive of it and got right behind it.

The catching of water in a sustainable way to have new opportunities for that station in particular—of course, there are all the studies being done about flushing out, studies and research on the environment, the flood coming down, and cleaning all the gunk and sediment.

There are a lot of things. We say we want to do this catchment area, but there are also other things we need to look at. As I said at the start, I think this will revolutionise horticulture in the Northern Territory. If this gets up and is successful, which I think it will be, we will have more opportunities for more crops and opportunities to get more producers in.

**Mr WOOD:** Minister, it relates to Power and Water’s proposals for the expansion of water catchments in the Darwin region, which is an off-river dam on the Marrakai. I do not know whether people are talking to one another, because it would be important from both perspectives.

**Mr VOWLES:** Yes, there are conversations happening. We are talking to each other, Gerry.

**Mr WOOD:** This might sound like a silly question—if you are a farmer you will probably ask why I am asking it. For pastoralists, could you give an update on the phase one study of the impact of wild dogs on beef herds. Most pastoralists say they kill their cattle. What is this phase one study all about?

**Mr VOWLES:** I will pass to Mr Alister Trier.

**Mr TRIER:** We could provide a briefing separate to this. I cannot give you any detail right now. With the minister’s permission, we can get you a briefing.

**Mr WOOD:** Okay. Those are all the questions I have on that section.

**Madam CHAIR:** Member for Namatjira, welcome to the committee hearings. I believe you have a question.

**Mr PAECH:** Thank you, Madam Chair. I could not have us talk about livestock industry development without taking us down to the desert for a moment. Minister, I just wanted to ask you a question I put to you and your department at the last estimates, around the ongoing work with the donkey and camel industries in and

around Central Australia. Are you able to give us an update on where we are travelling with that process so far?

**Mr VOWLES:** Thank you for the question, Member for Namatjira. We are doing a fair bit of work on donkeys at the moment. We think it is an opportunity but we also had a lot of questions without answers. That is what we are trying to do, find these answers. We have some dedicated staff on harvesting and farming. Is your question more around the impact on the environment or just the numbers?

**Mr PAECH:** I suppose it is in two parts. One is the impact, but one is about how you get a sustainable population to make a market demand internationally.

**Mr VOWLES:** There are opportunities. Camels are an industry that everybody has been dealing with for a long time. There have been a lot of opportunities for different people and talk around things. We had the culling. I think I saw somewhere about a mobile pet meater going around and doing the culling as well.

There are always opportunities, but I will go back to the donkeys because it is so important. We can have a sustainable donkey industry anywhere in the Northern Territory. It will only mean huge benefits to the Territory—a new industry, job opportunities. I see, especially in remote parts of remote Central Australia, they know where the donkeys and camels are. If we can get a sustainable program going in those regions, there will be jobs and financial security for people there.

There are so many questions that need answers around donkeys in particular. We are working diligently on trying to get those answers up through research and other successful businesses overseas that have done it.

The impact of camels in Central Australia has been talked about for many, many years. If we could have an industry there—I think camel milk was talked about, pet meat is obviously a way. For me, and probably for you as well, opportunities will open because they have jobs there. Whether that is culling them or farming them, we need to make sure locals are getting that work. That is part of government's responsibility, to ensure that if contracts are going out they are getting locals involved.

**Mr PAECH:** Minister, I am not sure if this is a question you or Minister Moss, but in terms of kangaroos, is it your department that would do work around the monitoring of those and the potential industry for those internationally?

**Mr VOWLES:** I think if there is any money to be made out of animals it is our portfolio. Something that has sort of gone on in the background for many years—10 or 15 years ago it was a massive thing—is the benefits of kangaroo meat. It can be pet meat and you can barbecue it and eat it, and there are all the good nutrients, vitamins and benefits to eating it.

Alister is quickly looking—he is giving me the nod. We have done some work there. Like I said, it is about having an opportunity for industry. If we have viable people who are doing some work there, that is what it is all about.

We were just out at Maningrida last week or the week before, talking about a fishing processing facility. They are going out and culling buffaloes. At the moment it is \$400 or \$500 a buffalo, but they have opportunities where they are looking at a pet meater coming in and doing that culling for them, and then paying the traditional owners per beast with their GPS tracking where they culled that beast. If we could see that opportunity in Central Australia that would be good.

I will pass you to Mr Trier.

**Mr TRIER:** We have been undertaking a project on agile wallabies and using them for a potential industry. That is near finalisation and looking to be written up now. My understanding is that there is some potential there, and given the amount of agile wallabies in the Member for Daly's region—they might not be Central Australia—there is certainly some opportunity.

**Mr PAECH:** One last question, if I may—a number of homelands in my electorate have livestock, whether it is cattle or horses. Is there an opportunity or a role there which the department plays when those properties become heavily grazed and the traditional owners or the corporation of which the land trust is held are unable to have the money or funds to remove the livestock?

**Mr TRIER:** The Indigenous Pastoral Program that we spoke about before has a land management component to it. The program is currently staffed by people from the Northern Territory Government but also from the land councils. They work in collaboration. There is a lot of thought going in not only around livestock management, but also rangeland management to address the issue you just raised.

**Madam CHAIR:** Any further questions for this output? That concludes consideration of Output 1.3.

#### **Output 1.4 – Major Economic Projects**

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

**Mr HIGGINS:** Minister, your government has invested \$72.5m into public roads and land tenure for Project Sea Dragon to ensure this project goes ahead. How confident are you that it will go ahead, bearing in mind that they have only just gotten their first lot of funding approved and it is a very small percentage of the overall ask?

**Mr VOWLES:** We are very excited about Project Sea Dragon and the commitment we have made, as a government, to further show our support to the \$2.1bn integrated staged tiger prawn aquaculture development that spans across the Northern Territory and WA borders.

We are very confident—and we share the confidence of Seafarms Group—that this will get up and running. Obviously, it is a huge investment by them. They are on their final investment decision. What we do as a government has obviously been well-received by the project in Seafarms Group.

We hope it goes ahead because that means another opportunity for another industry and opportunities for some locals to get jobs, and also for people to move to the Territory. That is what we want as well.

**Mr HIGGINS:** It is my understanding that some of that funding they have just been given is to, more or less, do some sort of pilot or trial. Do you have any information on that, or can enlighten us on that?

**Mr VOWLES:** I am not aware of that. No, I am not aware of anything. If we do, we will send it through. At the moment, no.

**Mr HIGGINS:** Yes. Do we do any sort of business case analysis on the \$72m? Was that an ask from them or was it just a ...

**Mr VOWLES:** I am not aware of those conversations. It would have been under the Major Projects Team under the Chief Minister.

**Mr HIGGINS:** It was more a decision for them on that funding?

**Mr VOWLES:** Yes, they would have been approached for that. It would go through the normal process about the Treasurer and budgets and ...

**Mr HIGGINS:** Yes, that is fine.

The trip that you made to the US and Canada—can you give us some idea on what outcomes have come out of that trip? You mentioned before the bit about the US and I presume the bit through China was to pick up on the new airline flying here. That was the reason, I suppose, for the changing days, et cetera.

**Ms SIMPSON:** Yes.

**Mr VOWLES:** Oh, you were talking about what the trip—I did not go to Canada.

**Mr HIGGINS:** No, the US and China.

**Mr VOWLES:** Oh, China, that is all right. I want to get on the record that I did not go to Canada.

**Mr WOOD:** You could look at onshore gas.

**Mr HIGGINS:** We will stick to the US and China.

**Mr VOWLES:** No, the department will go there for PDAC—the big conference there promoting the Northern Territory on what geological formations and opportunities are in the Northern Territory.

Yes, I went to America, to Texas and Pennsylvania, to see dynamite and get some dust on my boots. We have gone through the inquiry and I have learned a lot. I came back and said that I wish I could send everyone over there to have a look at it. It is part of your journey and research as well.

The most stand-out meeting we had was with the Pennsylvania Environmental Protection Agency. We had a few hours with them. As I said earlier, they were almost jealous that we have come to that stage where we are right at the start, whereas they had to work back and go through. A real moment for me was with the guys we met with—the commissioner. When he left the meeting we had the real engine room of the EPA and they were saying, 'We are tree huggers. We are environmentalists. We want to get this right.'

It was really informative for us—for me and probably everyone on the trip. To see fracking happening and the process and a plant that is working, I suppose what shocked me was the lack of security there. That was a bit of an eye-opener for me. Talking to people there in the industry and other people, it can be done and managed. The impacts on the environment are quite minimal in that regard.

When we went to Williamsport, where the Marcellus shale is done—lakes, pristine beautiful country. It is just a small pad where the four wells are producing; it is very quiet. It was quite different for us. We do not have that here. It was a very informative trip and we set up some great networks there and learned a lot of information. We got some close links to work with in the Environment department and the people we met over there.

**Mr HIGGINS:** Okay, and then coming back through China was with the new airline.

**Mr VOWLES:** Yes, coming back to China—I had an Arafura Games meeting over there as well. I was supporting the Tourism minister in Shenzhen, looking at trade links. Donghai Airlines was originally a company set up to get—what is the word I am looking for? Transport airlines—that was part of me being there as well.

**Mr HIGGINS:** Okay. We will come to Arafura Games later hopefully. The trip to Japan in April, what were some of the outcomes out of that one? Did you get any agreements? Did we sign any agreements? Any since then?

**Mr VOWLES:** Yes. When we were in Japan we met with INPEX, and it had been a while since somebody had been over there. I think the Chief Minister had been over there in his first year in government. He went over to visit them, so I visited INPEX to talk, get updates, meet the executive board members, the President, the Chairman, and also sign the memorandum of cooperation strategic plan with the Ministry of Agriculture, Forestry and Fisheries.

Then we went onto Seoul, South Korea as. We took a delegation though. There were a couple of companies over there. We had an NT business evening where we showcased the Northern Territory. There were some local companies there who were looking for investment into their businesses around the sector. We had CORE and TNG with us. They were looking for investors in their projects as well. It was very well received. It is the cost of getting over and selling the Northern Territory, and that is what we have to do.

**Mr HIGGINS:** There is always a high cost in some of these. Do you think we actually reap the benefit out of it?

**Mr VOWLES:** Absolutely. When we are looking at the price of travelling and then the outcomes of even coming to the Northern Territory, investing here and putting us on the map and then showcasing what the Territory has to offer, I think it is a small price to pay. That is the reality of doing business in a global environment.

We have to always remind ourselves we are competing globally. We have the resources here, but so does every other country and jurisdiction. We need to make sure we are going out there saying, 'Here we are'. The bonus we have with INPEX and Conoco being here is that they really have put us on the map globally. With that investment from INPEX—they know you can do business here. We have the people to work here and we have such a mobile workforce, but it is important that we get out there.

**Mr HIGGINS:** I agree. I have no more questions.



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

**Mr PAECH:** I just have one. Minister, is the right output to ask a question about the bush foods industry?

**Mr VOWLES:** Just ask away.

**Mr PAECH:** Thank you. minister, I wanted to just take the opportunity to ask what work the department was doing in relation to supporting the bush foods industry, given there is a large groundswell nationally for particular produce from the Northern Territory.

**Mr VOWLES:** Yes, we were in Alice Springs a few months ago. I went for the local one, where there were about 30 community members, and then they had the national forum in Alice Springs. We have \$0.5m for a bush tucker industry research and development study, which has established a national industry hub in Alice Springs. It is a growing market. There are a number of different small-scale bush foods, medicines and cosmetic products such as bush tomatoes, native flora, wattleseed and eremophila. It is a huge opportunity for all the community.

It was inspiring to see the old ladies and young people there from across South Australia, WA and Queensland. We have a research officer as well, Donna. I do not want to miss anything out, because it is important. I will pass over to Mr Hausler.

**Mr HAUSLER:** Member for Namatjira, I think there was a workshop in your electorate just a couple of weeks ago, which you attended. That has been the focus of the bush foods project to date, to get all the key players together. It is the first opportunity they have had to get together and talk about common issues.

There was a big workshop last year and another earlier, in 2017, and there was a meeting in Alice Springs you attended as well, then another at Arlparra.

We have a strong interest in the bush foods industry and what we can do to support it. We have a large consultancy looking at a market analysis of bush foods.

**Mr PAECH:** If I may, the workshops that have occurred to date have been very successful and have seen a number of people jump on board to participate. There is a large number of Indigenous women in my electorate who would like to have a bush foods workshop in their home community. Is that achievable? I note you said this is a project, therefore it obviously has a time on it. Is there an opportunity for Indigenous women in their communities to nominate to have a workshop, or is that coming to an end?

**Mr VOWLES:** We will look at every opportunity, but like most things it goes to funding. We had a funded bush food coordinator for 12 months, and now we are looking at more federal funding to allow us to grow the program. We have renewed the bush food coordinator's position for another six months, which we will fund from within, and then look for federal funding to expand the program.

Everybody is pretty keen to keep going forward, not backwards and stagnate due to a lack of funding. I think it will be a sustainable industry.

**Mr PAECH:** Thanks for your support in that industry, minister.

**Mr WOOD:** Minister, you may have heard of the Kakadu Blue company, which is run by a gentleman who has been around for a very long time, Vince Collins. He harvests cypress pine trees. He exports and sells natural oil and lotions locally. I am fairly sure he exports to the United States to a different company. One of the difficulties he has is that he only has a lease over the trees for one year at a time. If we are to try to have a sustainable export industry in this product, he needs longer-term leases. Has the government considered giving this company longer-term leases? Do you actually assist this company with any support in relation to the export of his product?

**Mr VOWLES:** Thanks for that long question, Member for Nelson. There is a lot there to talk about. Some of that, you will know, is probably land issues for the land minister. If we have some information—I will pass to Mr Hausler.

**Mr HAUSLER:** I am not aware of this particular individual, but we are looking at ...

**Mr WOOD:** He has been around a long time, yes.

**Mr HAUSLER:** We do get a number of inquiries around access to plantations across the Territory. We are looking at a community-based project around select harvested native timber. We have a number of communities in northern Australia which are interested in partnering with us. We have a couple of successful models with Gumatj and another one in northern Queensland.

One of the first things we really need to get a handle on is what the resource is. We are trying to attract some funding to do a detailed resources assessment across the Northern Territory and northern Australia.

