

The Estimates Committee convened at 8.30 am.

MINISTER ELFERINK'S PORTFOLIOS

DEPARTMENT OF THE ATTORNEY-GENERAL AND JUSTICE

Madam CHAIR: Good morning, everyone. I welcome you, Attorney-General and Minister for Justice, and invite you to introduce the officials accompanying you.

Mr ELFERINK: On my immediate left is the CEO of the Department of the Attorney-General and Justice, Greg Shanahan, and on my immediate right is Jacquie Dowling, the CFO of the department. If you like I can go straight into my opening statement.

Madam CHAIR: Yes, I invite you to make an opening statement of no more than five minutes. Then I will call for questions.

Mr ELFERINK: I will endeavour to restrain myself to that time frame. I thank you, Madam Chair and members of the committee, for your warm welcome this morning. I will now make a brief statement in relation to the portfolio of Attorney-General and Justice.

The Department of the Attorney-General and Justice continues to focus on delivering legal services to government, supporting the government's legislative program, providing support to victims of crime and administering a strong and responsive justice system.

The department comprises a variety of output groups, the first being Legal Services, which provides government with quality legal advice, representation and policy development, supports victims of violent crime and conducts important research into the criminal justice system. The department continues its work in the area of legislative reform, including court reform, domestic violence, criminal procedure, vulnerable witnesses, victims of crime, fines recovery, sex offenders and organised crime. Implementation of the highly-successful cross-agency Pillars of Justice framework continues to progress, focused on reform throughout the whole criminal justice process from before arrest to beyond parole.

Legal Services also administers a number of grants, including funding provided to the Northern Territory Legal Aid Commission. Budget 2016-17 allocates additional ongoing funding of \$0.8m per annum to the commission to ensure it can continue to provide appropriate and timely representation, and help ensure an efficient and cost-effective court system, and that appropriate access to justice is available for all Territorians.

The Court Support Services output group provides administrative support services to enable delivery of justice to the Northern Territory community by courts and tribunals. This year work has been undertaken to fit out the new Supreme Court facility in Alice Springs, continuing the government's investment in adopting the town's justice precinct.

Budget 2016-17 allocates an additional \$1m for court support services to ensure courts and related services continue to operate to meet government strategic objectives, community expectations and the needs of the judiciary.

The Northern Territory Civil and Administrative Tribunal is now operational and offices have been established in Darwin and Alice Springs. The department is continuing to progress the transfer of jurisdictions to the tribunal to cut red tape and provide Territorians with a single, central, easy-to-use mechanism for its civil and administrative appeals. Budget 2016-17 allocates additional ongoing funding of \$2m per annum to support the tribunal to manage its increased jurisdictions, and I will add a little more to that later if asked.

It is important to note that while the CEO is responsible under the *Financial Management Act* and the *Public Sector Employment and Management Act* for the administration of the department, many of its arms are independent in the delivery of their functions by virtue of a statutory appointment. The Director of Public Prosecutions is one such statutory office, and the DPP continues to provide an independent public prosecution service to the Territory and to support witnesses and victims throughout the criminal justice process.

The Independent Offices output group, which includes a range of independent statutory authorities, continues the important role of protecting the community's legal rights and property interests, and providing

important legislative drafting services to progress the government's legislative reform agenda. I note that in Output 4.6, Health and Community Services Complaints Commission, and Output 4.7, the Children's Commissioner has come under my portfolio of responsibilities as Minister for Health and Minister for Children and Families respectively, and should be directed towards me at that point of the schedule.

Output 5 – the Domestic Violence Directorate continues to facilitate an integrated response from government and non-government organisations, and to coordinate local reference groups in Darwin, Katherine, Alice Springs and Tennant Creek to drive the Domestic and Family Violence Reduction Strategy, which aims to address, reduce and prevent domestic violence across the Northern Territory.

Budget 2016-17 allocates \$6.77m to fund the third year of the strategy and continues selected aspects of the Alice Springs Integrated Response to Family and Domestic Violence project. The corporate and governance output group continues to deliver high-quality corporate services to the department and will implement a range of measures to reduce red tape and streamline internal service delivery in coming months.

I am ready for questions, Madam Chair.

Madam CHAIR: Any questions?

Mr WOOD: A point of clarification, the mandatory alcohol treatment tribunal comes under the Department of Health, not under tribunals?

Mr ELFERINK: Strictly ,yes, but if you want to ask me questions on it now I am happy to take them.

Mr WOOD: No, I can wait until the Department of Health. Would it come under alcohol or ...

Mr ELFERINK: I have just been reminded by my CEO, who is awake and alert – more awake and alert than I am – that it is actually a tribunal that sits under us. I am happy to take the questions.

Mr WOOD: I will wait until we get there.

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

Madam CHAIR: The committee will now consider the estimates of proposed expenditure contained in the Appropriation Bill 2016-17 as they relate to the Department of the Attorney-General and Justice, are there any agency-related whole-of-government questions on budget and fiscal strategies?

Ms WALKER: Will the minister be tabling the global written estimated questions we put to the agency?

Mr ELFERINK: Yes, I have them floating around here somewhere. I presume you would prefer to have them tabled?

Ms WALKER: That would be wonderful, minister. Fantastic.

Madam CHAIR: Any other agency-related whole-of-government questions?

OUTPUT GROUP 1.0 – LEGAL SERVICES Output 1.1 – Solicitor for the Northern Territory

Madam CHAIR: The committee will now consider Output Group 1, Legal Services, Output 1.1, Solicitor for the Northern Territory. Are there any questions?

Ms WALKER: I guess mine is broadly under Output 1.0, Legal Services. Minister, I note in the budget papers the addition of a criminal justice research and statistics unit as an output for the legal services group. This is a new output in terms of having its own line. It certainly was not a line in last year's Budget Paper No 3. There is a footnote which partially explains it. Is this the reason for the decline in funding for outputs for Solicitor for the Northern Territory and the Crime Victims Services Unit in the 2015-16 budget?

Mr ELFERINK: Off the top of my head, I suspect what you are seeing is a separation of the line items.

Ms WALKER: Minister, what was the reason for the carry-forward in Commonwealth funding in 2015-16 for the Legal Policy output and what projects were carried forward?

Mr ELFERINK: Which funding are you talking about? Commonwealth funding under which program?

Ms WALKER: Under the Legal Policy output.

Mr ELFERINK: Under which Commonwealth program?

Ms WALKER: I am asking you that question?

Mr SHANAHAN: Since the latest national partnership agreement, the Commonwealth funding now channels through our department. It used to go direct from the Commonwealth to the Legal Aid Commission, so it is just a timing thing. The money comes into us and we have to redistribute it to the various legal aid organisations.

Ms WALKER: So it is associated with the legal services NPA?

Mr SHANAHAN: Yes.

Ms WALKER: So that \$13m is allocated for this financial year?

Mr SHANAHAN: It is not entirely Commonwealth money. It also includes our own funding for that output, but it is all lumped together; the grants and the operational costs are all lumped in there.

Ms WALKER: What portion is Commonwealth funding and what portion is Northern Territory government funding?

Mr SHANAHAN: The Legal Aid Commission is about 50/50, and the balance is spent on our own internal operations.

Ms WALKER: Can I ask a question about the Crime Victims Services Unit under Legal Services? It has had a decrease in funding this year compared to last year's budget. I am looking at the annual report, page 85. The way I see it the figures show an increase in *Victims of Crime Assistance Act* applications, and the KPIs on page 85 of the annual report show an increase in applications. Am I reading that right that it means we have more victims of crime but there is less financial support?

Mr ELFERINK: I would not extrapolate that we have more victims of crime. There may be more applicants.

Ms WALKER: Sorry, yes; you are correct, more applicants.

Mr ELFERINK: The second component I would make out of that is simply that the significance of payments may change depending on the nature of each individual application. This thing is somewhat driven by demand rather than our budgetary process, which means if payments become less significant because the applications may be less significant over time then you adjust your budgets accordingly. I am just being reminded that, of course, there is legislative reform as well.

Mr SHANAHAN: There has actually not been a reduction in the operational component of that unit. The reduction has been that - the previous year we had money from the Safe at Home Program, which had not fully rolled out, and we carried it forward last year, but it is not in this year so that is about \$0.5m ...

Mr ELFERINK: About \$497 000.

Ms WALKER: Minister, can you list the key legislation reviews that were conducted by Legal Policy this financial year?

Mr ELFERINK: If you want a complete list we can provide one, I presume, but it would be much of the stuff we have taken into parliament and the stuff sitting in parliament right now. There are eight items on the Notice Paper for debate on Monday week, I think that is a good place to start looking, but if you want an actual list, we can take that on notice.

Question on Notice No 4.1

Madam CHAIR: Please, restate the question.

Ms WALKER: Minister, can you list the key legislation reviews conducted by Legal Policy this financial year?

Madam CHAIR: Do you accept the question minister?

Mr ELFERINK: Absolutely.

Madam CHAIR: The number allocated for that question is 4.1.

Ms WALKER: Thanks, Madam Chair. Minister, I note in the Correctional Services output that family responsibility agreement functions are being transferred to the Department of the Attorney-General and Justice. I cannot see any reference to that in the budget papers associated with this agency. Where has that budget transfer occurred, and why has this now moved out of the youth justice system?

Mr ELFERINK: This was actually a directive from me to both the agencies. I will jog your memory. The family responsibility unit, which was attached to corrections, was intended by the Henderson government to be an organ that spent its time seizing televisions and whatnot from miscreant parents who did not do what was necessary to contain their children. Much was made of it at the time and unfortunately expectations have not been met. The number of televisions seized since the inception of the unit: zero. The unit's work has drifted, if you like, from its original intent to something quite different, and ultimately the policy has not been successful. I am not getting political about it. I think the intent was sound enough at the time, but the policy has not found its way into any sort of meaningful outcomes in the way that certainly was originally described. We have moved that to the Attorney-General's so we can redirect that effort to other areas.

Ms WALKER: So where does it actually appear? Where has it moved to within your ...

Mr ELFERINK: I will leave the line item description to the CEO.

Mr SHANAHAN: It is under Legal Policy, so it is another one of those things that has boosted that funding.

Ms WALKER: What is your vision, minister, as to how you would see that funding delivered?

Mr ELFERINK: Legal Policy will continue to do its job, and of course there will be an expansion in some of the work it does. We have ambitions for making certain we provide services to the people of the Northern Territory which are commensurate with outcomes that will see crime being effectively attended to. I do not think any government can ever make crime go away, certainly not in a free society, but we will certainly do everything we can. It was targeted at early intervention work and those sorts of things.

Ms WALKER: I am still not clear about the shift of the funding from Corrections into Attorney-General's, what is going to be different about how the spend will be delivered?

Mr ELFERINK: The original function for which it was funded – there were 11 positions attached to it. That work was never successful. We are now going to use those 11 positions. It is in the policy. It will be crime prevention-type work. It will also be targeted at plugging the holes, if you like, that occur in different parts of the department.

Ms WALKER: Are we talking about early intervention-type services?

Mr ELFERINK: In part, yes. I mean the sorts of things that help. I will give an example, the sorts of things where our boot camps and those sorts of things identify kids before they get into trouble. That is part of the early intervention process. The police, of course, continue to maintain their diversionary programs and those sorts of things. We would be looking at as making sure we bolstered those services and are able to make sure we get those kids directed into the boot camps or whatever diversion services are available.

Ms WALKER: Was there a formal review conducted within the agency that arrived at this decision, with evaluation and recommendations?

Mr ELFERINK: No, not that I am aware of. It basically asked how many TV sets have been seized in accordance with the original policy; the answer was none. The functions the unit was effectively doing were more suited to the legal policy early diversion stuff so we have declared to be real that which was happening in practice anyhow.

Ms WALKER: One last question under Legal Services – we have talked briefly about this already. You obtained \$1m in additional funding for Legal Aid from the Treasurer in the last financial year, for which, I know when I met with Legal Aid, they were internally grateful. Can you advise if there has been an ongoing recurrent commitment to funding Legal Aid the additional \$1m? As you would be aware, in Legal Aid's annual report its highlights the fact that its funding is inadequate beyond that \$1m. I quote from the director:

We have foreshadowed a need to reduce our services in respect to NT law matters and have notified our stakeholders that this is a real risk.

Mr ELFERINK: The answer is yes. There is increased funding of \$800 000 a year ongoing.

Ms WALKER: Oh good, but not \$1m?

Mr ELFERINK: No, it is not \$1m; it is \$800 000. When Legal Aid approached me last year about it the figure that we settled on was \$1m at the time. The budget process being what it is – you would love to give Legal Aid \$5m, but the truth is we have budget pressures, so the figure we arrived at which was appropriate was \$800 000 ongoing, and that is committed throughout the forward estimates.

Ms WALKER: Okay, good; thanks for that, minister.

Ms WALKER: I asked all my questions under Output 1.1.

Madam CHAIR: Are there any other questions for Output 1.1?

That concludes consideration of Output 1.1

Output 1.2 – Crime Victims Services Unit

Madam CHAIR: The committee will now consider Output 1.2, Crime Victims Services Unit. Are there any questions?

Madam CHAIR: That concludes consideration of Output 1.2.

Output 1.3 – Legal Policy

Madam CHAIR: The committee will now consider Output 1.3, Legal Policy. Are there any questions?

That concludes consideration of Output 1.3.

Output 1.4 – Criminal Justice Research and Statistics Unit

Madam CHAIR: The committee will now consider Output 1.4, Criminal Justice Research and Statistics Unit. Are there any questions?

Mr WOOD: Yes, Madam Chair. Chief Minister, you will remember some time ago...

Mr ELFERINK: Whoa, as ambitious as I might have been at one point in my life or another.

Mr WOOD: I am sorry; I think I was locked into a long day yesterday. Attorney-General ...

Mr ELFERINK: Do not swear at me please.

Mr WOOD: Sorry about that. You would remember a long time ago in the days of the Council of Territory Co-operation when we looked at the issue you raised about crime statistics being uniform between police and, I think, your department. Is that the case now that both departments work off one group of statistics?

Mr ELFERINK: Yes, the source of truth is the police. The statistics research unit uses those numbers. I think the filters are slightly different because of the passage of time. When the police pick up statistical information some things reported as crimes might, ultimately, not be crimes for whatever reason. Other things that are not reported might find their way in, but ultimately the source of truth is the police.