**Mr WOOD:** I think the resource he is looking at has been well and truly documented. It is Pinelands, Gunn Point, Howard Springs and, if there is anything left, it is probably the Tiwi Islands; although, I am told some of their forest might have been bulldozed—very valuable forest in this case. This is a very high-quality product that has taken him about 20 years, at least, to develop. When I recently visited him—he is based in Holtze, at 11 Mile—his biggest issue was lack of a reasonable length of leasing over some of the forestry land.

Gunn Point is one of the classic areas that, if it is to be developed, it should be harvested before it is burned out or just destroyed. Anyway, I ask that because if the minister is promoting an industry, this is one area that I think there is a place for the minister to perhaps talk to the lands minister about giving him longer-term leases over some of those trees.

**Madam CHAIR:** Any further questions for Output 1.4? That concludes consideration of Output 1.4 and Output Group 1.0.

## **OUTPUT 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:** What animals or types of animals is the department responsible for in regard to animal welfare? That causes a lot of confusion. A simple answer, please.

**Mr VOWLES:** It is always a simple answer. Any animal that has interaction with a human is probably simple. Is that simple?

**Mr TRIER:** Basically, domestic animals, commercial animals and animals that are owned by a person in one form or another.

**Mr WOOD:** And fish?

**Mr TRIER:** Just to qualify—mammals. I might just hand over to Ian Curnow to get it right.

**Mr CURNOW:** To pick up the Member for Nelson's point, the current act also picks up crustaceans being held in captivity in a restaurant.

**Mr WOOD:** Yes, we need to cover everything.

**Mr HIGGINS:** Yes. The reason I am asking this, and the Member for Nelson would probably back me up on some of this, is that quite often you get people raise an issue in regard to animal welfare—and I am thinking of a specific example at the moment.

Quite often they are pushed either to go back to council or to police or someone else. I am just trying to get a feel on who is responsible? It gets pretty frustrating when you go to a council and they say, 'Go to welfare,' and you go to welfare and they say, 'Go to police,' and the police say, 'Go to welfare or council—no one takes responsibility. I am trying to get a handle on where the buck stops with animal welfare.

**Mr VOWLES:** The frustration of people dealing with any level of government is very high—always. If somebody lives in the northern suburbs and there are dogs barking, they have all these issues around monitoring a barking diary, if you have one—next door's dog keeps barking ...

**Mr HIGGINS:** That is not an animal welfare one; that is a human welfare. I am talking about animal welfare.

**Mr VOWLES:** That is right, but it is about that animal barking for a reason.

**Ms NELSON:** It is a shared responsibility, is it not?

**Mr VOWLES:** Yes, but we look after animal welfare. That is the other side of things if there is any harm to that animal we too look at. It is always good to pass on to the people whose job it is, so I will pass that to Mr Curnow.

**Mr CURNOW:** I think the Member for Daly is getting towards the confusion in the community. It is understandable—animal management issues versus animal welfare, which is really about animal cruelty. I think the clear distinction is where there are instances of people suspecting there has been cruelty to an animal they should be referred to our department. But issues around animal management in terms of numbers and animals on a property, or barking dogs, might be for the councils.

**Mr HIGGINS:** No. I understand that. An example that I have is actually buffaloes out at Darwin River. There was a lot of concern about that and I can assure you—in the last month I have been around and around in a circle in regard to those animals that are just wandering around anywhere, not being looked after.

**Mr VOWLES:** I will hand over to Mr Hausler.

**Mr HIGGINS:** I am just trying to get a bit of clarification on who it stops with.

**Mr HAUSLER:** I received an email about this one and as soon as I became aware—I knew the owner responsible for the animals—we sent an extension officer straight out just to see if there is anything we could do to help. My understanding is that one of our recently retired officers had already been out there and inspected the premises, and the owner was having some health issues that was relating to the buffalo escaping.

As soon as we were aware of that we sent someone out to have a look straight away. As an agency we have a responsibility if we know the person, so as soon as we became aware we did whatever we could to respond.

**Mr HIGGINS:** I think you might find that your animal welfare people were not as receptive to being asked about it because they definitely did not do anything about it but simply pushed it back to council. This is not the first instance of this.

What I would like to see, if I could ask the minister, is that we prepare as something that actually goes out to people to say who and where these responsibilities fall. It seems that no matter who you talk to, you get a different answer. If I can honestly say, and I am not being critical here, that I have not received a definitive answer this morning. It is a bit wishy-washy.

You can see why people have a bit of a concern—if we could get that it would be really good. If we can get an outcome out that says where responsibility lies—‘This is when you ring the council; this is when you ring the police; this is when you ring welfare.’

**Mr VOWLES:** We will take that on board, Leader of the Opposition. It is always fundamentally for me—the approach I have as a politician is that people do not ring us as their first point of contact. That is when they are right at the end, have lost the plot and are sick of being hand passed from department to department.

We will do what we can. We are happy to take that on board. Thank you for raising that.

**Madam CHAIR:** Thank you. We will hold further questions. The committee will now break for lunch until 12.30 pm where we will recommence hearings.

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The committee suspended.

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**Madam CHAIR:** Thank you, minister. We will continue with Output Group 2.0, Output 2.1. Are there any further questions?

**Mr HIGGINS:** I would like to know what the wild dog bite prevalence project is achieving and what it is doing.

**Mr HAUSLER:** I believe that is the same question that was asked. That was the phase one of the wild dog program. I think that is the same thing.

**Mr HIGGINS:** Right. Thank you.

**Mr PAECH:** Can I ask a question.

**Mr HIGGINS:** Yes, go for it.

**Madam CHAIR:** Minister, were you going to respond?

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**Answer to Question on Notice No 6.1**

**Mr VOWLES:** Yes, we have a response to Question on Notice No 6.1 to table.

**Madam CHAIR:** Thank you. Will you read it or were you tabling it?

**Mr VOWLES:** I can table it.

**Madam CHAIR:** I am happy to take it now, thank you. The minister will table the answer to question on notice number 6.1.

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**Mr PAECH:** Before we went to the break you were saying that you had carriage of domestic animals. Where would wild animals sit? Is that the responsibility of your department or is that in with Minister Moss's portfolio areas?

**Mr VOWLES:** If it is wildlife, so it comes under the wildlife act. which will be under the minister for Parks and Wildlife.

**Mr PAECH:** Just to clarify, the only interaction your department has is with domesticated animals to some degree? I was just picking up on the question that was asked ...

**Mr VOWLES:** This is what we are trying to say. If there are animal welfare issues and they are not being fed and those types of things, we will deal with it. That is the simple answer.

**Mr PAECH:** Thanks, minister.

**Madam CHAIR:** Member for Daly, have you finished your questions for this output? I think the Member for Nelson has some.

**Mr HIGGINS:** I have a couple more.

**Mr WOOD:** On animal welfare?

**Mr HIGGINS:** Not on animal welfare. I will go to biosecurity.

**Madam CHAIR:** Go ahead and ask your questions, Member for Nelson.

**Mr WOOD:** Minister, in your annual report it says there were 5525 animal welfare complaints investigated and seven were successful prosecutions. What happened to the other 5518 investigations?

**Mr VOWLES:** We conducted 442 investigations into complaints about animal cruelty, neglect, abandonment—education program. I will pass over to Alister Trier.

**Mr TRIER:** I think a couple of points the minister just made—not every case goes through to prosecution. There is a difference between investigations and prosecution. Prosecution is really a mechanism of last resort where something that has happened that is wilful or of real significance. A lot of other mechanisms that can be brought to bear—through an education process, talking to the relevant people involved, getting an understanding and taking them through an educative process.

The other thing is that an investigation does not necessarily mean something has gone wrong. It could be an incident raised, investigated, and turns out to be of little or no consequence.

**Mr WOOD:** This is out of the fast facts section. Is there anywhere where those figures are broken down? It sounds funny when you just see seven—that many complaints and that many prosecutions. I am not saying there should be lots of prosecutions either, but it leaves you wondering what happened to the rest. I understand where you are coming from, but is there some documentation that says what the break-up is?

**Mr TRIER:** There is not a high level of specificity. It is something we should consider going forward.

**Mr WOOD:** Thank you, Madam Chair.

**Mr HIGGINS:** In regard to biosecurity, how much is the government committing this year to implementing the biosecurity strategy? Is there any allocation to that?

**Mr VOWLES:** The short answer is, there is no specific allocation to biosecurity at this stage.

**Mr HIGGINS:** So it is just included in the overall, general ...

**Mr VOWLES:** In the whole ...

**Mr HIGGINS:** Okay. Have we done any modelling on the likely economic and social impact in the NT of some of these incursions? It is things like the banana freckle, panama disease, white spots, mango scab, bacterial black spot—I presume that is on mangoes—blights, listeria and citrus canker. Do we do any modelling on any of that to see what the impact of any of those are?

**Mr VOWLES:** I will pass that to Mr Alister Trier for the information.

**Mr TRIER:** The answer at the Territory level is no. I guess it gets down to our resources being focused on making sure we have the best possible team in place to deal with biosecurity going forward. We are at the end of a review of the Intergovernmental Agreement on Biosecurity. As part of that there was a review of a whole range of processes and impacts.

Again, they did not specifically look at those diseases in terms of modelling, but some broader modelling has been undertaken to illustrate the effects of biosecurity responses and where intervention is best placed to try to deal with biosecurity responses and to try and prevent biosecurity incursions. Ian Curnow might have some additional details.

**Mr CURNOW:** Just in addition to Alister's point, some of that work has been done nationally on the potential for foot and mouth and things like that. They have done modelling, and I think the numbers were something like \$50m worth of impact in the first few months. They have stuff to show that it can have very serious flow-on impacts, not just direct to those providers but social and other impacts as well.

When you look at some of the national responses at the moment around the red imported fire ant. You would not say they are an industry driver, but it is more about the social and amenity values as well as environmental impacts of some of those species. In places like Hawaii people cannot even go outside and have picnics or go out into their own backyards anymore for fear of being attacked by swarms of ants that are very aggressive and have killed people through allergic reactions.

The work is being done nationally in terms of the risks. A lot of the other modelling work that has gone on in the biosecurity space in Australia is around where the government should invest versus where industry should invest and best return for buck. There is plenty of stuff making it clear that government investing at the front end in terms of monitoring and prevention is a much better investment than trying to manage the problem once it is established.

**Mr HIGGINS:** On the basis of limited resource, are we really setting our priorities based on the national modelling as opposed to our own here, like when we set our priorities on where we will put our resources on prevention?

**Mr VOWLES:** Of course, biosecurity is paramount to the Northern Territory. Our proximity to Asia—and we have already seen with the melon virus and the banana freckle, and citrus canker to a certain extent, but mainly those two I previously mentioned. We have our own priorities but we need the national bodies to jump in. Browsing ant—I think there is nearly \$5m federal funding that has come through that process. I think Mr Curnow has more to add.

**Mr CURNOW:** The priorities are Territory-specific in terms of our biosecurity monitoring programs and our dealing with industry around what the risks are. We look at what the risks are to our industries, and our programs are tailored around preventing that.

I think the stuff we are dealing with at the moment which is part of those national responses—where things have been detected and the national arrangements kick into gear, and where part of those responses based in the Northern Territory, Queensland or WA as part of our national commitments—our ongoing monitoring and preventatives, as well as the requirements to establish proof of freedom. A lot of the work in biosecurity is to demonstrate that we do not have something, so then we can access overseas and interstate markets. Even when we do not have the disease, we need the right monitoring programs to demonstrate that. That is a key focus of our work at the moment.

**Mr WOOD:** I have a few basic questions. This is in relation to the cucumber green mottle mosaic virus. Is there still a budget for ongoing work and research in the eradication of that particular virus? I could not find anything in relation to it.

**Mr VOWLES:** Not that I can see here, Member for Nelson. We have been awarded \$1.2m by Horticulture Innovation Australia in February 2016 to address the cucumber green mottle mosaic virus knowledge gaps. The three-year project objectives were to identify weed hosts where the virus can survive, alternative crop species for producers, virus persistence, survival in soil, role of honey bees in disease spreading, improved diagnostic technology development, multilingual on-farm biosecurity manual—but if Mr Hausler has any further information on that I will pass to him.

**Mr HAUSLER:** CGMMV is endemic to the Territory and so producers need to manage that disease in their melon crops and so that is what the project the minister just outlined is around working with producers to allow them to manage the disease in their crop.

**Mr WOOD:** Where would I find that amount in the budget papers. Does it come under some—it is a fair amount of money, so where do I find that in the revenue statement for Department of Primary Industry and Resources?

**Mr TRIER:** I think it is spread across a range of different areas because of the way the department is structured at the moments. It cuts across different areas, so there is no specific allocation, but it is mixed in different areas with a range of internal and external contributions.

**Mr WOOD:** In relation to a virus, has there been any decision regarding the virology facility at Berrimah Farm? Will it stay or will it go?

**Mr VOWLES:** Sure, it is staying.

**Mr WOOD:** The facility as it is? That is what I was referring to.

**Mr TRIER:** There will be some renovations or improvements. There is no intention to lose that facility or that capability.

**Mr WOOD:** While I am here, minister, thank you for allowing the department to show me around the changes that are occurring—some good, some bad.

**Mr VOWLES:** We are all in this together, Member for Nelson, so if you want to tour the facility that is no problem.

**Mr WOOD:** No, that is all right. I was reminiscing. A couple of specific questions. Has there been any promising biological control options for the mango leafhopper—which, having a few mango trees, I know very well what a pest it is.

**Mr VOWLES:** I will not pretend here, Member for Nelson. I will pass that to the relevant expert, Mr Hausler.

**Mr HAUSLER:** Carbaryl.

**Mr WOOD:** I get that from my neighbour.

**Mr HAUSLER:** I am not aware of any ...

**Mr WOOD:** That was a body of programs?

**Mr HAUSLER:** I will have to take that on notice for further detail on that one.

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**Question on Notice No 6.3**

**Madam CHAIR:** Member for Nelson, can you repeat your question of the record.

**Mr WOOD:** Have there been any promising biological control options for mango leafhopper?

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

**Mr VOWLES:** Yes.

**Madam CHAIR:** The Member for Nelson's question has been allocated the number 6.3.

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**Mr WOOD:** My last one is, has fruit fly been eradicated from the Ti Tree area since there was an outbreak there?