Mr SHANAHAN: The other issue was that police used to report on victims and we used to report on offences, therefore there was a mismatch. At the moment we report on the police statistics on offences and they are published monthly on the police website.

Mr ELFERINK: It is pretty much a universal system now throughout the country; the Australian Bureau of Statistics reports in exactly the same structure, as do all other jurisdictions, as far as I am aware.

Mr WOOD: I meant to bring them with me. You need to be a statistician to some extent to analyse those statistics at times, but if you take the issue that you are recording the number of offences – sometimes one person can commit 20 offences on the one job. Is there a breakdown of the actual number of people?

Mr ELFERINK: I see what you are saying.

Mr WOOD: You can say there are 1000 offences and people go, 'Horror, horror!' There might have been 10 ...

Mr ELFERINK: One villain has been picked up for 200 offences, which are all being dealt with as the one matter in front of a courtroom.

Mr WOOD: Yes, so is there a way of saying the number of people who actually offended?

Mr ELFERINK: You would be looking at the number of prosecutions commenced by the DPP or, alternatively, the police. You would have a number of individuals going in front of courts and we could extrapolate those figures out. If you want to further drill into the notion that if person A has been charged with 200 house breaks, that requires a whole lot of work if you are trying to elicit individuals out of the system.

Mr WOOD: You have a piece of legislation coming up which I am studying very carefully, minister. But one of the issues that arises for me to look at that is the need for some statistics to say, for instance, that there has been X number of juveniles convicted more than twice, and those juveniles have been released on bail X number of times? If I was to go to this section, would I be able to find that information?

Mr ELFERINK: No. You find it in the IJIS system, which is used by police and courts to navigate their way through the court system. They are individual files held on behalf of the courts. When a magistrate is sitting in a court, hearing a matter or a bail application, whilst that magistrate in relation to the hearing of a matter, should it go to full hearing, will not hear evidence of a person's prior criminal history, they can hear evidence of it during a bail application. The existence of two prior convictions will be on an individual's court file.

Mr WOOD: Those statistics would have to be only available through the minister for Police.

Mr ELFERINK: No, the IJIS system is primarily used by the court system. That is currently being updated and brought into the modern world, but it has historically been a very successful system because it has become the source of truth for the court system, and it has been very reliable as a database.

Mr WOOD: For me to get information in relation to that, where would I go?

Mr ELFERINK: I do not think you could get it because we are talking about juveniles in this conversation, and those matters are generally heard in closed courts.

Mr WOOD: I do not want to get into a debate on the bill, but the problem I have is that the bill is based on certain prerequisites that 'because such and such is occurring we would like to change it'. Therefore I am saying I need to see the basis on which that is ...

Mr ELFERINK: I see. The police will certainly report to you, and if they did not already yesterday – if you questioned them – they will tell you that from practical knowledge on the ground.

Take something like Strike Force Trident; they will know who their regular frequent flyer villains are. They express the frustration they go through in the effort of arresting these juvenile offenders, bringing them before a court only to rearrest them later that week for a bunch of house breaks whilst that juvenile is on bail. That is certainly supportable in terms of the arguments they put forward. You do not have to look past the IJIS system to see evidence of that occurring.

For Gerry Wood, the member for Nelson, to be able to look at individual people's case files, if a person is an adult then that would be held in open court and you would hear evidence of those matters. But you have to be able to demonstrate that a person has been convicted the requisite number of times, and that is all part of court records.

Mr WOOD: They are some of the issues I am still working my way through.

Mr ELFERINK: This is not a decision made by a police officer, unless, of course, it is a police officer setting bail who is a police officer in charge of a police station. The majority of the bail applications that will be considered in terms of that legislative instrument will be heard in a court. It is actually a judicial officer well beyond the reach and domain of the executive arm of government which will make the determinations on a case-for-case basis.

Mr WOOD: And there lies my difficulty. You have this body which collects statistics but not all the statistics. They are statistics about crime, so if I wanted to know how many people were convicted of ...

Mr ELFERINK: I would direct you to the annual report. Is that in the annual report, the actual number of convictions? Certainly there is the number of matters brought. In the Northern Territory some 95% of all matters commenced in the criminal jurisdiction commence in the lower courts, so the Local Court will deal with it, and the judges of the Local Court will deal with 95% of all criminal matters. Of those criminal matters a certain and known percentage will lead to successful prosecutions, bearing in mind that the vast majority are guilty pleas.

I am speaking off the top of my head at the moment, but for every 10 matters alleged by the Crown, nine-and-a-half will lead to an admission of guilt, so the vast majority of those matters for the Local Court in Darwin will be guilty pleas in court one, disposed of very quickly. Then there are a number of hearings that arise out of contests, and some of those will lead to convictions and some will not. That can all be extrapolated out. We can give you the numbers, and if you like I could ask for a bit of homework to be done. We can give you the numbers, breaking it down. Although it is at that level, what I cannot say to you is person X, who has been charged with 200 offences, represents this slice of the overall statistics, but I would hazard a guess and suggest that a large slice of matters brought forward to the courts come from a relatively small group of people in our community.

Mr WOOD: I might send an e-mail to Mr Shanahan and detail what I am looking for.

Mr SHANAHAN: They are very busy doing their normal work so an additional request can be accommodated, but there might be a time issue.

Mr WOOD: I have a piece of legislation and I want to make sure where I am going is based on what is actually the case.

Mr ELFERINK: The legislation is a vehicle by which a court then makes a decision. We do not make the decision on behalf of the court, and that is an important distinction to make.

Mr WOOD: I will not pre-empt the debate here.

Mr ELFERINK: Reputed thieves legislation is not new in one other important aspect. In the *Police Administration Act*, from memory there are actually still references to reputed thieves in that legislation which are not dissimilar in terms of their definition as to what a reputed thief is, and a police officer has certain powers in relation to that reputed thief. We are introducing that notion to the bail environment.

Madam CHAIR: Are there any other questions in Output 1.4. We will conclude then consideration of Output 1.4 from Output Group 1.0.

OUTPUT GROUP 2.0 – COURT SUPPORT SERVICES

Output 2.1 – Higher Courts

Madam CHAIR: We will now proceed to Output Group 2.0, Court Support Services, Output 2.1, Higher Courts. Are there any questions?

Ms WALKER: Minister, there is a decrease in funding for the Higher Courts output, and given the former Chief Justice's remarks in his annual report that there is a need for a seventh Supreme Court Judge, I cannot see that reflected in this year's budget papers. Can you confirm that?

Mr ELFERINK: The intent to introduce a seventh Supreme Court Judge is entirely dependent on the completion of the Alice Springs Supreme Court, which will be November/December this year, as I understand it.

Ms WALKER: Justice Riley highlighted that the six judges had taken on unsustainable workloads in the wake of a 35% increase in criminal matters and a 10% increase in civil cases in one year; as a result, only 85% of cases had been finalised for the year compared to a clearance rate of 100% for the year prior. Will you be funding an additional position for the Supreme Court?

Mr ELFERINK: When we are ready to go, we will be seeking a specific appropriation for that purpose. That is how you pay for judges.

Ms WALKER: Is this tied to the completion of the Supreme Court in Alice Springs?

Mr ELFERINK: Yes. I will not ask a judge to sit in an incomplete building. It is a very nice building by the way' have you seen it? I hope the member for Araluen would agree with me that it is progressing nicely.

Madam CHAIR: From the outside looking in, minister, it looks extraordinary, but as an independent member I do not get invited to any events celebrating the stage developments.

Mr ELFERINK: The next time I walk through it, I will make sure you get an invitation to come.

Madam CHAIR: That would be lovely, minister, thank you very much.

Ms WALKER: So, minister, you will be appointing a seventh judge?

Mr ELFERINK: I will not, because by that stage I will not be the Attorney-General, but I would anticipate that my successor, whomsoever that might be, will seek the special appropriation for the purpose.

Ms WALKER: That will be good news. The Alice Springs courthouse was to have been completed by 30 June, but you said that is now November?

Mr ELFERINK: Not 30 June; I think the original date was August, bearing in mind it is not our building; we are not building it. I will give you a potted history. We went to the last election promising a justice precinct in Alice Springs, which is a good and sound promise. We looked at a greenfield site, and that came back at \$78m. We cannot afford that. So I then went to Alice Springs, looked around, and thought the Greatorex car park - that is the car park next to the Greatorex building in Bath Street. I thought, 'That would be cool, dig that out, put a car park underneath it and build a Supreme Court on top of that; how much is that worth' - \$30m, not a good look.

Being mindful of the commitment we had made, I was walking down Parsons Street when I pressed my nose up to the glass of the long-since abandoned Commonwealth Bank. I thought, 'If we drop a couple of million into this, we could probably create a Supreme Court here. I asked my then Chief of Staff to find out who owned the building, and it turned out to belong to the Sitzler family. They responded saying, 'Wow, that would be a wonderful thing, but rather than redo the existing building we will knock it over and replace it with a brand spanking new building'.

I said, 'We have to go through a bidding process' - the expressions of interests - which is what we did. Sitzler clearly took it very seriously; they spent a lot of money on their bid and they were clearly the superior bid. That certainly was reported to me after the process had been completed. So what we have done is, rather than build a new government building ourselves, we have become a committed tenant for 20 years to the existing building; which has enabled Sitzler to build a building which is fit for purpose with two court rooms in it. The architect that they have obtained, whose name escapes me at the moment, has done a splendid job. So rather than spending \$78m on a justice precinct we find ourselves, for the price of rental floor space, being able to fulfil the promise.

The other thing is, of course, the existing court will become the lower court building and that will add life to that building; there is nothing functionally wrong with that building other than its physical size.

Madam CHAIR: I have to say, minister, your timeline only starts when you came on board. Discussions around this commenced well before that, but that is okay.

Mr ELFERINK: All I can say is I was asked to do something because of our commitment to the people of Alice Springs, and I fulfilled that commitment.

Madam CHAIR: As the Minister for Central Australia and the Deputy Chief Minister, I had meetings about this well before your involvement, but that is fine.

Mr ELFERINK: Who with?

Madam CHAIR: Sitzler.

Mr ELFERINK: Really? Well they never mentioned that to me. How did you go with progressing it?

Madam CHAIR: Well I was removed as Treasurer and resigned as Deputy Chief Minister, and that is where my participation in that ceased.

Mr ELFERINK: Opportunity lost.

Madam CHAIR: Taken away. Are there any questions?

That concludes consideration of Output 2.1.

Output 2.2 – Lower Courts and Tribunals

Madam CHAIR: The committee will now consider Output 2.2, Lower Courts and Tribunals. Are there any questions?

Ms WALKER: Yes thanks, Madam Chair. Minister, court support services sets out an increase in funds for lower courts and tribunals around \$2m. You noted that in your opening statement. Will this assist NTCAT to have an increased presence in Alice Springs?

Mr ELFERINK: Yes. You will see NTCAT has a budget line item; \$2m I think is about right for the number off the top of my head. That is actually not quite enough for NTCAT. I have gone to the Minister for Health, had a strong argument with him, which he lost, and Health, because the guardianship role has now moved to a different environment, will provide I think \$600 000, off the top of my head, and the courts will also be providing, after the small claims jurisdiction has moved on, some further \$200 000. It is not the budget; it will be a transfer of allocations when the time comes, so it actually will receive more money than is noted in the budget here.

The intention of NTCAT was always to make it cost neutral to government. That has not quite been achieved. Certainly, I have said to Health, with adult guardianship and the courts with the small claims jurisdiction going across, those costs should go along with it. NTCAT ultimately now will be receiving a bit more than you see in the line item there. They will be providing the service in Alice Springs as well.

Ms WALKER: I suggest, having had a look at NTCAT's annual report that on page 8 under Resources states:

Caseloads for the reporting period and forecast caseloads for 2015-16 suggest that the present allocation is sufficient ... the eventual caseload may reach 4500-5000 matters per year and that this will require a threefold increase in existing staffing levels as well as a substantial increase in funding for members ...

Are you comfortable that the allocation is adequate for the time being as NTCAT grows?

Mr ELFERINK: Yes I am. I am aware the potential for NTCAT's growth is substantial, but that is pressure off other parts of the court system, bearing in mind the appeals processes and other parts of the court system, which NTCAT captured, were functions that were already conducted by the parts of either government or the court system. If it turns out their function expands over time then I can read only two things into it: one, they have taken that work away from other departments and/or the court system, adult guardianship being the thing that I described, which is a good thing, or, alternatively, two, more people are sourcing processes through NTCAT because as a system of justice it is more available.

The idea of NTCAT, like administrative appeals tribunals in other jurisdictions, is to make access to court-like services, appeals processes, more available and more accessible to the average person in the street.

I am guessing, but off the top of my head, to lodge something in front of the Supreme Court it is \$1800. So if you are appealing a matter of law to the Supreme Court on an administrative matter from inside government, ouch! The filing fee at the moment for NTCAT is \$49, which is under review. The fact is it is a very cheap system of getting a hearing.

What I am impressed with anecdotally is the number of people who have told me they are satisfied with the access they feel they have had to an impartial referee.

Ms WALKER: Thanks, minister. Continuing on the \$2m per annum extra funding for court support services, I appreciate the enormous reforms that have taken place with the establishment of the Local Court and the creation of NTCAT, but will this \$2m extra pool be sufficient to progress specialist courts in Alice Springs in the areas of domestic violence, youth and mental health? I understand progress has been made regarding these specialist courts in the Top End, but will you be in a position to deliver that in Central Australia as well?

Mr ELFERINK: Over time, I imagine, the courts will come back to us and say, 'Yes, we would like to progress these things in these areas', and government, whoever it is at the time – whether it is me in the short term or somebody else in the long term – will have to turn their mind to those issues when they arise.

On my somewhat publicised trip around the United States, I looked at a number of things in American jurisdictions. I spoke to the District Attorney of Los Angeles, a lady by the name of Jackie Lacey, and she was talking about the need for mental health clinicians inside the court system. I was sufficiently impressed by the quality of her argument to arrange that when we got back. Fortunately in a smaller jurisdiction, and with our system, when you are a minister you have a lot more control than the District Attorney of Los Angeles. I wrote a perhaps a bit smug letter back to her saying, 'At least we have the pleasure in our system of government of being able to respond to these notions, and your philosophies have now taken root, maybe not in Los Angeles but certainly in the Northern Territory'.