**Mr VOWLES:** My advice is it is sorted, but I will pass that over to Mr Hausler again.

**Mr HAUSLER:** My understanding is that we have been monitoring that for some time. I understand we might have picked up some fruit flies in traps there recently.

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

**Mr HAUSLER:** Ongoing, yes.

**Mr WOOD:** Okay. Thank you, Madam Chair.

**Madam CHAIR:** Are there any further questions for this output? That concludes consideration of Output Group 2.0.

**OUTPUT GROUP 3.0 – FISHERIES**  
**Output 3.1 – Fisheries**

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

**Mr HIGGINS:** Sorry. AFANT was provided with funding of \$180 000 of the industry development funding. Can you explain how that amount is set and how that grant is assessed and acquitted?

**Mr VOWLES:** I will pass that to Mr Curnow.

**Mr CURNOW:** The grant has been set for quite a number of years in the pool of funds available to industry development support program. The IDSP has very clear requirements on the submitting of applications that are project based, as well as how those funds are acquitted. Every year the various groups that apply for IDSP, including AFANT, need to submit a project of what they will be doing in the current year and what activities they will undertake. That then needs to be acquitted before they can apply for the next year's funding grant as well.

In recent years, there has been a commitment from government to move towards multi-year funding, so those levels of funding have been committed over a multi-year term, but the still require that annual acquittal of what activities were undertaken and what they achieved for the money.

**Mr HIGGINS:** Okay. The Northern Territory Seafood Council CEO, Katherine Winchester, has said that 70% of Australia's fish are imported from overseas and commercial barramundi fishermen cannot compete. What resources are we making available to address this issue? You might then also go into the issue of what resources will be allocated to assist the labelling of Northern Territory product. I think that comes down to

getting the other states to say whether fish is imported or Australian or from the NT in restaurants, and what progress is being made in that area.

**Mr VOWLES:** We always talk about the huge success of the Humpty Doo Barramundi farm and all the support that has been given. At the same time we have the commercial industry really fighting at the moment. We have seen the recent media regarding \$25 a kilo for barramundi, and retail is about \$40. Now they are getting about \$14 a kilo for their barramundi and a lot of that, I have been advised, is oversupply from a big year last year. So it is important that we get behind it.

We fund \$240 000 over three years for a promotions officer within our Seafood Council to get that out there, but the labelling is something that should be done. Common sense—you want to know where your food comes from.

I have had discussions with Minister Littleproud regarding that and he is very supportive of getting that everywhere. I think it is even more important when globally we have such an open market now. We have Vietnamese fish coming in as well as mangoes, so it is important to know that you have Territory barramundi. I do not know if I got to answer your question fully.

**Mr HIGGINS:** I can remember when I was a minister, pushing this with one of the COAG meetings in regard to the labelling through restaurants. I know there were some states that were against it, so it did not progress anywhere. Is that still being pursued? Because I think we should be pursuing and pushing these other states to bung a label on it that says its Australian or NT so that people know they are getting barramundi, as opposed to fish bred in some farm in Asia somewhere.

**Mr VOWLES:** I agree. I think we have led the nation in this around our labelling laws. I have spoken to federal Agriculture minister, Minister Littleproud, when he was up here.

As you are aware, you are always fighting for what the Territory can benefit from and people need to know that they are having Northern Territory barramundi. I know the federal minister shares—and so does the Australian Government. They are doing some work on labelling. We need to know where our food is coming from, and what is being sold in our markets and our supermarkets.

As I was saying earlier about the Maningrida mullet, I think that is a real opportunity for us to say we have local, traditional people literally out in the water catching these fish, marketing it down south and saying, 'Here is our product in the North Shore of Sydney'—and always looking for something different. I think we have the opportunity here. We need to make sure we know what we are putting on our plates. We need to know the origin of it because that is important. We should always look at how we can best benefit from it.

**Mr HIGGINS:** I always do. It is something I feel strongly about. When we talk about breeding programs of fish, released in our waterways and increasing our fish stock, I think back to the barramundi farm. I did a tour out there and they could not source the little fingerlings from the Territory because they were not big enough; they were bringing them in from Queensland.

With the expansion, is there any plan for that breeding program to start here? There was a concern—I may be wrong but Mr Curnow can actually clarify this—that those barra fingerlings, were coming from Queensland and we did not want them escaping into our fisheries here. That is a double bunger question, sorry, but you get the point.

**Mr VOWLES:** Yes, and it is important. Humpty Doo Barra farm is kicking goals—it is a long-term plan they have. We have a growing-out facility which is not only producing the million-dollar fish and the \$10 000 fish—I will pass that over to Mr Curnow.

**Mr CURNOW:** On the second part of your question, Member for Daly, in terms of translocation and protecting the genetic populations of the Northern Territory we do not want imported fish being released in to waterways. When fish were coming in from there it had to be on guarantee that those fish would not escape.

More importantly, though, we have been working with Humpty Doo Barramundi for quite a few years in terms of developing them with skills in the breeding program that we traditionally run at DAC, Darwin Aquaculture Centre. Initially government had run that service, particularly when we had seven or eight barramundi farms—but running at a scale to only support one operator was not that commercially viable, so we switched from that approach to training them up in the techniques that our staff have.



As you would recall, we were still providing that service in terms of some of the recreational stocking, so we still had that production facility there. In the last couple of months Humpty Doo Barramundi leased some space at the aquaculture centre—a number of our rooms and tanks. They will be conducting their breeding there, which will allow us to continue to assist them in developing those skills, but they will be running the hatchery part of their operation out of the Darwin Aquaculture Centre and then stocking those fingerlings themselves. They will be undertaking that part of the business themselves.

**Mr HIGGINS:** That means the fingerlings will not come from interstate, they will be our own bred ones here?

**Mr WOOD:** Did anyone consider talking to Taminmin College about possible use of their resources for hatchery? I think they have a course at the college. They are not that far from the Humpty Doo Barramundi farm. I just wondered whether anyone had perhaps looked at that option of them being involved.

**Mr VOWLES:** That is a no from us, but we are always happy to explore different opportunities and also get people involved in the aquaculture industry.

**Mr WOOD:** I had raised it some time ago, I think in another forum, but anyway.

**Mr VOWLES:** Some good students have come through that school.

**Mr WOOD:** Do you have more on fisheries?

**Mr HIGGINS:** No. I was only going to ask how they are going with the one down at Berry Springs.

**Mr WOOD:** On the tourism one?

**Mr HIGGINS:** Yes.

**Mr VOWLES:** Come out and fish for barra? I am not aware of it but I do not know if anybody here—I am aware of the concept and the idea.

**Mr HIGGINS:** I just asked whether anyone has any involvement in that. I will keep that for the minister tomorrow.

**Mr WOOD:** Just a few questions on fishing. On page 181 of Budget Paper No 3, it says proportion of fish stocks assessed is sustainable—it has 82%, 82% and 82%. Could you perhaps explain a bit more about what that means and does it only relate to where commercial fishing is permitted?

**Mr VOWLES:** I will pass over to Mr Ian Curnow.

**Mr CURNOW:** The 82% actually relates—the second part of your question first. We sort of manage our fisheries or class them in our annual fisheries status reports, includes all users of the resource so we classify the fishery as the fish stock. So that 82%, which has been static there relates to the over fishing of jewfish and golden snapper around the Darwin area.

All of our fisheries in the Northern Territory are highly sustainable—that is the one where we have some risks and where we knew over-fishing had been occurring. I guess that 82% relates to our dozen or so fisheries with the one—the Darwin part of the coastal line fishery is still be over fished and in recovery. That is the one exception there but that relates to fishery utilised by recreational fishing and commercial fishing.

**Mr WOOD:** That was my follow up question. What is the status of the golden snapper restrictions. Are they still in place?

**Mr CURNOW:** By restrictions, I am assuming you mean the changes in bag limits, possession limits and the areas.

**Mr WOOD:** And the areas that we have set aside.

**Mr CURNOW:** All of those measures are still in place. We are continuing to monitor that fishery on an annual basis to see how well it is recovering. In terms of the reduced limits and reduced quota for the commercial fishermen, it seems like that has been working in helping some of that recovery. Whether those closed areas—I guess the jury is still out in terms of whether they playing a valuable part or not. Some of that research is still continuing, but as part of that we have equipped our fisheries boat with some high-tech sonar

gear that can actually sound out the sizes of some of those fish populations to compare them within those closed areas to the open areas. The actual science around proving that is probably a little way off yet.

**Mr WOOD:** Minister, your department reviewed management arrangements for priority fisheries including mud crab, coastal lines and offshore net and line fisheries. Has this led to any significant changes to management?

**Mr VOWLES:** Thank you for the question. I will put it to Mr Ian Curnow.

**Mr CURNOW:** In terms of the mud crab fishery, we now have an agreed harvest strategy in place in that fishery, which is our first formal harvest strategy in the Northern Territory. I guess it is a concept we have been working on nationally for probably the last five or six years to come up with a national framework around contemporary fisheries management, with harvest strategies as one. So there is now a nationally agreed framework that we are rolling out in the Northern Territory.

Mud crab, as the first fishery, would have done that. A critical part in that fishery now is that it is clearly recognised—two zones between the Gulf of Carpentaria and the rest of the Northern Territory. It has brought in a whole range of predetermined management decisions. The department sat down with all the users of the resources and looked at various trigger levels. In the future if we get periods of poor rainfall, like we had in the Gulf a while back, which saw a significant reduction in the mud crab fishery over there, there are now predetermined actions that are listed in the harvest strategy that have already been agreed by all the stakeholder groups.

When those situations through environmental conditions are to occur again, there is now clear agreement about at what point new management kicks in, be it closures, reduced limits or whatever that might be. That has been a significant achievement.

The offshore net and line fishery was another one you mentioned, which is the shark and grey mackerel fishery.

**Mr WOOD:** And coastal line.

**Mr CURNOW:** And coastal line. We are developing a harvest strategy for that fishery at the moment, but in concurrence with that we have been developing a new quota-based management framework, similar to what we put in for the offshore demersal and Timor Reef red snapper fisheries. That has been through the process and has now been agreed to by our minister and the federal minister, being a joint-authority fishery at the moment. So that is being drafted at the moment and we are hopeful that new ITQ management framework will come into place, probably in the next three or four months, so hopefully by October.

We have very healthy populations of blacktip sharks in the Northern Territory. We are hopeful that under this new framework we will be able to grow the size of that fishery and have one of the genuinely sustainable shark fisheries, where you can put hand on heart to say it is being expertly managed and is fully sustainable. That would be a real achievement for the Northern Territory.

I do not think it would be unreasonable to expect that the fishery will continue to develop the same as when we brought quota into the offshore snapper fisheries. It went from being about an \$8m fishery in a period of three or four years to a \$25m fishery. I think this new framework in the shark and grey mackerel fishery will achieve similar growth by defining those shares a lot more tightly for the commercial sector, allowing them to work on their markets and product quality the same as the offshore snapper fishermen have done and really grow the value of that fishery.

The coastal line fishery, which we sort of touched on in the previous answer a little bit, is still subject to the recovery around jewfish and golden snapper stocks, but there has been a quota in place for the commercial fishery for a while now. The challenge in recent years in that fishery has been the huge increase in the prices of jewfish swim bladders, which have gone from something that was not known to have a commercial value to, a few years ago, going for \$100 a kilo. It has grown from \$100 to \$300 to \$500, and the latest reports have been about \$800 a kilo.

**Mr WOOD:** They are worse than mangoes.

**Mr CURNOW:** Worse than mangoes; that is right. That is a challenge that is being worked through at the moment, but industry has given those values, so I guess there is a real incentive for them to get a good, tight

management framework to protect that fishery, because it is not quite a valuable commercial fishery if it can continue in the long term.

**Mr WOOD:** Have we come to a balance between the recreational areas and the commercial areas, because the previous government—and I did not agree with Chambers Bay being take out—took Chambers Bay and one other fishery out. Have we come to a balance now between what the recreational and commercial fishers need?

There always seems to be some debate over the areas where they fish. Can you give us an update on that?

**Mr VOWLES:** That is always interesting. Anyone who has been in this position before understands what I am talking about.

Recreational fishing is very important to us. Land access, access to waterways and in a commercial—not being pushed out too far. It really impacts on them; we have heard that lately with the barramundi price drop.

We have done a lot of work in this area. We are trying to continue to work with both industries. We have close relationships with AFANT and the Seafood Council. We have a Northern Territory fisheries resource sharing framework which provides guidance and decision-making to stakeholders about principles and criteria. It is about using a contemporary management plan, including explicit harvest strategies to develop for each managed fisher in the Northern Territory.

It is an ongoing conversation about what we do in this space. We have plans. I will pass you over to Mr Curnow, as he is the expert.

**Mr CURNOW:** The biggest change in the last few years has been the government's adoption of a formal resource-sharing framework that is actually a clear policy document that guides some of those decisions. If particular sectors want to claim that a particular area should be closed for whatever reason, that policy sets out the process that must be followed.

It requires the proponent of that idea to put forward a sensible proposal that spells out where they think the economic, social and other benefits of that proposal might be—then working through a proposal initially through a fishery MAC. If the MAC is not able to come to a grounding on that the framework sets out that the minister, if he so chooses, may set up an independent group to review the merits of that decision to be clear about the benefits and whether they are real or not.

**Mr WOOD:** Minister, you announced that you announced that you released 110 000 barramundi fingerlings into Manton Dam. What happens to them? Do we get 110 000 barramundi?

**Mr VOWLES:** There are hopefully no children listening. I think there is a 10% survival rate—lower. I am getting a pointed down finger—it is less than 10% survival rate for the fingerlings. I have learned over the last couple of years that they are very lazy fish.

**Mr WOOD:** I hope the barra are not listening.

**Mr VOWLES:** We are talking about giving access to everybody—suburban lakes as well, as we have done at Palmerston. I think we dropped another 110 000 or similar. What is the exact survival rate, Mr Curnow? I was told 10%, but maybe they have been talking it up.

**Mr CURNOW:** If you look at a fish from egg size to adult, you are talking about 1% or 2%. It depends which impoundment we put them into, with our breeding we will grow the fish to a bigger size to improve those survival rates. The most recent fish we released into Palmerston lakes were of a bigger size, as we wanted to improve their chances of survival so they would not be an instant feed for the first hungry barra that was sitting there.

**Mr WOOD:** There are still a few at the Howard Springs Nature Park but you are not allowed to throw a line in.

**Mr VOWLES:** We had a situation at the Palmerston lakes when we were doing a bit of media there. While we were getting the barramundi out about 200 ducks rocked up. They were very interested in what we were releasing. It makes a bit of sense that it is a 2% or 3% survival rate.

**Mr WOOD:** Word gets around with those ducks.

**Mr VOWLES:** Having said that, we have footage of some young fellas catching barramundi of a good size in lakes and Manton Dam. It is not my portfolio area, but we do a bit of work there with the release. A \$10 000 barra came from Manton Dam as well, which is fantastic.

**Mr WOOD:** Do they go over the spillway?

**Mr VOWLES:** We spent \$200 000 fixing that containment net. We put money towards that coming out of the Recreational Fishing Advisory Council project that was supported through that committee, so we can keep the fish that survive in there. A local company did that work for that containment net; it was about \$200 000 for that work.

**Mr WOOD:** Two more questions. What was the result of sediment sampling around Darwin Harbour? Was that your project or Natural Resources? It is mentioned in your annual report.

**Mr VOWLES:** There is a lot of shaking of heads here, Member for Nelson.

**Mr WOOD:** I can ask Natural Resources anyway, but it is in your annual report. The other one is, what is the novel technique developed for detecting pest-marine species on high vessel traffic? I remember the blue-striped mussel in Cullen Bay—what is this new novel technique?

**Mr VOWLES:** For a novel answer, I will pass that to Mr Curnow.

**Mr CURNOW:** We have been involved in a project nationally that is looking at DNA analysis of water. It is involving the ability to take water samples out of particular areas and run a whole range of DNA testing to pick up DNA matter from any range of pests that might be present in that water column. We were a participant in that national study by providing samples from the Northern Territory to go into that.

That is an exciting new innovation to try and get early detection of pests clearly in a marine habitat. I am not sure the answer will be that helpful because if it suddenly says we have found a trace of a mussel, you then have to try to find out where it is. It is certainly a good tool to give you an early indication of at very low quantities. You could have a very minor outbreak of something or something arriving on a ship and potentially pick that up quite early through that water analysis rather than having to wait until there is a physical observation of mussels on poles or ship hulls.

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#### **Answer to Question on Notice No 6.2**

**Mr VOWLES:** Madam Chair, I have an answer to a question taken on notice 6.2.

**Madam CHAIR:** Would you like to table the answer?

**Mr VOWLES:** Yes, I would thanks.

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**Madam CHAIR:** Any further questions for Output 3.1?

**Mr KIRBY:** Minister, just a query about the commercial fishing industry. There are always some conversations going on about the support they get. Are you able to detail the support the government provides to the commercial industry please?

**Mr VOWLES:** Yes, thank you for the question, Member for Port Darwin. The commercial fisheries are vitally important, they have been around for a long time. A lot of changes there but as a government we support about \$240 000 over three years for a promotions officer position. Through an industry support program we fund \$200 000 and last financial year—the Member for Daly asked what happened with the VHT money—we were able to move \$50 000 to the Seafood Council for governance and communications.

It is about assisting and knowing how we can do that. Money is not always the solution but we need to continually work on how we can best grow and maintain that industry. We have read in the media that they are in some tough times at the moment. It is important that government tries to support them in any way it can, not just through money but technical knowledge—and how we can maintain a commercial industry in the Northern Territory.

**Mr HIGGINS:** Just a bit of a follow up on that money to AFANT, we were talking about that \$185 000 before and the \$1.85m that got distributed in AFANT—we have \$20 000 for their governance training. We have \$30 000 each year for the next three years for recreational fishing infrastructure consultation. Surely, when we are committing \$50m we would have undertaken that consultation beforehand? Would that not be a government role as opposed to funding an outside body on top of their \$185 000?

I would have thought that would have been AFANT's role already to do that. Why are we then giving them another \$30 000 to do that consultation? Have they outlined where that \$30 000 will be spent? It is \$90 000—\$30 000 for the next three years.

**Mr VOWLES:** I am dreading giving you that information sheet I dropped to you before the break. It is about the breakdown of the money. We are an open and accountable government so we are all ...

**Mr HIGGINS:** Yes. That is all right. I would have done a written question later on anyway.

**Mr VOWLES:** I get emails and Facebook information ...

**Mr HIGGINS:** I sent you the cotton photo before on your phone ...

**Mr VOWLES:** Excellent. I will check that later. We work closely with the Amateur Fishermen's Association on the huge commitment we made to infrastructure and recreational fishing in the Northern Territory. As the minister coming in—we were given the importance of the Recreational Fishery Advisory Committee as well and that. Any project needs to go through it and be presented and approved through it.

The recreational fishing infrastructure consultation you are referring to, the \$30 000 over the next three years, is literally the organisation that has the members, the contacts and real up-to-date information about what is going on. As someone who loves fishing, I get the emails and Facebook requests about, 'If you fish here, fill out this survey form'. That is simply going to the people who know and have the database as well, as far as the figures reach.

**Mr HIGGINS:** I would have thought funding them \$185 000 as the peak body for that industry ...

**Mr VOWLES:** Industry support.

**Mr HIGGINS:** Why do we then give them another \$30 000 to do consultation on infrastructure? I would have thought they would already know what infrastructure they need without doing that consultation. Otherwise, how would we have committed to the \$50m over the four or five years? They must have already had that, already done their consultation. Why are we re-doing it? I am questioning the \$30 000.

**Mr VOWLES:** Yes, of course. With our enormous commitment of \$50m out to fishing infrastructure, as you can imagine when you put something out, it is probably \$100m with fishing infrastructure that comes back to you.

**Mr HIGGINS:** If I had \$200m I would be realistic.

**Mr VOWLES:** That is right. Everyone wants a boat ramp in the right areas. It is important to them. It is important, as a government, that we are given these opportunities, but it is very important that we are using taxpayers' money wisely and in the right spots. That is why we got to AFANT and say, 'You are the recreation fishing industry. We respect that and acknowledge your far-reaching and wide membership base as well.' We have no issues in that funding allocation then because they are the right people to do that.

When in opposition, we consulted on the \$50m. But it is important that we have a commitment out there. Honestly, we really strengthened the Recreational Fishing Advisory Committee. You have the Amateur Fishermen's Association, the Territory Guided Fishing, Seafood Council—who else is on that?

**A WITNESS:** The Northern Land Council.

**Mr VOWLES:** Yes, the land council is on it, so it is a really powerful group. Everyone who is involved in fishing and all those relevant stakeholders are represented there. It is working and we are rolling that out and finishing the infrastructure.

**Mr HIGGINS:** We will not bring up Dundee.

That \$30 000 they had in 2017–18, they get it again this year, 2018–19, and again in 2019–20. Can you table how they have acquitted that \$30 000 to show what additional work they have done over and above what was funded out of the \$185 000 that they have had to undertake. Then could we see their budget for the \$30 000 for next year and the year after so we can see that this is not just a money grab? Probably the way to have done that would have been to increase their funding from \$185 000, then we would not be able to pull this out.

I would really like to see where that \$30 000 is going, so we can be a bit open and accountable on it.

**Mr VOWLES:** I will obviously have a look at all that information and where we best can—I do not have a problem with it. But if there is a commercial ...

**Mr HIGGINS:** Commercial-in-confidence, I would accept that.

**Mr VOWLES:** Yes, all that. I am happy to provide that. There are no issues from me, and we can get that pretty quickly, I think, but obviously not next year's.

**Madam CHAIR:** Member for Daly, would you like to put that on notice?

**Mr HIGGINS:** Yes, if I could.

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#### Question on Notice No 6.4

**Madam CHAIR:** Member for Daly, please repeat the question for the record.

**Mr HIGGINS:** Would the minister be able to provide the committee with an acquittal of the \$30 000 that was given to AFANT for recreational fishing infrastructure—the \$30 000 in 2017—and then a copy of the budget on how that money is to be spent in 2018–19 and again in 2019–20, to confirm that it is simply not a top-up to the current funding and is actually very specific for that consultation, over and above the current role.

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

**Mr VOWLES:** Yes, I accept it.

**Madam CHAIR:** The Member for Daly's question has been allocated the number 6.4.

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**Madam CHAIR:** Are there any further questions for Output 3.1? That concludes consideration of Output 3.1 and Output Group 3.0.

### OUTPUT GROUP 4.0 – RESOURCE INDUSTRY DEVELOPMENT

#### Output Group 4.1 – Geological Survey and Industry Development Services

**Madam CHAIR:** I will now call for questions on Output Group 4.0, Resource Industry Development, Output 4.1, Geological Survey and Industry Development Services. Are there any questions?

**Mr HIGGINS:** I will get right to the point up front—the hybrid mineral resource royalty. How much input did you or your department have in coming up with this new tax scheme? I am not asking if you agree or disagree with it. How much input did you have in that? Who actually recommended that? Was it simply out of Treasury? What role does the department have in developing that regime?

**Mr VOWLES:** Thank you very much for the question, Leader of the Opposition. I know you raised this with the Treasurer the other day. It is a Treasury initiative or something out of the Treasurer's office, but what I will say is that it is only fair for Territorians that if you are pulling something out of our ground that is non-renewable that we get a fair share of what is happening out of that.

Of course, I am fully aware of any changes to the industry—as an impact on the industry. I have said many times that the mineral sector and mining sector is the golden goose of the Northern Territory. We must always remember that. We had a record year last year in the mineral sector. I think it was over \$3bn coming in. We have a lot of projects close to final investment decision as well in the mineral sector. We need to make sure we are supporting them through those processes where we can.

We have a lot of major projects in the resource sector. As I said, Leader of the Opposition, it is only fair that if you are pulling a resource out of the Northern Territory, we should be getting something from it.

**Mr HIGGINS:** I do not disagree. The hybrid royalty scheme is something that the industry has been very adamant in saying it does not agree with. I would presume that your department has therefore done some modelling on the impacts of that. Will you table that modelling?

**Mr VOWLES:** I will pass to Mr Rod Applegate, Deputy Chief Executive.

**Mr APPLGATE:** No, to answer your question, the department does not do any modelling on that. We are largely a regulator in the mining and energy space. The revenue collected is largely the responsibility of the Department of Treasury and Finance. They would have done the modelling and come up with it.

**Mr HIGGINS:** I presume if you, as a department, could see that there would be an impact on your industry, I would have thought you would have done some modelling. Or you did not see any impact on your industry from this hybrid royalty scheme?

**Mr APPLGATE:** Again, we do not see in our day-to-day business the amount of money that is collected from each of the operating mines. That goes straight to Treasury and we are not privy to that information. We see a large number at the end of the financial year on how much has been collected.

**Mr HIGGINS:** We have had industry complain about this hybrid scheme and you say you have not done any modelling to see what impact that would have on your industry, which you are there to support?

**Mr VOWLES:** We have a very good relationship with the Minerals Council and the whole resources sector. I was part of the consultations with the Treasurer's office and relevant stakeholders. This is something that the Northern Territory Government has made a policy decision on. As I said, as Territorians it is only fair that we have to benefit from anything that is being taken out of the ground—especially in the non-renewable sector.

I think we have done the best we can in bringing this in over a three-year period so people can adapt. We are fully aware of the situation and the impact on final investment decisions. That will be a matter for those projects to make those decisions.

**Mr HIGGINS:** In your role as the minister, did you speak with the Minerals Council or AMEC in relation to these changes at any point in time?

**Mr VOWLES:** I was involved in some consultation, as was my office, with the Treasurer when available.

**Mr HIGGINS:** So you did not have any direct ones with the Minerals Council or AMEC. When we look at access to water and mining, there will be a conflict at some point. I heard the Member for Katherine say there is an over-allocation in Katherine. At some point there will be disputes regarding access to water, and to some extent land as well, regarding mining.

Do we have any plans in place for how we are to address those conflicts? When we talk about the amount of water being allocated et cetera, we will have some competition between the mining industry and landowners over access to water. That is just a known fact. It will happen. Have we started to do some planning around how we will work our way through those conflicts and make decisions about how that limited resource will be shared?

**Mr VOWLES:** Of course it has impacts, as we mentioned earlier this morning, regarding horticulture and the consumptive pool of water that is available. I assume there have been some discussions around that. It is a government policy and will go through those processes. That policy will be announced and we are going through it.

**Mr HIGGINS:** I know there is a policy, but irrespective of what policy we have in place, we will have a conflict or competition over who gets the water allocation. How will that decision be made? What is the process it will go through and who will be the arbitrator in it all?

I know, ultimately, the Water Controller issue their water licence. We have that conflict to resolve. We may not have even thought about it at this point.

**Mr VOWLES:** I might pass to Mr Rod Applegate.

**Mr APPELGATE:** The government is intending to remove the exemption for mining for the use and allocation of water. I think that is scheduled for the August sittings. When that goes through the mining industry will be subject to any other commercial interests that wish to take water. At the moment that is dealt with through water allocation planning. I think you are very familiar with that process in the Daly.

To date it is fortunate that there is not a lot of co-existence of operating mines with intensive agriculture using water for irrigation. The intention would be that they are subject to water allocation plans for regional water control districts. They will have to work through it just like all the other stakeholders work through on a planning sense when it comes to the equal distribution of the consumptive pool for all industries relying on that water.

**Mr HIGGINS:** That is well if you are coming up with a new plan, like Katherine was a classic example where there was an over allocation, there was priorities set to licences et cetera. My question is—we will hit a similar situation—have we contemplated how we will resolve it?

It would seem to me that the answer is probably at this point, no. I am not saying that is a criticism or not. I am just saying that is an issue that we will have to address in to the future and have we given it any thought as at this point in time.

I get the answer—it is basically it is no, as the minister said. We have to finalise the policy. That is fine. I accept that answer.

**Mr VOWLES:** Leader of the Opposition, I am sure these are the questions for the relevant minister as well.

**Mr HIGGINS:** I will ask them there as well.

What is the average time for a new mine application to be processed and who now is taking the key role in that? Is it your department or is it DENR? Or is it both?