The kids' court is another component. That is something else we have managed to do in regard to getting the kids out of those dungeons in the lower courts, which was way overdue. The idea is to improve the system every step of the way. That is also true for the lower courts in Alice Springs, because we had the kids in the same cells as the adults. It was the same deal with Nichols Place here, and we have managed, in both jurisdictions, to find a way around that and separate the kids out so they do not have contact with adult prisoners. I have been mindful of our responsibilities in that space.

It is just being whispered in my ear that here is work being done on a DV court in Alice Springs as well.

Ms WALKER: Good. I want to ask you a question around adult guardianship in relation to NTCAT. I am sure your alter ego, the Health minister, will tell me if I need to be asking this in Health or Disability.

Mr ELFERINK: That is fine. I will deal with it now if I can.

Ms WALKER: It is about legal aid for those under adult guardianship, and concerns that stakeholders have raised about the ramifications of the new adult guardianship legislation, and a question as to whether there is a commitment to the practice of securing legal representation for people subject to guardianship orders. If so, what will be the process for arranging representation?

Mr ELFERINK: The system around adult guardianship means the guardianship decisions are essentially taken by the new independent guardian. I am still the guardian – or have I stopped being the guardian? I must be awfully close to not being the guardian anymore. My role of guardianship is nominal only. I have no idea who I guard. That is all delegated down to the department, which has an authorised officer with the appropriate delegations to do it. That has now been shifted, obviously, into an independent environment.

I doubt there were many instances in adult guardianship where people were unsatisfied with guardianship orders because these things were as much negotiated out as heard in some form of official adversarial tribunal. Decisions made going forward by the adult guardian will not fundamentally change in that environment. There will still be a person whose primary interest will be the welfare of the person they guard. If, however, a matter is contested, the issue of legal representation will be no different now than it was under the old system when I was the guardian, so if a person needs legal representation then the yardsticks applied by the legal organisation, such as the Northern Territory Legal Aid Commission, will determine whether or not that is there.

Let us say a parent is unsatisfied with the guardianship order surrounding their child and they want to appeal that through the normal processes. If they are wealthy people they will have to pay for their own lawyers, assuming, of course, that NTCAT permits them to bring lawyers into the room. You must remember the presence of lawyers in NTCAT is a discretionary power that resides with the president.

Ms WALKER: I understand that. Thanks, minister. A question about the AMT Tribunal, in its annual report it expressed concerns about the lack of follow-up care after a person has been released from mandatory residential community treatment. Are there any intentions to amend this?

Mr ELFERINK: It is an interesting point because, being early in the rollout of AMT – it is a world first; it has not been done in other jurisdictions – there is not a huge amount of statistical evidence on whether it works or not. There is some anecdotal evidence that it has had some success. Follow-up treatment is one of the components.

You would be aware that I have asked for a review, which is being conducted over the next 12 months or so, where there will be a longitudinal study to determine the success or otherwise of Alcohol Mandatory Treatment. Bearing in mind that a person who comes out of AMT is a lot healthier than the day they went in, they can continue to access medical services that are provided across the Northern Territory, both in our major metropolitan areas and our remote areas. In following up individuals, the initial approach has been no news is good news. If somebody comes out of AMT and never comes to our notice again, that is a good result.

Mr WOOD: Minister, going back to NTCAT, what has been the cost of setting up NTCAT and what are the expected annual costs? I will add the next question so at least it is in context. I note on page 146 of the budget it says \$2.5m to support NTCAT. Does that mean it has to source income from somewhere else?

Mr ELFERINK: The first thing is the cost of establishment would have been \$1.8m. Ongoing funding, as you see in the budget, of \$2m-plus – the money I mentioned before that we will shake down out of Health and the courts, for lack of better terms. That is the cost of establishment. As more jurisdictional power resides in NTCAT, more work will come up. That is the reference the member for Nhulunbuy made out of the annual report.

The organisation collects fees now. When you lodge an action as a private individual, I think it is \$49, and about \$100 as a corporate enterprise. It has a capacity to raise capital now. I am sure NTCAT, or Mr Bruxner, will continue coming back to government saying, 'Our services are expanding; we need to cover the field.' My advice to whichever future Attorney-General has carriage of this is that if the answer is they need to cover the field, what service are they taking over from somewhere else?

Mr WOOD: I was looking at today's notices for NTCAT and they have quite a number of hearings today. Most of them deal with the *Residential Tenancies Act*.

Mr ELFERINK: Yes. That is probably going to be the bulk of its work.

Mr WOOD: I was interested to note that there are two hearings on at 9 am, one in relation to planning and one in relation to the *Residential Tenancies Act*. Where do they reside? Do they have two courts or two places of business?

Mr ELFERINK: Have you physically seen it?

Mr WOOD: No.

Mr ELFERINK: There was a tribunal under the former government, the Alcohol and Other Drugs Tribunal, which was folded up when we got rid of the former government's legislative structures, which means the tribunal rooms were sitting there ready to go. There are two hearing rooms in Casuarina, and, of course, we have the other hearing room in Alice Springs.

Mr WOOD: It was Alice Springs hearings today. If it is working out well and people are getting good outcomes, and it is becoming less legalistic to get an outcome, then it is a good thing.

Mr ELFERINK: Its measure of success will be how many matters will be appealed to the Supreme Court on questions of law going forward. I am not aware of any at this stage. I could stand corrected. I am not aware of any having been appealed beyond NTCAT to the Supreme Court, which is indicative of a high level of satisfaction with the quality of the hearing people are getting. I have spoken to a couple of people

who have told me they did not get the result they wanted, but they certainly did get a sense they had been fairly heard. Every court, no matter whether it is the High Court of Australia or a lower level administrative appeals tribunal, will always produce decisions that are controversial; that is just the nature of that stuff.

Mr WOOD: Are these hearings open to the public?

Mr ELFERINK: Generally, yes. I think the presumption is in favour of an open hearing, but I am sure the discretionary power exists for the president to shut one down for commercial-in-confidence reasons or other reasons.

Mr WOOD: I have noticed a couple of items of compulsory confidence, so why would that be?

Mr ELFERINK: What you are trying to do is prevent contested matters. This is not dissimilar to the stuff I did a couple of years ago because I was unhappy with the lower courts in relation to pre-trial disclosure. Lawyers do not talk to each other until the hearing day, so courts are dealing with facts that should have been dealt with long before you walked into a court room.

In the lower courts now there is a legislative instrument - and I certainly hope it is being pressed home by the Chief Judge, Dr Lowndes - that you have what are called directions hearings. That is a way of telling defence and prosecution to talk to each other, and they can often resolve matters before going to a full hearing. There is a similar thing in NTCAT. You have a good conversation up the front end and you may be able to find there is a resolution easily sorted out, and the reason people have not come to that point is, for whatever reason, they have not spoken to each other.

Mr WOOD: It is similar to mediation?