**Mr VOWLES:** I might hand to Mr Rod Applegate.

**Mr APPELGATE:** Member for Daly, I am not sure how much time we have to explain the process.

**Mr HIGGINS:** I am not after the process. Who has the lead role?

**Mr APPELGATE:** The minister for Resources will authorise any new mine in the Northern Territory as he has done so twice in the last 12 months.

**Mr HIGGINS:** So he is the one that takes the lead role in this, and will in the future?

**Mr APPELGATE:** The minister for Resources authorises a new mine. Associated with an authorisation for a new mine also is the requirement for a mine management plan that will also be authorised in order for that mine to operate. At the moment, the mining management plan is also authorised by the minister for Resources.

**Mr HIGGINS:** How much input does this minister then have in the environmental approval process for new mines?

**Mr VOWLES:** At the moment the process is still the same. Are you talking regards to fracking or just all ...

**Mr HIGGINS:** Yes, going forward.

**Mr VOWLES:** Going forward that is what we are working through. We made a commitment that I cannot be the promoter and also the regulator—when we were in opposition and coming to government.

We came to government and were in the process of transferring the environmental management plans or part of the mining management plan to the Environment minister as part of this process. And that is a whole body of work that has been going on and will continue. In regard to the independent scientific inquiry, that also strengthens that going across. So that process is being worked through right now.

**Mr HIGGINS:** I might just leave it there for the moment. I will let some others ask some questions. I have some more that I will follow up with later on.



**Madam CHAIR:** Thank you, Member for Daly. Are there further questions on 4.1, Member for Nelson?

**Mr WOOD:** Thank you, Madam Chair. Minister, what role would your department play in gathering baseline information for the onshore gas industry?

**Mr VOWLES:** Of course we play a huge role in getting that information and data. Is there something specific you are looking for?

**Mr WOOD:** One of the key recommendations, and it was not just for this inquiry it was the Hawke inquiry ...

**Mr VOWLES:** One and two?

**Mr WOOD:** Yes, one and two, and the professor from Aberdeen. You must have your baseline data and that was what came out when I was in the United States—you need that baseline data. I would expect your department, as a department that has an interest in mining, to be part of this process to gather the information about baseline information.

**Mr VOWLES:** I will pass you to Mr Rod Applegate.

**Mr APPLGATE:** Thank you, Minister. I am pleased to say the Northern Territory Geological Survey has an incredibly large role in defining our resources and the prospectivity of those resources, not only in the mineral sector but also in the oil and gas sector.

To that end, the work of the NT Geological Survey over the last three years has been instrumental in defining the boundaries of what is now known as the Beetaloo Sub-basin, which is where a number of our major gas companies are looking for tight shale gas.

You are probably aware that the shape of that Beetaloo Sub-basin has changed considerably over the last three years. It went from a fairly amorphous polygon to what was described as a duck and now it is a bit of a turtle with a longer neck than a normal turtle.

NT Geological Survey has analysed a large amount of holes-in-the-ground data or stratigraphy, and on that basis, can be fairly certain how to define the Valkyrie shale and shale rocks that host Valkyrie.

On top of that, it is also instrumental in doing further radiometric and gravimetric surveys in the broader McArthur Basin—again to assist exploration companies in targeting where they should put holes down to find more resources.

**Mr WOOD:** Thanks. Yes, it is one of the key recommendations if onshore gas is to go ahead.

**Mr VOWLES:** We lead the way in our geological data. Over the years we have put it online. I think there is 100 years of data online now, so we are leading the nation on that. We obviously have the Resourcing the Territory initiative. I mentioned in my opening speech \$26m was for taking over the core, creating opportunities for resource exploration initiative that is running out in a couple of weeks. We are very proud of all the work the Geological Survey team does. We have the AGES conference in Alice Springs every year. It has been going for a long time now. More importantly, it is recognised not only nationally but globally. We lead the way.

We have our international investment programs that goes out to say, 'This is what we have here, come and have a look at it'.

**Mr WOOD:** That might be leading into my next question. Is that international investment unit the same as the investment attraction unit? Is that the same thing? Could you say what new investments have been attracted to the Territory?

**Mr VOWLES:** New mines, new investment, two gold mines ...

**Mr WOOD:** What is the unit? Who is it? I do not know much about it.

**Mr VOWLES:** I will give it to the boss over here who manages the mining side of it.

**Mr APLEGATE:** The Department of Primary Industry and Resources has two functioning areas of international investment attraction—one in its agriculture space and the other in the mines and energy space. In relation to the work that—that sits within the Northern Territory Geological Survey area of the department.

**Mr WOOD:** That is what NTGS stands for?

**Mr APLEGATE:** Yes.

**Mr WOOD:** I was trying to work out what that acronym meant.

**Mr APLEGATE:** They are very proud of their little sub-department. A couple of examples. There is a lot of interest at the moment in the battery technology and battery minerals. One of our new players has some investment from a major Korean company. That is because of some of the investment attraction work the NT Geological Survey has done in the past.

More recently, a Japanese company has invested in some further exploration work in the McArthur Basin for, again, what we call the battery minerals. I think it is looking specifically at cobalt in this instance. We have seen, just in the last six months, two very tangible overseas investments in the exploration as a result of the work the department does in its overseas investment attraction.

**Mr WOOD:** Does it have any money attached to it? When you say attraction, is it just your good looks, or is there a dollar sign with it?

**Mr APLEGATE:** My good looks go without saying.

**Mr VOWLES:** We will leave that to other judges. We have a really strong and proud investment attraction unit and program. What Rod is talking about is when we were in Japan meeting with industry people, investment banks and investors there. We have to get out and sell the Northern Territory and what is available for investment because at the end of the day, it means opportunities for jobs and new industries here.

One of the highlights in most of these meetings is when we are going through what minerals are available here. As soon as we mentioned cobalt and lithium they all stood up, moved forward, and said, 'Where, and how much have you got?' Through Asia—Japan, China, South Korea—they are looking at electric vehicles and it is all about going to that.

There are a few resources with the neodymium, praseodymium and magnets. There is opportunity there, reaching investment decision as well. So there are a lot of opportunities for people to invest in the Northern Territory, which means jobs. This is the work—I think they statistically talk about one to 10. I think it was \$50m allocated over the years for the CORE program, Creating Opportunities for Resource Exploration, and we have seen \$500m come into the Northern Territory through exploration. That is not just our figures; that is from an independent review that was conducted and delivered to us this year. It has real, tangible outcomes and that is what we have to do. So we are doing all right.

We have gold happening in Tennant Creek. Another mine, hopefully very soon, will open up in Tennant Creek.

**Mr WOOD:** Phosphate mine, which is only the most important?

**Mr VOWLES:** I would love to see that. I know you might go there at some stage, and I would be disappointed if you did not, Member for Nelson—hydrogen ...

**Mr WOOD:** I was just about to get there.

**Mr VOWLES:** It was one of the highlights of my trip when I was in Seoul and we went to a car and motorbike show, meeting companies there and looking at the electric cars. They were saying, 'Look at this car. It will do 340 kilometres.'

**Mr WOOD:** Honda will do 700.

**Mr VOWLES:** On electric, one car had 450 kilometres of petrol and 50 kilometres of electric. I said, 'That is pretty gammon. Fifty kilometres is nothing.' Then we went to the hydrogen car and it was 690 kilometres. More importantly, Canberra, the ACT government, has purchased 30 of those vehicles. I would love to see the Territory go in the same way.

**Mr WOOD:** I drove around part of Las Vegas in a hydrogen Toyota Corolla. It is electric but has a fuel cell. Germany has about 37 hydrogen fuel stations. The CSI have recently come out with ways of exporting hydrogen in an ammonium form to Japan. I know we all talk lithium and we all talk about batteries—I still feel like we should seriously be looking at hydrogen as the clean energy for the future. I just wonder, have we done any work to look at using renewable energy in the Northern Territory as a possibility of producing hydrogen for export?

They are not the only state spending money. I think the ACT and Western Australia are putting quite a considerable amount of money into hydrogen technology now because they see the benefits.

**Mr VOWLES:** I share your passion for hydrogen. I know I have a couple other colleagues who do the same. I think it is the way forward. The short answer to have we done any work—no. We are a bit focused on onshore gas at the moment, but it is something that I am passionate about as well. I think an opportunity around the renewables sector and opportunities for the Territory, a small jurisdiction—we could really have an opportunity here to develop a new industry—not new, but new for the Territory.

**Mr WOOD:** It has the ability to fully supply power to small communities as well so they do not rely on anything except hydrogen.

**Mr VOWLES:** The wind does not always blow and the sun does not always shine.

**Mr WOOD:** That is right.

**Mr VOWLES:** So we need to make sure we have other resources as well.

**Mr WOOD:** There is always hydrogen in the water.

**Mr VOWLES:** Yes.

**Mr WOOD:** The other one I was keen on—which seems to have died because of some failures—was geothermal. We have a geothermal act. Have we had any applications from people to at least explore geothermal energy?

**Mr VOWLES:** No.

**Mr WOOD:** I think the failure of the one in Innamincka has been the problem. It just did not happen. That is all the questions I have. Could I just ask you a silly technical question? Is water technically a mineral?

**Mr VOWLES:** Who will answer that? Apparently no.

**Mr WOOD:** It is alright, some people say it is a mineral and I did not know if it is technically a mineral.

**Mr VOWLES:** It is always the simple questions.

**Mr WOOD:** It was a simple question.

**Mr VOWLES:** I do not know where you heard that. We would manage it under the *Mining Management Act*.

**Mr WOOD:** I know, that is what worried me. That is all the questions I have.

**Madam CHAIR:** Any other questions for Output 4.1? That concludes consideration of Output 4.1 and Output Group 4.0.

## **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 VOWLES:** I think we have been covering 5.0 over the last half an hour as well, I might add.

**Mr HIGGINS:** My only one was that budget papers explain the drop in mineral exploration licences granted as being partially due to the streamlining of licensing requirements. What licensing requirements were streamlined, as that statement implies, which mean you do not need to get a licence?

**Mr VOWLES:** Can we get a bit more information on where you are going?

**Mr HIGGINS:** I do not have the exact page but it says the drop in mineral exploration licences granted as being partially due to the streamlining of licensing requirements. I presume from that there is certain instances—so what licensing requirements were streamlined and how did this reduce the number of licences granted? Do you want to take that on notice?

**Mr VOWLES:** Yes.

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#### Question on Notice No 6.5

**Madam CHAIR:** Member for Daly, would you please repeat the question for the record?

**Mr HIGGINS:** The budget papers explain the drop in mineral exploration licences granted as being partially due to the streamlining of licensing requirements. What licensing requirements were streamlined and how did this reduce the number of licences granted?

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

**Mr VOWLES:** I do.

**Madam CHAIR:** The Member for Daly's question has been allocated the number 6.5.

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**Madam CHAIR:** Are there any other questions for Output 5.1?

**Mr WOOD:** Minister, as you know there is a large number of extractive mining leases in the rural area, and they are important because they supply sand and gravel for the construction industry. Is there any requirement for holders of those licences, whether those licences are not being used or are being used, to rehabilitate those areas they have developed and to control the weeds? I would only have to take you up past the Holtze prison to show you the massive amounts of gamba grass that are growing over mining leases, but there has been no attempt to rehabilitate them at all.

Coming over Howard Springs in an airplane, look out on your right and it is not a pretty sight. I am not saying it is not an important industry, but surely somewhere along the line we need some control over that industry from the point of view of—and I know it is difficult to restore—trying to restore the environment back to its former self as much as possible and to have some input to weed control in those areas, because it really is getting out of hand.

**Mr VOWLES:** I will put on the record that our extractive industries are a vitally important. They are in some very sensitive areas as well and they can be in sensitive areas so they have to go through that of course. We have the mining management plans that incorporate weed control. I met with the board within the last month to hear their concerns. It is a quarterly catch up I have with them to hear their concerns. They have obviously been in the industry a long time. They are fully aware they are in sensitive areas and their requirements. For any further information, I will pass you over to Mr Applegate.

**Mr APPLGATE:** Thank you, minister. Two very complex questions and issues you raise.

**Mr WOOD:** Ongoing for years and years.

**Mr APPLGATE:** Obviously an extractive licence for extractive minerals, yes they have approved mine management plans. Progressive closure and rehabilitation is the hallmark of those mining management plans. However, as industry has pointed out to us on numerous occasions, they do not see a lot of sense in rehabilitating areas where with the change of a contract they may have to go back into and extract more material from them. Some of them are faced with those issues, and while they would like to progressively rehabilitate their business model sometimes precludes that from happening and they have to go back and reopen areas.

There are incentives for them to progressively rehabilitate, because their lease fees can be reduced as they rehabilitate the full quantum of their lease. Their exposure and how much they pay each year can be reduced if they complete the rehabilitation according to their plan.

**Mr WOOD:** Roughly how much would a lease cost? Say, on average.

**Mr APPEGATE:** I do not have those figures for EMLs. For a mineral lease it is around \$20 per hectare, but that is not extractive.

**Mr WOOD:** The reason I ask is that it is probably cheaper for you not to do rehabilitation if it is only a small amount for the lease. While I understand what you are talking about, I could take you to many places where I do not think anyone is coming back—the person might have died, for all I know—and it is a mess. Nothing has been done. It has come to a point where something has to be done.

Do you do an audit of these mineral leases? Do you say, 'You have a noxious weed on your property; as a lease owner are you required to control noxious weeds?' The two main weeds would be mission grass and gamba grass. They are not controlled; they just keep blowing in the wind and infesting more land.

**Mr APPEGATE:** It is not as simple as what you say. Unfortunately, in the extractive operation once you remove the native vegetation and start to take material out you predispose that area to the invasion of weeds.

I believe industry does a very good job of trying to control weeds, but as you said, the wind blows and brings in gamba and mission grass seeds from other sites that are not part of their EML. These areas get colonised very quickly by weeds.

**Mr WOOD:** All sites should be policed, surely. If you say they come from a site, why is that site not the one that is controlled as well? These weeds have come in from the use of machinery that has never been cleaned. You can see that by driving by a road with gamba growing on both sides.

Nothing seems to happen.

**Mr APPEGATE:** I contest that you can categorically state that the spread of weeds is caused by the extractive industry's machinery alone.

**Mr WOOD:** I did not say that, but the Howard Springs has a large number—as do parts of Humpty Doo—of extractive mining leases. If you look at them and see where machinery has gone, you will see weeds growing.

You may be able to show me the exceptions, but I see very little attempt for any program to control the weeds and rehabilitate those mines. I understand it is difficult to rehabilitate a piece of ground that is a metre below the original surface, but surely there is some attempt to make the place a little better than it is?

**Mr TRIER:** The points you make are in the principles that weeds are an issue going forward. Weed management is a great job security because there will be plenty of them ...

**Mr WOOD:** A gamba grass vehicle was going around with 'gamba' written on the side of it. I am not sure what it does to reduce the amount.

**Mr TRIER:** A case of prioritisation and trying to work through things. I back Mr Applegate's comments that industry is well aware of the issues. There have been some historical issues we have learned from and we are looking at mechanisms to deal with those. We have more serious issues to deal with in legacy mine sites, so there is a prioritisation process there as well.

It is not as simple as being able to fix this in a very short time.

**Mr WOOD:** I own a block of land and it is covered in gamba grass. I am required by law to get rid of it. Simply, why is that not applied to people who own mineral leases—they have to get rid of and control weeds on their property?

**Mr TRIER:** You will find that most of the extractive operators do their best to meet their obligations, as do most landholders. That is not always the case across the various landholders.

**Mr WOOD:** I am not saying it is not difficult, minister, but the point is there does not seem to be any effort and it seems to get worse. I go up to Billy Boustead's. You have a look at some of the old extractive mining sites. That is only in one pocket, there are plenty of others out further on, on the Gunn Point Road.

But surely, if we are concerned about the environment and about, I suppose, even the look of our country, we can do a little better with our extractive mining. I know it is important and I am not knocking the extractive industry. Most of those people live in my electorate—a lot of them do. The point is, that does not preclude me from saying that things should be a lot better in the rehabilitation of those areas.

**Mr VOWLES:** Member for Nelson, as a government we will take that on board and have a look at it. Under their mining management plans they have environmental security bonds as well, as part of that plan and of getting that mineral exploration title for that area. I will take it on board—I am the responsible minister.

**Mr WOOD:** I have just bought a drone. You know what I might use it for. I will bring you back some pictures.

**Mr VOWLES:** We will take that on board. I will not say yes or no, but as the responsible minister, I will make sure we have a look at it.

**Mr WOOD:** It would be nice to move this forward because it does not seem to change. I have brought this up year-in and year-out. That pile of dirt at the end of the prison is still the same old pile of dirt. Surely, someone could get in there and clean it up a bit, do some drainage maybe and make it look a little better. Maybe even through a bit of seed in there from native plants. It is just like, 'We got our bit out of there; that is it, goodbye,' and nobody cares anymore.

**Mr VOWLES:** It is the responsibility of government and that falls to me, so I will make sure we have a look at it and ...

**Mr WOOD:** I will not blame you personally, minister.

**Mr VOWLES:** No, that is my responsibility as a minister. That is what I expect. People will follow it up a bit.

Going on from what Alister said here, there are always conflicting priorities. At the moment, I am trying to get things going, but we still need to make sure everyone is doing the right thing, and that is part of the process. I am the responsible minister. I will not say I will fix it straight away ...

**Mr WOOD:** No, that is why I asked about the lease price. Basically, it is not expensive. The actual product does not have a big value—well, it could have but it does not have a large value. The cost is actually digging it up and moving it. You are talking about mining paying through this tax. Is extractive included in that discussion?

**Madam CHAIR:** Any further questions?

**Mr WOOD:** That is the question. It is about the royalties. Does it apply to extractive mining?

**Mr VOWLES:** No, it is not part of that royalty scheme. Obviously, we have that 1% paid from the mining companies into that 1% levy into that Legacy Mines Unit. There has been a lot of focus and great work—I will chuck in a plug for the Legacy Mines Unit—around Tennant Creek and those regions.

**Mr WOOD:** That money is not for extractive mining, is it?

**Mr VOWLES:** They contribute.

**Mr WOOD:** Well, if they contribute, then ...

**Mr VOWLES:** Well that is what I said. As the minister, I will take that on board and have a look at it.

**Mr WOOD:** Okay, that would be good. Thank you.

**Mr VOWLES:** The last thing I want is you asking me the same question next year. We have a responsibility ...

**Mr WOOD:** I probably will because I go up that road to Billy Boustead's and there is still a whole pile of ...

**Mr VOWLES:** No, we have a responsibility. As I said, I am the responsible minister and that has been raised. It is legitimate, of course, and we need to do something about it and have a look at it, at least.

**Mr HIGGINS:** While we are on the mining remediation fund, how much money do we currently have in that?

**Mr VOWLES:** That is the 1% levy?

**Mr HIGGINS:** Yes.

**Mr VOWLES:** I will get that figure in a few seconds.

**Mr HIGGINS:** My next question on that is, what is our strategy for how this money will be spent? I know at the Mining the Territory conference in November you said you would be developing a strategy on how that would be spent.

**Mr VOWLES:** The figure at 31 March 2018 for the mine remediation levy is \$23.496m. Since the start of the levy it has collected \$49.563m, \$22.25m of which has been appropriated to the department at the time. The \$4.45m goes to our agency to run the Legacy Mines Unit. What was the next question?

**Mr HIGGINS:** It was more about the Mining the Territory conference. In November last year you said you would develop a strategy on how this money would be spent. Has that strategy been produced? Has it been public? Will it be made public? How is it at the moment?

**Mr VOWLES:** We are still working on that.

**Mr HIGGINS:** Do you have a time frame for that? Just a rough time frame.

**Mr VOWLES:** This year.

**Mr HIGGINS:** This calendar year or this financial year?

**Mr VOWLES:** This calendar year. It is going through.

**Mr HIGGINS:** Sorry, trick question.

**Mr VOWLES:** One of the things we had to immediately address was the way this money was being allocated and chucked back into central holdings, about the 1% levy. It was not entirely being used for its purpose. That is to go to the Legacy Mines Unit so they can deal with that.

In coming to government, we made those changes as soon as we found out.

**Mr HIGGINS:** Treasury just want to grab everything, do they not? I am glad you won that one.

**Mr VOWLES:** I like the Treasurer. It is okay.

**Mr HIGGINS:** I said Treasury.

**Mr VOWLES:** Treasury, that is right. I will plug the Legacy Mines Unit. They do such great work. There are so many mines still around the Tennant Creek region that we are not aware of. Just talking about the drone footage, it is unbelievable what a simple drone has been able to capture in real time, data and footage. We do great work there and that is what this is set up for. We need to make sure the industry knows we are using this money appropriately to look after the Legacy Mines Unit.

**Mr HIGGINS:** Hearing the Member for Nelson has gotten himself a drone, I will have to pack mine up and lock it away.

**Mr WOOD:** I am looking forward to my grandson helping me work out how to get it off the ground and not crash. It is not as simple as it looks.

**Mr VOWLES:** I think you have to become I pilot then. I was told at a function that this guy was a pilot. I asked what sort of planes he flew and he said, 'No, a drone'. He had to have a pilot licence.

**Mr WOOD:** I will have to work out what technical bits I need for ...

**Mr HIGGINS:** Not a pilot licence. They will not let me fly anymore, so the drone will sit next to—that is the idea.

**Madam CHAIR:** Are we going to stay on track with further questions? Member for Nelson, any further questions for Output 5.1?

That concludes consideration of Output 5.1.

### **Output 5.2 – Mining Operations Management**

**Madam CHAIR:** Let us move on to Output 5.2, Mining Operations Management. Are there any questions?

**Mr HIGGINS:** My question would be, how many matters is the Solicitor for the NT currently dealing with concerning challenging provisions or application of the *Mineral Royalty Act* or *Petroleum Act*? None at the moment? Are there any matters referred to the Solicitor for the NT in regard to any of the mining roles operations at this point?

**Mr VOWLES:** I might take that on notice, just for the latest information.

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### **Question on Notice No 6.6**

**Madam CHAIR:** Member for Daly, can you repeat the question for the record, please.

**Mr HIGGINS:** How many matters are currently underfoot by the Solicitor for the Northern Territory on behalf of the department in the mining area?

**Mr VOWLES:** We might have an answer here.

**Mr HIGGINS:** It has to be correct.

**Mr APPEGATE:** Member for Daly, there is a current court case before us which has not been resolved. It has been something like two years now. It is in the Supreme Court.

**Mr HIGGINS:** Is that the only matter?

**Mr APPEGATE:** That is the only matter that SFNT is acting on for us at the moment.

**Mr HIGGINS:** Do we have any lawyers acting on our behalf other than the Solicitor for the Northern Territory?

**Mr APPEGATE:** If we are in court the Solicitor for the Northern Territory will represent us.

**Mr HIGGINS:** Or they may pass it out. So there are no others? Are you happy with that answer or do you want to check it?

**Mr VOWLES:** No, I think we are fine but we will still take it on notice. Just in case there is more than one.

**Madam CHAIR:** The original question asked by the Member for Daly has been allocated the number 6.6.

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**Mr HIGGINS:** It is my understanding that there is no departmental mines and energy staff—sorry, I use the old terminology—based in Tennant Creek. Are there any plans to base staff in Tennant Creek into the future?

**Mr VOWLES:** I will pass that to Mr Trier.

**Mr TRIER:** The staff in Tennant Creek at the moment are focused on the pastoral industry primarily in development and biosecurity. Our mining team is based in Alice Springs. I guess they operate out of Alice Springs and regulate from there. They visit the Tennant Creek area quite regularly, but given the size of the team it is important that you keep the team together and work as a team.

The other component that is serviced out of Alice Springs is our geological survey. They have been doing quite a lot of work in the Tennant Creek area. Again, it is about sort of keeping consolidated resources and



technical equipment together so that we are not duplicating and we try to get the best value out of our people and technical equipment that is required.

**Mr HIGGINS:** How many people do we have in Alice Springs in the mining area, forget pastoral.

**Mr TRIER:** I think there are nine. I will hand over to Rod Applegate.

**Mr APPELGATE:** We have full regulators in our team in Alice Springs. We have a number of geologists and support crew for our geologists based in Alice Springs as well. Their coverage is from the Queensland border to the Western Australia border to the South Australian border and north of Tennant Creek up towards Bootu Creek manganese mine. They have a very large area to cover. It is done out of the central office in Alice Springs.

**Mr HIGGINS:** So we have nine staff down there. I noticed that the ABC confirmed that the moratorium on the seabed mining was extended until 2021. When was that decision taken and why? Why was there not any real public announcement? How much consultation was undertaken in doing that?

**Mr VOWLES:** The advice I am getting is it falls under the minister for Environment.

**Mr HIGGINS:** The moratorium for seabed mining—so you are saying seabed mining falls under Environment or the moratorium falls under Environment?

**Mr APPELGATE:** My understanding, in case I have made a mistake—the first moratorium was put in place at the request of the then Environment minister so that the EPA could do some work and research into world's best practice and experiences in seabed mining. Of course, the policy position was then given effect by the minister for resources through a moratorium. My understanding is that work the EPA was doing had not been completed by the time that time was up, and that the minister for Environment requested that the moratorium continue for another period while the EPA completes its research and review into seabed mining.

**Mr HIGGINS:** So we should be asking the minister tomorrow why, and why for so long.

As I understand, there are currently 14 applications for exploration permits currently lodged with the department. When will these be processed and when will the outcomes be issued? I think that is in reference to the seabed mining.

**Mr VOWLES:** The simple answer is there is a moratorium on that one, so it will not be processed.

**Mr HIGGINS:** The answer to that is what I was after—which was confirmation that nothing will happen until 2021. So that is 14 applications being held up. No more questions from me.

**Mr WOOD:** Minister, how many iron ore mines have come back into production in the NT and if none have come back, who is managing those mines while they are out of production? There were three: Frances Creek; Roper; and the one up the road from Roper.

**Mr VOWLES:** I will hand you to Mr Applegate.

**Mr APPELGATE:** Most recently the Western Desert Resources leases were—they had gone through liquidation and receivership and then liquidation and another company has taken over those leases. They are in the process of developing a mine management plan for the further extraction of those major resources on those original leases that Western Desert held.

The Sherwin leases have also been acquired by another company and they are in the process of lodging an NOI with the Department of Environment and the outcome of that will determine whether that goes forward as well.

**Mr WOOD:** Frances Creek, what is happening there?

**Mr APPELGATE:** Frances Creek, is that the one that we are in court over? I am not sure. Yes, I think it is.

**Mr WOOD:** I was not sure of the secret words spoken what it referred to. I have let the cat out of the bag by accident.

**Mr APPELGATE:** I think if you go to the court records, you will find it.

**Mr WOOD:** I have not read them.

**Mr APPEGATE:** That was in relation to a difference of opinion in setting the security bond.

**Mr WOOD:** Just two questions regarding those two mines.

**Mr APPEGATE:** It is in care and maintenance at the moment.

**Madam CHAIR:** Minister, I understand you have an answer to a previous question?

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**Answer to Question on Notice No 6.3**

**Mr VOWLES:** Yes, thank you, Madam Chair. I have question No. 6.3 from Mr Wood. We have an answer.

**Madam CHAIR:** Thank you. Will you table that?

**Mr VOWLES:** Yes.

**Madam CHAIR:** Thank you. That answer for number 6.3 will be tabled.

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**Mr WOOD:** Minister, in relation to the Western Desert mine, when it started up it had to build a road to Bing Bong port. Is it the department's responsibility to look at that road and any environmental impacts that may have occurred, especially since—I am only presuming as I have not been down there for a while—that the road was closed? Whose responsibility would it be to make sure that road was maintained and it was not having a deleterious effect on the environment?

**Mr APPEGATE:** The access road that was built by the previous lessees has now been transferred to the new company that has taken over those leases. They will have a responsibility, if they will continue to use that to take their product to the port, to maintain that road.

**Mr WOOD:** It is not a public road?

**Mr APPEGATE:** It is not a public road. It is an access authority attached to a mineral lease.

**Mr WOOD:** And is La Belle Station allowed to access across it? Is that La Belle?

**Mr APPEGATE:** That is not La Belle.

**Mr WOOD:** Lorella Springs Station. Are they allowed to access across it, because it cuts their station does it not?

**Mr APPEGATE:** Yes it goes through Lorella and some other properties. My understanding is that it is not an open road under the *Control of Roads Act* but that does not stop a large number of people in communities and other leases down there using it for access.