Mr ELFERINK: Yes, however - I would be guessing now, as it has been a while since I looked at the legislation - but once you come to a resolution and it was stamped by the President of NTCAT, then it would have the force of a decision.

Mr WOOD: Moving on to the Alcohol Mandatory Treatment Tribunal. We had a discussion with the Chief Minister yesterday about how it is all working. He gave me the impression that some of the issues do relate to the tribunal. Have you looked at those issues the Chief Minister is talking about?

Mr ELFERINK: Sure. I spoke to the Chief Minister about six weeks to two months ago. I share his disappointment that fewer people have found their way into the environment. I understand why that has occurred; however, I also understand that the tribunal has become more assertive in the way it is going about its business, and we are now seeing increased presentations to Alcohol Mandatory Treatment.

Mr WOOD: Is the issue related to the act itself, which does allow, for instance, community treatment orders and ...

Mr ELFERINK: It is a number of things, partially that and things like paperless arrests. One of the great misnomers about section 128 of the *Police Administration Act*, which is the one police use to take people into protective custody, is that for a long time it became an organ of social control, which was what it was intended to do, but if you read the legislation, a person has to be apparently seriously affected by alcohol or another drug, which means falling down drunk. So, a copper comes along, scrapes that person off the side of the road, sticks him in the back of the van and whacks him in the cells, as it originally worked, until that person sobers up.

Then, over a passage of time, there were sobering-up shelters, and all sorts of things have grown over time. The introduction of paperless arrests, which I still think have been fundamentally misunderstood by a lot of people, enabled to occur what should have always occurred, which was the convenient way of being able to dispose of low-level street offences, which a lot of these 128s were actually committing at the time. But because there was a mass of paperwork when you got back to the police station to process a prisoner, it was easier just to slot them for being drunk. The tendency over time, as an organ of social control, was to use section 128, which is the apprehension for drunkenness, as a vehicle of that containment.

Paperless arrests, of course, then made apprehending people or arresting people for actual offences against the *Summary Offences Act* as easy as a 128 arrest. People were starting to get charged again through the process of paperless arrests, and it has had the desired effect, but less of a desire to use 128 and an increased desire to use the paperless arrest power is one of the components.

The second component, of course, is that a lot of these drunks get dropped off at the sobering-up shelters, and tracking them through that system is one of the problems. That is something we are looking at right now. We could be picking up the same person time and time again, but we are not tracking them through the cells. They are going to the sobering-up shelter, and as a consequence they could slip through the net, and ultimately it is the structure of the legislation – there are a number of issues along the way which need to be addressed and attended to in relation to tweaking the system. That is not so say the system is failing, but remembering it is a world first and is built out of world first powers – I do not know of anywhere else in the western world there is anything like a section 128, certainly not in Australia that I am aware of. We have a number of unique legislative responses in this jurisdiction because of the prevalence of alcohol.

Mr WOOD: I just wondered whether by putting people into a cell there fewer people being picked up and put into protective custody, or have been put into ...

Mr ELFERINK: You are still seeing people picked up and the watch houses are still busy. It is why a person is coming through that is the issue.

Mr WOOD: That is right. So if you are taken three times into protective custody then you have to be assessed, and then the tribunal makes the decision, is that correct?

Mr ELFERINK: Yes.

Mr WOOD: If there are fewer people coming through the system the tribunal does not even see them.

Mr ELFERINK: That is part of it. Remember, we are talking about two different things. We are talking about a health response, which is alcohol mandatory treatment, and the police's duty to police the criminal law, even at its lowest level.

When a police officer apprehends a person they will make a decision, not even entirely consciously, about what power they will use. If the person is lying down pie-eyed drunk then it is obvious they will use 128 because the person is not committing any form of offence. If a person is standing on a street corner, let us say swearing or being obnoxious, or breaching any of the offences under section 47 of the *Summary Offences Act* which pertain to behavioural offences, then a police officer makes the decision: are you drunk and you need to be protected; or are you being a villain? At that point the police officer, if they exercise the assumption you are drunk and need to be protected, will take you in under 128, so you end up in the watch house.

You then get processed as a drunk, which enlivens the AMT process because we are now looking at you as a potential health problem. If the police officer, however, decides to execute their powers under the *Summary of Offences Act* in prosecuting for an offence, you go to the same watch house, you are assessed by the same people, but you are then slotted for the requisite four hours for the offence for which you have committed. You are given your notice of breaching the offence when go into the cell.

Mr WOOD: Is the issue in regard to the tribunal that people not coming into the system or the tribunal has issues in relation to the operation of the act?

Mr ELFERINK: I am saying the system, because of the operation of paperless arrest and a few other things, is producing a reduced number. You then have those people who are being taken into protective custody but are going to the sobering-up shelter, not into police custody. Police custody is really what triggers the three hits, and from that point you then go towards the tribunal. A number of things have been eroding the number of times you go back to police cells – sobering-up shelters, the operation of paperless arrests, those sorts of things. The consequence is the tribunal looks at less and they then have to take clinical advice as to the person they are assessing for Alcohol Mandatory Treatment.

Mr WOOD: The government is looking at revising some of the ...

Mr ELFERINK: I have spoken to the head of the tribunal and I have expressed some concerns. I know that the Chief Minister has made some public comments and I am looking forward to seeing increased numbers of people come through. In fact, we are seeing that now. I understand that CAAAPU, in spite of its financial difficulties, continues to do its job in Alice Springs with increased numbers coming through as we speak.

Madam CHAIR: That concludes consideration of Output 2.2.

Output 2.3 – Fines Recovery Unit

Madam CHAIR: The committee will now consider Output 2.3, Fines Recovery Unit. Are there any questions?

Ms WALKER: Minister, you will recall that there was passage of legislation that you introduced last year to amend the *Fines and Penalties (Recovery) Act* in a bid to recover some of the millions of dollars owed from serial fine defaulters. I am curious to know how that measure is progressing and how effective it is, including the name and shame list. You said in your second reading that as of 18 March 2015 there were 63 000 individual fine owing in excess of \$58m.

Mr ELFERINK: Yes, that seems about right.

Ms WALKER: I remember during my briefing in preparation for the debate I asked how many people we were talking about who owed the threshold amount of \$10 000 and above. The answer was 50 to 100 people. I went yesterday to the list and it is actually closer to 500 people on that defaulters list. I have two questions, and I daresay you will need to take it on notice. As at the end of March 2016 how many individual fine defaulters owed a total of ...

Mr ELFERINK: More than \$10 000?

Ms WALKER: No, because that is already on here. Just collectively, because you said ...

Mr ELFERINK: How many complete individual fine defaulters are there out there?

Ms WALKER: Yes. What I am trying to ascertain, as you will appreciate, is if this measure is effective. Are we seeing people cough up and pay the fines?

Mr ELFERINK: When we initially said we would start wheel clamping cars there was a substantial response. We recovered about \$4m. People went, 'Oh my goodness, the Attorney-General is a-comin', and we had a good response. That tapers off over time, so that is the reason the wheel clamping component is also in the legislation. I am happy to get you a list of the number of outstanding fine defaulters from zero to whatever.

Ms WALKER: I guess what I am trying – as I have just asked, are we seeing the number of people on this name and shame list increasing or decreasing?

Mr ELFERINK: That is a good question.