**Mr WOOD:** And in relation to Sherwin. Did the department do any continual inspections—because it still has power over the environment—of that mine? I visited that mine when it was in production and it was basically on top of hills with quite deep valleys below. It always seemed to me that if it was not maintained carefully it could impact on the environment. Was there any work done to make sure while it was in mothballs that it was not impacting on the environment?

**Mr APPEGATE:** My understanding is that those operations, when they went into care and maintenance, a certain amount of activity went on to try to deal with those likely off-site impacts that you refer to. I have had no reports that they have not been effective.

**Mr WOOD:** Before we get to the point of having a legacy mine and having to pay for that—and obviously these mines are supposed to have bonds—who would check to see that these mines were not causing an environmental impact while they sat there?

**Mr APLEGATE:** Our inspectors would look at those operations. I am not sure how regularly, but when they went into care and maintenance they were inspected, and they are probably inspected annually.

**Mr WOOD:** That is all the questions I have on that output.

**Madam CHAIR:** Any further questions for Output 5.2?

That concludes consideration of Output 5.2.

### Output 5.3 – Legacy Mines

**Madam CHAIR:** The committee will now consider Output 5.3, Legacy Mines. Are there any questions?

**Mr HIGGINS:** There is a reduction in the budget of nearly \$2m. Why is there that reduction?

**Mr VOWLES:** We have notes on a variation of a just over \$2m decrease, plus \$6000 in effect of minor budget and agency overhead adjustments, and minus the federal government's just over \$2m adjustment to funding for the rehab of Rum Jungle. In line with the 2018–19 programs, that is the funding coming out—and then a roll-over.

**Mr WOOD:** Do you have a definition of what is a legacy mine, as distinct from a mine that is just sitting in mothballs?

**Mr VOWLES:** We are all huffing and puffing here because it is not a simple ...

**Mr WOOD:** But you would have to have a definition if you know what to spend your money on.

**Mr VOWLES:** It is important that we have a 1% levy from the mining companies to make sure we use their money correctly, but we have legacy mines to take care of. It is quite broad ranging, what a legacy mine is, but the commonsense approach is that it is once everyone has walked away, the environment security bond is gone, it is mothballed, has no more care and maintenance and the government has to take care of it.

**Mr APLEGATE:** Therein lies the crux of some of our difficulties in coming up to the strategic plan and defining exactly where you might use some of the dollars. There is a broad (inaudible) of issues. Whilst we have a Legacy Mines Unit we would like to think the strategic plan would deal with legacies as a result of mining. To date we have spent a lot of money fixing up and covering holes in the ground around Tennant Creek and Hatches Creek, which presents a risk to visitors, not that there is an environmental risk, but people my age and more elderly are likely to fall down some of these holes.

That is not a legacy mine so much as a legacy resulting from previous mining activities. We then have issues that came in before the securities were put in place for mining. We have a number of mining leases still active, probably in care and maintenance, but we do not hold any securities for those because they operate well before the change. We refer to some of these as unsecured legacy issues.

Then we have issues where there may be MLs—mining leases—existing, we may hold insufficient insecurity, and we have companies that continue to hold those titles but have no intention of operating them. But there could be some environmental risks occurring at those sites.

That is the complex nature of trying to establish a strategic plan where we might use some of that money that we have taken off existing operators to deal with legacy issues as a result of mining.

**Mr WOOD:** Are you able to roughly estimate how many legacy mines you would have in the Northern Territory?

**Mr VOWLES:** I do not know about a rough estimate but we have estimated there is about \$1bn worth of work to be done in the Northern Territory.

**Mr WOOD:** If you have estimated a value you must have worked on a number of mines.

**Mr VOWLES:** There will be a rough figure somewhere. I am happy to get that for you but it is just one of those things that we have to take care of. When we talk about Rum Jungle—\$18.5m federally from then around that but ...

**Mr WOOD:** Are we actually putting money in to that as well as the federal government?

**Mr VOWLES:** No. It is pure federal money.

**Mr WOOD:** It is not one of our legacy mines—that was one of my questions.

**Mr VOWLES:** No. It is purely federal government. There is \$18.609m to launch a remediation so far.

**Mr WOOD:** Can you provide a list of which mines you have put money in to from the legacy fund?

**Mr APPEGATE:** To date we have spent money, as I said, on a number of legacy issues resulting from old adits and inclines around Hatches Creek, Tennant Creek, which provides health and safety risks, and we have spent, I think, roughly around \$1m at Redbank in terms of getting control of the issues there.

We also have two other sites handed back to the Territory which was Wonga and—I cannot think of the other one—which have not incurred any expenditure from us at the moment.

**Mr WOOD:** Do you have a list of where you have spent the money?

**Mr APPEGATE:** Yes.

**Mr WOOD:** Is that available?

**Mr VOWLES:** We will try to get it out to you, but I have some information. Today, with approximately \$1.8m being spent on 18 projects in the Tennant Creek region, we are proud to say that 17 of those are being left to NT businesses.

I have been out to visit them with the Member for Barkly as well—a couple of those close to Tennant Creek but there is 18 just in that region.

**Ms NELSON:** Member for Nelson, are you asking for a list of legacy mines that the NT Government is responsible for?

**Mr WOOD:** They have a budget now. A budget item for legacy mines, which they collect from all the mines that are operating. I just wanted to know where they have spent that money.

**Mr VOWLES:** We will take that on notice, Member for Nelson, if you want. We can supply that.

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#### Question on Notice No 6.7

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

**Mr WOOD:** Minister, could you provide a list of legacy mines that the Northern Territory Government has spent money on since the introduction of the legacy mine fund.

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

**Mr VOWLES:** I accept that.

**Madam CHAIR:** The Member for Nelson's question has been allocated the number 6.7.

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#### Answer to Question on Notice No 6.5

**Madam CHAIR:** The minister has an answer to a question on notice.

**Mr VOWLES:** Question on notice number 6.5 from Mr Higgins.

**Madam CHAIR:** And that has been tabled? Number 6.5 will be tabled by the minister.

**Madam CHAIR:** Any further questions? Member for Nelson?

**Mr WOOD:** Yes. Just a couple more on rehab. Minister, I visited the Redbank mine a couple of years ago and I must admit it does give you a bit of a shock when you see what can happen when things go wrong.

Do you work in with the EPA in relation to the rehab, and do you see a solution through rehabilitation to the Redbank mine? Or will it be ongoing rehabilitation for many years to come?

**Mr VOWLES:** We spent approximately \$1m, as Mr Applegate has already mentioned, from the mining rehab fund.

We have been working closely with traditional owners and other stakeholders through the Redbank working group, which is coordinated by the NLC. We have had meetings—we have had some delays as well, as you can imagine, with the amount of cost sharing with the NLC. In 2016 a deed of agreement was signed between the Northern Territory of Australia and Redbank Operations, and the Controller of Water Resources surrendered the mineral leases and the financial security. Then we took charge of the area.

As part of the agreement the Department of Primary Industry and Resources cancelled the mining leases in July 2016. The security was claimed in September 2016. We are currently developing long-term remediation options for the site. So it is ongoing.

**Mr WOOD:** When you cancel the leases, who then owns the land?

**Mr APPEGATE:** In that case the underlying title is in the pastoral lease—who obviously do not have any responsibility for that. The Territory, in cancelling those leases, has taken on the responsibility for dealing with the resolving those issues in the long term.

**Mr WOOD:** If I were to ask about the quality of water that comes out of the Redbank mine in relation to stop using that water, would that be a Natural Resources question or a question for this department?

**Mr VOWLES:** I think it would probably go between both of us, but I am not sure if I need to take that on notice or if we can find that information.

**Mr APPEGATE:** It is very clear water.

**Mr WOOD:** I noticed that but I know when I was there the station owners had—part of the reason this became a problem was that stock were drinking water that came from the Redbank mine and there were levels of whatever starting to appear.

**Mr APPEGATE:** We funded water studies in the past which will inform and continue to inform the rehabilitation strategy that is ultimately developed for that site. But, yes, it is not real flash water that leaves the site.

**Mr WOOD:** My last question is in relation to Mount Todd. I mentioned, Member for Katherine, that I would have liked to go to the open day but it clashed with something else I had. Mount Todd in some ways is a hybrid. It is a mine that just got closed down and there was lack of a bond to make sure rehab could be fully done.

Can a mine like Mount Todd, that is trying to come into production but at the same time is having to spend funds on rehabilitation, apply to the government through the NT Legacy Mine Fund for assistance?

**Mr VOWLES:** We are very hopeful Mount Todd and Vista Gold will get that up and running. For the Territory and Katherine and the region it would be a magnificent outcome. (inaudible) mine ceased operating in 2000. Vista acquired it in 2006 as Vista Gold. It has been counter-maintenance during that time. I think they spent over \$10m.

**Mr WOOD:** Yes, they have been there a long time.

**Mr VOWLES:** Part of the responsibility of operation and under the agreement, Vista is responsible for the care and maintenance of the site and any additional disturbances, including those incurred from its

exploration program. The NT Government retains the underlying rehabilitation liability for the site. Vista will take on full rehabilitation liability for the site when Vista receives approval to commence mining.

**Mr WOOD:** Is the Territory government still putting money into rehab, because originally it did? I think it was about \$20m. So they are not putting any money into ongoing rehabilitation?

**Mr VOWLES:** My understanding is that they have taken over the care and maintenance. They took over the site and that is their responsibility.

**Mr WOOD:** That is all the questions I have on that section.

**Madam CHAIR:** Are there any other questions on legacy mines?

That concludes consideration of Output 5.3 and Output Group 5.0.

## **OUTPUT GROUP 6.0 – ENERGY SERVICES**

### **Output 6.1 – Energy Management**

**Madam CHAIR:** I will now call for questions on Output Group 6.0, Energy Services, Output 6.1, Energy Management. Are there any questions?

**Mr HIGGINS:** Minister, earlier you said there was \$500 000 out of the \$5.3m to implement the fracking inquiry recommendations. Is that sufficient for the department—I sort of understand that that will be to develop shale gas exploration and production regulation.

Will that be enough to do those regulations? What contingencies are in place if that is not enough? Are we sure we will get people on the ground next Dry Season if there is any delay in this?

**Mr VOWLES:** I will start with whether there is enough money. From the start, there is. We have a team already implemented within the department. They are working hard already, as we expect. They are doing very good work already. We know the importance—now the decision has been made to lift the moratorium, we must do everything we can to make sure it is done safely and right through the recommendations, but also that industry is aware of where we are at with all our work as well and we do not allow any further delays through hold-ups through our departments and our government.

As it is a departmental focused question, I will hand it to Mr Applegate.

**Mr APPLGATE:** The money allocated most recently—the \$0.5m in 2018–19 budget—is to enable us to work very quickly to develop codes of practice for some critical areas that the inquiry into hydraulic fracturing identified as being where we need to improve our regulations. So, it is codes of practice about well integrity, closure, abandonment and water management.

That money we were allocated will largely go to getting consultants in to draft some of those codes of practice and to pay for experts outside of the Territory to proof those codes of practice so when we recommend changes to our regulations, we think we have the most contemporary, best-practice regulations that are operating from around the world to give effect to the recommendations of the inquiry.

**Mr HIGGINS:** You are happy enough with that \$0.5m and that you have sufficient funds to achieve it in the time frame that has been set? These regulations will need to be in place sometime this year—this Dry Season—so mining companies can start some of their exploration et cetera next year. You are confident with that?

**Mr APPLGATE:** I am very confident that the team we have will deliver on the larger number of recommendations that need to be completed prior to exploration activities involving hydraulic fracturing to occur in 2019.

**Mr HIGGINS:** Okay. That is all I have at this point. I will let some others ask.

**Mr WOOD:** Minister, in relation to your annual report, it says the Energy Division has responsibility for regulating more than 3000 kilometres of pipeline in the NT, which includes 15 active pipelines and two inactive pipelines. It mentions two projects of significance, including the INPEX pipelines and Jemena's Northern Gas Pipeline.

First of all, which are the two inactive and why are they inactive? Second, in relation to INPEX's pipelines, how far do you have a responsibility in relation to those pipelines? Is it once you get outside a certain area? If so, who is responsible for the rest of the pipeline?

**Mr APLEGATE:** Do you want me to ...

**Mr VOWLES:** Yes, for the two inactive ones, I will put you to Mr Applegate, then I will come back around who has the responsibility for the INPEX pipeline.

**Mr APLEGATE:** I can only remember one inactive one. One is to Mount Todd, which the licence is in the process of being considered by the minister for a renewal. I am not sure where the other inactive—oh, there is an old one that connected a couple of old wells at Mereenie, sorry. I have a map here, but it is really too small to see which is the inactive one.

The minister will be able to answer the question on offshore versus onshore.

**Mr WOOD:** What part of the pipe are you responsible for?

**Mr VOWLES:** That is the INPEX pipeline we are talking about?

**Mr WOOD:** Yes.

**Mr VOWLES:** Publicly Territory waters ...

**Mr WOOD:** Which technically is what?

**Mr VOWLES:** Twelve, including Darwin Harbour. I can get you an absolute ...

**Mr APLEGATE:** It is three nautical miles.

**Mr VOWLES:** That comes under us and then obviously goes under the National Offshore Petroleum Safety and Environmental Management Authority, NOPSEMA, outside those waters. But we have about three nautical miles that falls under the jurisdiction of the minister for Resources.

**Mr WOOD:** Could I just ask you a general question? Has there been any more discoveries of, say, petroleum either offshore or onshore?

**Mr APLEGATE:** Central Petroleum has drilled two new wells in the Mereenie field this year, mainly I think for gas but there is sure to be some liquids in there as well. There is other exploration for conventional petroleum products under way.

**Mr WOOD:** Is any condensate produced with some of that gas extraction or is it petroleum? When I was in Wyoming, one of the issues they have there is that they produce condensate because it is the geology that they are taking the gas out of. I am just wondering do we produce any—you say there is some oil there, do you also produce condensate?

**Mr VOWLES:** Not that I am aware of but we are happy to provide that if there is some.

**Mr WOOD:** Maybe the bigger question, is there any—perhaps you could give us a summary of gas exploration in the Timor Sea. Are there any new developments occurring there. We have known about Sunrise and we have Eni and INPEX, but is there anything new on the horizon? Does the new agreement with East Timor affect any of those developments?

**Mr VOWLES:** Not that I am aware of, no.

**Mr WOOD:** Status quo at the moment?

**Mr VOWLES:** Yes, at the moment.

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#### **Answer to Question on Notice No 6.6**

**Mr VOWLES:** I have a response to question 6.6 from Mr Higgins to be tabled.

**Madam CHAIR:** Response 6.6 will be tabled by the minister. Thank you.

**Madam CHAIR:** No further questions for 6.1? That concludes consideration of Output 6.1 and Output Group 6.0.

**OUTPUT GROUP 7.0 – CORPORATE AND GOVERNANCE**  
**Output 7.1 – Corporate and Governance**

**Madam CHAIR:** The committee will now proceed to Output Group 7.0, Corporate and Governance, Output 7.1, Corporate and Governance.

**Mr HIGGINS:** I do not have any of any great urgency, so I will let the Member for Nelson go first.

**Mr WOOD:** Mine is a small question. I think I was notified about the possible change a year or so ago. It was about the scientific library at Berrimah Farm. I was just going to ask, what is the status of the library at Berrimah Farm? Will it be shifted or will it stay at the farm?

**Mr VOWLES:** I will pass to Mr Trier.

**Mr TRIER:** We are currently undergoing a review of our library services. To be very clear, this is not about shutting down the library services. We have made that very clear. We offer a range of similar services throughout the department, for example our geological survey has a library component and their focus is external in offering information to external clients. Our research library services are more internally focused in offering services to our researchers but they also have some external focus. What we want to do is be sure that we can get any synergies across the two different services and make sure that we are also using contemporary practice going forward. That is the proposed review.

It has taken a bit longer to get started than I would have liked, and that has been due to some maternity leave and other things—but that is the focus. Just to be very clear, we are not shutting the services down, but we are looking to see if there are synergies and a more effective way of delivering that service.

**Mr WOOD:** Do you work in relationship with CSIRO and CDU?

**Mr TRIER:** That is not something that we have considered but it is certainly something I will take on board as part of going forward.

**Mr WOOD:** I suppose the question I was going to ask you for that, if you had said yes. Of course, if you use someone else's library there would be a charge. I think that was one of the concerns that people had. If we close our library down and have to use other sources of information that will be fairly costly, especially if you use interstate libraries. I gather there is a charge for some of that information.

**Mr TRIER:** Some of the services we provide are IT services to utilise certain research-type engines, I suppose. They come with a charge. That needs to be costed through our internal budgeting mechanism. We are not looking to shut our internal service down.

**Mr WOOD:** Thank you, minister.

**Mr HIGGINS:** I know I have asked a few questions today about strategic plans et cetera, but can you give me an update on the progress of a whole stack of plans that are about to or have expired in 2017 and how we are going with their replacement? There is the corporate plan 2013–17; the strategic plan, which was 2014–17; there is the people plan from 2014–17; and the work health and safety management systems 2016–17. How are we going on replacing all of those? We have a plan to replace the plans, I presume.

**Mr VOWLES:** I will hand over to Mr Alister Trier, the CEO.

**Mr TRIER:** As you pointed out, Member for Daly, there are many plans. One of the things we realised was that some of those were not as integrated as they might be. When you look at doing what we need to do, there are two or three aspects to understanding what our key roles are, and understanding what the enablers are to deliver on those key roles.

The enablers cover things such as culture, resources and I suppose structure and processes for defining and prioritising projects and then accounting against them. In short, we have brought the corporate, human



resources and strategic industry plan into the one document that was tabled earlier today. If you have a chance to look at it you will see there are five goals. Two of those goals are focused on our day job. Three of those goal are focused on our enablers.

The challenge we have now—and this is what we are doing—is making sure that our budgeting, planning, accounting and reporting processes align under that plan. With relation to the work health and safety process, Phil Hausler has just taken over as Chair of the work health and safety committee. That is part of the review. They are looking at that review process. I can be very clear that work health and safety is probably the thing that keeps me awake more than anything else, the responsibility for staff who come to work and go home in as good a condition. It is extremely important.

**Mr HIGGINS:** Next year we will see all—that is good. I have no more questions.

**Madam CHAIR:** That concludes consideration of Output 7.1.

### **Output 7.2 – Shared Services Received**

**Madam CHAIR:** The committee will now move on to Output 7.2, Shared Services Received. Are there any questions?

**Mr HIGGINS:** I know the minister is keen to get to the Arafura Games, so I am giving him 10 minutes for his opening address.

**Madam CHAIR:** That concludes consideration of Output 7.2 and Output Group 7.0.

### **Non-Output Specific Budget-Related Questions**

**Madam CHAIR:** Are there any non-output specific budget-related questions?

**Mr WOOD:** Minister, one area I believe the department works in is helping in East Timor, especially with cattle production. Could you give us a brief outline of what the role of the department is in helping improve regarding cattle in East Timor? How long do you expect that program to continue?

**Mr VOWLES:** Thanks, Member for Nelson. It is important that in our programs we help our regions. We have a lot of work going on in Indonesia. In regards to East Timor, we have some programs. I will pass to Mr Trier for further information.

**Mr TRIER:** Thanks very much, minister. I think one of the most fundamental programs that we have with East Timor is working in partnership in biosecurity. There a number of reasons for that. One is that East Timor, being a very close neighbour. We would like to be in their patch so we know what is happening close to us. The second thing is the ability for us to assist in building their capacity to deal with events that might occur. Third is to maintain a relationship so that if a significant incursion that we need to work with East Timor on happens, we have those established relationships.

That is a program that is ongoing. I think we just received some more funding from the Australian Government to work with the East Timor government at that level. At a development level we have undertaken some project analysis to do with livestock development in East Timor. There has been some initial work done.

We believe that there is a real opportunity for dairy buffalo in East Timor because dairy buffalo are a high protein content milk supplier. In Australia, yes, we all want low fat products, but in emerging countries such as Timor it is a really good way to get high-quality food to children. Buffalo are tropically adapted and perform very well in those circumstances. So that is something we would be keen to progress.

We have not been able to do much over the last year or so due to the government elections and processes in East Timor, but that has now resolved so we are looking forward to being able to continue.

**Mr HIGGINS:** The Arafura Games reminded me of this—that is, yoga, tai chi, qi gong and volleyball. In the DPIR annual report on page 145 we have details that say, 'Eight staff at Berrimah Farm also participate in the gentle martial arts of tai chi and qi gong for stretching, strengthening and breathing exercises. One keen student was even able to learn all movements of the 24-set Chen-style form.' Can we please get some details of the specifics of this activity, the outcomes that were achieved and how much it cost to produce this service?

**Mr VOWLES:** Thank you, Opposition Leader. That is an interesting pick-up. Of course, healthy mind, healthy body, more production, more productive people in the department—I will, very elegantly, with stretched muscles, hand it over to Mr Alister Trier.

**Mr CURNOW:** I did actually participate in the first one but got too busy to make any others. In response to the question from the Member for Daly, it was actually free. It was done voluntarily by a staff member who is trained in numerous martial arts and tai chi and a range of other things I cannot pronounce that were probably listed in the annual report. That was just done as an optional once-a-week lunchtime activity. Eight staff—I think were the number you said were listed in the annual report—happily partook for their mental wellbeing.

**Mr HIGGINS:** Are we going to list all the other free activities they get up to during lunch time or just leaving it at that one for annual reports in the future?

**Mr CURNOW:** I think that was linked clearly to the work health and safety outcomes. The others might not have been so beneficial.

**Mr HIGGINS:** I have no further questions.

**Madam CHAIR:** All right, if there are no further questions then this 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. The committee will now move on to consider the Arafura Games. Thank you, minister.

**Mr VOWLES:** Thank you. If I could just say thanks to all my staff in the department—fantastic secretariat, amazing job and people with me at the moment, and also my office for their support through this.

**Madam CHAIR:** Thank you, minister, and in light of the very quick time we might just allow a minute for the changeover because your time will expire in 10 minutes. Thank you.

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The committee suspended.

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### **ARAFURA GAMES**

**Madam CHAIR:** I note that responsibility for Arafura Games sits within both the Department of Tourism and Culture and the Department of Trade, Business and Innovation; however, questions to the Minister for the Arafura Games relating to the Arafura Games will now be answered.

I welcome you, as Minister for the Arafura Games, and invite you to introduce any officials accompanying you, and if you wish to make an opening statement regarding the Arafura Games.

**Mr VOWLES:** I introduce Mr Michael Tennant, Acting Chief Executive Officer, Department of Tourism and Culture; Mr Andrew Hopper, Acting Deputy Chief Executive Officer, Department of Tourism and Culture; and Mr Tim Watsford, General Manager, NT Major Events.

If I can, I would like to table my opening statement so we can get to questions.

**Madam CHAIR:** Thank you, minister. The committee will now consider the estimates of proposed expenditure contained in the Appropriation Bill 2018–19 as they relate to the Arafura Games. For convenience I propose that questions relating to both Output 8.0 under the Department of Tourism and Culture, and Output 9.0 under the Department of Trade, Business and Innovation be answered at the same time.

Are there any questions on the Arafura Games?

**Mr HIGGINS:** I have one quick question. We hear a lot about references to digital media strategies, online content et cetera. I thought it was unusual that the Facebook page for the Arafura Games was left running from five years ago and finally only got updated in April this year. Do you see that as an oversight?

**Mr VOWLES:** A lot of things have been sitting there idle until they are ready to go ahead, and that was one of them. We got onto that straight away with the recruitment—we have a full staff list now and are rearing to go.

We are implementing our plans, and part of that is the social media—I do not know if digital footprint is the word, but we are getting it out on the web to get it across the world. We are keeping updated. We will see a marked improvement not only on the Facebook site but the website.

**Madam CHAIR:** Minister, do you or your staff have anything further to add?

**Mr VOWLES:** No, I think we are fine. We have planned and gone through this. We have made a commitment and are going through with it. I acknowledge the work of the assistant minister, the Member for Sanderson. This is part of us moving forward with our plan to bring back the Arafura Games in 2019. We are focused, and I have a lot of faith in our experience of running major events. We just saw a huge major event on the weekend and are looking forward to the games next year.

It is a process we are going through. Sometimes things fall through the cracks and we will address them. Any issues, comments or anything like that, we will deal with immediately.

**Mr WOOD:** Can I ask a question on badminton—something that has been around for a long time—and a proper facility? I know they use a warehouse at Winnellie. Will that be the facility used for the Arafura Games and does the government have any plans to eventually give an internationally suitable badminton facility in the Darwin area?

**Mr VOWLES:** Firstly, I am the Minister for the Arafura Games, not the minister for sport or infrastructure or anything like that ...

**Mr WOOD:** I thought I would drag the two together.

**Mr WOOD:** Yes, I just thought I would drag the two together.

**Mr VOWLES:** That is good. We saw badminton—badminton is in the Arafura Games. In regards to the venue, I am not sure around, I might hand to Tim.

**Mr WATSFORD:** We are just finalising where our locations are and are looking at trying to use venue clusters, for want of a better word, to try to utilise different areas of Darwin, in particular the CBD and the Marrara complex. So where we are looking at badminton at the moment is probably joining up with where we are with basketball—the basketball stadiums as a venue.

**Mr WOOD:** So not so much the warehouse in Winnellie?

**Mr WATSFORD:** No. Not at this stage.

**Mr WOOD:** You cannot fit many people there anyway.

**Mr WATSFORD:** No you cannot and from a physical logistics point, if we can keep them in all different areas, Marrara and the CBD, we are probably in a better planning shape.

**Mr VOWLES:** Of course, badminton were involved in the last—when we were in opposition, but any questions about new venues need to go to the relevant minister.

**Mr WOOD:** I think it is a chance to combine the two.

**Mr VOWLES:** Of course it is. It is important that they be put in the Arafura Games and we are looking forward to badminton. It is a fantastic sport but with the facility they are in at the moment, you would not be able to host a crowd out there.

**Madam CHAIR:** Are there any further questions on Arafura Games? We have four minutes remaining by the Chair's watch.

**Mr VOWLES:** I will take the opportunity then to make a statement quickly in the last minute. We are really looking forward to delivering a successful Arafura Games. As I said, we have a full complement of staff on board between Business, Asian Engagement and across the relevant departments. We are focused on achieving what we want, and that is to get 1000 to 1500 athletes to the Arafura Games from 27 April to 4 May next year.

We have countries signed up. We have athletics, table tennis, boxing, football, badminton, swimming, squash, tennis, Muay Thai, sailing, volleyball, weightlifting, basketball, hockey and netball. Of course, sepak takraw and dragon boating are our exhibition sports.

We are finalising our sports schedule by the end of the month; that is the plan, because once we finalise our competition schedules, then we can really go to the intricacies of approaching the countries to nominate what sports and where they want to compete.

We also have—which is very important—a para program of athletics including netball, swimming, table tennis and powerlifting. It is important that we continue to incorporate—we did that for many years and it is an important part of our games. We are very keen. There are a lot of people doing a lot of work and we are very keen to make sure this is a success because not only is it a sporting event, but we have the Chamber of Commerce involved in that investment. There is the trade and business element which is about working with our Asian neighbours and beyond.

**Mr WOOD:** Is Korea included? Considering what is happening at the moment?

**Mr VOWLES:** What part of Korea?

**Mr WOOD:** Both Koreas.

**Mr VOWLES:** I do not know but I am not sure I am inviting Donald Trump.

**Mr WOOD:** I thought you might be putting the hand of friendship out to someone else.

**Mr VOWLES:** Well, sport can mend many barriers and many issues.

**Madam CHAIR:** Are there any other questions for the Arafura Games? Thank you and that concludes consideration of Arafura Games and Output Groups 8.0 and 9.0.

On behalf of the committee I would like to thank you, minister, for your attendance today. I would also like to thank all the officials who have assisted you here this afternoon.

That concludes the estimates hearing for today. Hearings will recommence tomorrow, Tuesday 19 June, at 8 am with questions of the Minister for Environment and Natural Resources.

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The committee suspended.

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