Ms WALKER: The intent would be that you would see it decreasing ...

Mr ELFERINK: One would hope so. We hope people pay their fines.

Ms WALKER: ... because of the pressure upon people to pay their fine or enter into an agreement to pay.

Mr ELFERINK: I am told that the operation of the list has resulted in 64 fine defaulters contacting the Fines Recovery Unit and entering into time-to-pay agreements to pay off their debts in instalments. Names of honourable persons, of course, are not published on the website. Whether the list is getting longer or shorter, I would have to get back to you on that. Suffice to say that 64 is better than zip.

Ms WALKER: It is, but it still does not answer the question of whether overall there is an increase.

Mr ELFERINK: I know what you are asking, but I cannot give the answer off the top of my head.

Ms WALKER: Can I put that as a question on notice?

Mr ELFERINK: Sure.

Question on Notice No 4.2

Madam CHAIR: Could you restate the question please, member for Nhulunbuy?

Ms WALKER: Is the number of people on the name and shame list increasing or decreasing, as of today?

Mr ELFERINK: We accept that question.

Madam CHAIR: The number of the question is 4.2.

Madam CHAIR: Are there any more questions on Output 2.3? We will conclude that output then and move on.

Output 2.4 – Integrated Justice Information System

Madam CHAIR: The committee will now move on to Output 2.4, Integrated Justice Information System. Are there any questions?

Mr WOOD: I assume this is the section that ...

Mr ELFERINK: The IJIS system.

Mr WOOD: It says this system is reporting on justice business processes associated with police apprehension, prosecution, courts, correctional services and fines recovery. Within that system, can you pull out some of those stats?

Mr ELFERINK: Yes that is the system I was referring to before.

We can certainly pull out individual cases and those sorts of things. The IJIS system has a series of codes that it operates under and you can extract information in relation to those codes. Perhaps you and I can sit down offline and have a chat to find out exactly what you are trying to extrapolate out of the system and we could give you some advice as to whether that is possible or not.

I suspect your concerns or questions are arising out of a slight misunderstanding of how the IJIS system works. It is an odd system in the sense that it is old. It still appears as a monochrome screen; it presents as old, but, curiously, the Territory developed a system which other jurisdictions do not have, where the police and the court system share the system in terms of the continuity of a person going through the criminal justice process. We are still the only jurisdiction that achieved that. But we are also spending money – I think about \$5m has been allocated over the last few years – to bring IJIS into a more presentable form, because I think other jurisdictions will look at it with jealous eyes when they realise the continuity issue of a thing that was created in the 1980s.

Mr WOOD: When I get a moment I will put it down in writing so I know what I am talking about myself, so I have it fairly clear.

Mr ELFERINK: Yes, I am not entirely sure you have a full handle on the system, which is why your questions are landing a little oddly with me. That is something we have to discuss offline and I am happy to take you through that.

Madam CHAIR: That concludes consideration of Output 2.4 and Output Group 2.0

OUTPUT GROUP 3.0 – DIRECTOR OF PUBLIC PROSECUTIONS **Output 3.1 – Director of Public Prosecutions**

Madam CHAIR: The committee will now consider Output Group 3.0, Director of Public Prosecutions, Output 3.1, Director of Public Prosecutions. Are there any questions?

Ms WALKER: I was going to ask questions, Madam Chair, but in the interests of time I will skip them.

Madam CHAIR: That concludes consideration of Output Group 3.0.

OUTPUT GROUP 4.0 – INDEPENDENT OFFICES **Output 4.1 – Consumer Affairs**

Madam CHAIR: The committee will now proceed to Output Group 4.0, Independent Offices, Output 4.1, Consumer Affairs. Are there any questions?

That concludes Output 4.1.

Output 4.2 – Anti-Discrimination Commission

Madam CHAIR: The committee will now move on to Output 4.2, Anti-Discrimination Commission. Are there any questions?

Mr ELFERINK: You have asked for the Anti-Discrimination Commissioner to appear I understand.

Ms WALKER: Yes, she is sitting right behind you.

Mr ELFERINK: I welcome to the table the Anti-Discrimination Commissioner, Sally Sievers.

Ms WALKER: Good morning, Commissioner. Thanks very much for appearing this morning. You have received an almost \$0.5m increase in funding this year on last year's budget. Can you advise the committee if this is linked to increased activity for your agency, as indicated in the key performance indicators?

Ms SIEVERS: No, we have not received a \$1.5m increase.

Ms WALKER: An almost \$0.5m increase.

Ms SIEVERS: No, what has happened is an arrangement, which was fairly informal, with Health for the component of the CVP money, so the Community Visitor Program has been formalised. Previously that amount of money was provided to us on an annual basis and was open for negotiation. What has happened is after years of that being quite tenuous for our staff, now that is a permanent Treasury transfer. That is for the Community Visitor Program and mental health and disability services that we provide.

Ms WALKER: So it is not new money to you; it is just a case of a transfer from another holding agency?

Ms SIEVERS: No new money at all.

Ms WALKER: Speaking then of the Community Visitor Program, Commissioner, I note in your annual report that one of the key concerns highlighted was the lack of follow-up care in the community for people receiving Alcohol Mandatory Treatment. What feedback are community visitors providing to you about the scheme? Have you provided this feedback to the government and what has government's response been?

Ms SIEVERS: The approach the community visitor takes to the work it does is that it visits facilities, particularly Alcohol Mandatory Treatment, on a weekly basis and also talks to staff about what is happening on the ground. In relation to that, we then compile what are called quarterly reports, which go back to the various facilities. In relation to after-care, because it is actually outside of the assessment centres and treatment centres we monitor, we do not then follow the people into the after-care system.

We report back to the treatment centres on what people are telling us about after-care. The only time, then, that we report publicly about the views is actually at the end of the financial year, about what is happening in that and whether it is still an ongoing issue of concern.

Whilst informally we know things, like CAAAPU negotiating with Congress about the provision of after-care, I do not actually have up-to-date information, until we compile our annual report at the end of this financial year, on how that is being viewed in the scheme of best care for people.

I also informally know that the Saltbush Mob who, have the commercial provision of the treatment centre in the Top End - and this is probably more appropriate for the Health Minister - has funding, which includes after-care and people to be employed to provide after-care. The effectiveness of it is something that we will not really compile all our comments on until we are preparing our annual report.

Ms WALKER: Thank you very much. I note, in your Community Visitor Program Annual Report some worrying trends about seclusion rates in the Territory; the rates are increasing significantly. Can you advise if there have been any changes in service provision since the time the annual report was written?

Ms SIEVERS: That is, similarly, a difficult one. In relation to mental health, mental health interpreter use and seclusion use are things the community visitor continuously monitors and which require continuous vigilance. We do, on a six-monthly basis, review both the seclusion register in the Top End and the

seclusion register in Central Australia. We are continuously discussing the progress - the trends up and down - and that, similarly, is something we will not get a picture of what has happened for the whole year until the end of this financial year, but it is something we continuously discuss with the Department of Health. It may be more appropriate to discuss with the Department of Health, in relation to mental health, when they appear before you.

Ms WALKER: Sure. We will have that output later on this morning or this afternoon. Do community visitors have any indication that the establishment of the youth inpatient facility is making a difference, particularly around seclusion rates of young people?

Ms SIEVERS: The youth inpatient unit is a sub-acute facility, so it actually is not dealing with young people who are experiencing acute episodes. Similarly, about the numbers - so people would not be in that sub-acute unit when they required the level - this is just my understanding from the material I receive. Again, that is one of the issues. The YIP is actually just part of the youth framework for the Northern Territory; it does not deal with the acute phase for youth. That is something that is still ongoing.

Ms WALKER: Commissioner, do you think there is a role for the Community Visitor Program in monitoring and advocating for children in out-of-home-care settings and young people in youth detention?

Ms SIEVERS: In relation to another issue, which was monitoring of people in disability care in the community or in houses, there are a number of community visitors or similar programs all throughout Australia. Some of those programs go into disability housing, and we have quite a limited scope of access there, but also, as you are probably aware, some of the community visitor programs in other jurisdictions do go into youth – DCF children's places – but in the Northern Territory I think that is the overlap with the Children's Commissioner. In relation to children in detention, even adults, if you were looking for an independent community visitor, that is what we are. We know that in other states they do that. I am not advocating for empire building but it is about the independence. The staff I have on board, who are all social workers and experienced in this field – their experience is in independent monitoring and advocacy for very vulnerable people. The suggestion is that there is a place for children who are in care or youth who are in detention. They are all options where the community visitor could provide services.

Ms WALKER: In relation to forensic disability services, what is the barrier, in your view, to the successful transitioning of clients into supported accommodation in community?

Ms SIEVERS: I think from this annual report, and without referring specifically to the sections, it is about housing availability and having the step-down options for all sorts of clients – complex clients coming out of mental health, complex clients coming out of secure care, complex clients coming out of the cottages. Housing is a continuous – I have only done three community visitor reports, but my manager, on every single occasion, has said that housing and being able to move people into all sorts of levels of supported housing is in fact the answer to lots of the issues for the vulnerable groups we monitor.

Ms WALKER: Yes, and I note that this year, for the first time in your report, disability is the top issue that your office has been dealing with.

Ms SIEVERS: Yes, but that is more in relation to – and it is only by one so it does change the complexion for the office. What is interesting about that for the Anti-Discrimination Commission is that mostly that is actually disability in the workplace. That is people with mental health concerns. For the first time they might raise them in the workplace and it is upskilling employers about what recovery mental health system looks like. That accounts for a really big portion of that, not the type of clientele that the Community Visitor Program covers, and also children in schools with hidden disability. That is an increasing area of concern.

Ms WALKER: That is interesting. In relation to the Alcohol Mandatory Treatment Program, your report raises a number of concerns not only with the discharge planning for return to family and community but also the lack of individualised therapeutic care, the high staff turnover and the lack of attention to the primary healthcare needs of AMT clients. Has the department addressed any of these concerns in the last six months since your annual report was published?

Ms SIEVERS: The Alcohol Mandatory Treatment provision has been provided by numerous different providers over the three years that system has been in place. In the Top End, since March 2015, it has moved to a private provider. There are different issues that have come up with a private provider but a lot of positive aspects as well in relation to the treatment they are providing. However, in consultation with them, it is not that their treatment has not been assessed for how well it is going but there are changes. CAAAPU, as you are aware, has been going through a number of transitions. It is really hard to tell, until

we get to doing this year's annual report and looking at the trends over the whole year, whether each of those issues has been addressed. Because the service provision have been varied throughout the time, it is hard to give a really clear answer on that.

Ms WALKER: I understand. Thanks very much, Commissioner. They are all the questions I had.

Mr WOOD: Commissioner, I have to make the statement that I did not know you existed. I knew the Anti-Discrimination Commissioner existed, so I was really glad to have picked up your annual report. It gave me a very sharp learning curve as to what you do. The annual report did raise some questions, and I will get back to AMT a little later. I wonder if you could address a couple of issues you raised. On page 26 of the annual report you noted the need for trauma-informed mental healthcare. Has there been any move in that area from the government in response to that need?

Ms SIEVERS: Again, I think it is more appropriate to be addressed to the mental health providers, apart from the fact one of the things about this program is that we raise issues and then leave it to the area to move that issue forward. Trauma-informed care across a raft of health services is emerging. In regard to how it has gone since this annual report, I suggest you ask that question of mental health.

Mr WOOD: All right, or I will have to wait for your next annual report to see what is in there.

Ms SIEVERS: Yes, it will be in there.

Mr WOOD: We hear about trauma from soldiers who have come back from war and people who have been in some really life-changing incident; is that the sort of trauma you are talking about?

Ms SIEVERS: Yes, and increasing numbers of people who have come to Australia from refugee backgrounds, local Indigenous people, people from Stolen Generations and people included in the high levels of domestic and family violence; it is right across our community. Children who are now young adults and have grown up in environments where they have witnessed and been part of domestic and family violence – the trauma those young people suffer also may impact on their mental health.

Mr WOOD: You are saying there is a need; are you saying there is nothing at the present time that covers those areas? I hear a lot of discussions about depression. We have beyondblue and all those non-government organisations, so are there people who look at trauma or are you saying ...

Ms SIEVERS: Definitely. When someone comes into a mental health facility – going back to Ms Walker's question about use of seclusion, if you are someone from a refugee background who has been detained, using seclusion, when you go into a mental health facility, amplifies that trauma. We are saying it is a holistic look when you are providing treatment and deciding on treatment options, taking into account that the person you are dealing with may have a history of trauma. It is not about dealing with the individual trauma, but when you are providing care for someone coming into your facility, you look at their overall care through that lens.

Mr WOOD: You mention also concerns, on page 28 of the annual report, about the state of the Joan Ridley Unit. Has there been anything in the budget that might address those concerns or should I ask the Minister for Health?

Ms SIEVERS: Mental health facilities show age from the people who come through and wear and tear. That is a question for the Health minister.

Mr WOOD: On pages 29 and 30 it says you have a series of report cards and recommendations from the Top End Health Service right through from Central Australia. I think I counted 19 recommendations back to 2004, and 13 recommendations from Central Australia that had not been concluded. Do you know why that is the case, and have you looked at the reasons why those recommendations have not been ...

Ms SIEVERS: Yes. There is a manager of the program and we continuously work with the department on approaches. In the time I have been in the role, it has become a much more sophisticated process. We send off a spreadsheet; they come back with where they are up to on a certain recommendation and we then monitor that the action they say they are taking in relation to a specific area has occurred. Some of the things are just really big, long-term issues.

The CVP does individual advocacy for the person who might be in a mental health facility or in AMT, but it also does that longer-term systemic – sometimes the changes take a long time, so something like cultural

safety will continuously be on there because it is something we need to be eternally vigilant about it and keep progressing.

We are working with the department. As different people come in it is more effective, or less, but I note that the manager of my program is working very hard with Health to try to take some of these off the books.

Mr WOOD: A more practical thing in relation to the alcohol mandatory rehabilitation centres. I have been to CAAAPU twice and, I must admit, I was impressed. I know they have financial difficulties, which surprised me. The staff I saw there were deeply committed to changing people's lives. It also had an interesting side to it; people could go shopping. I know you have to look at the rights of people to be held, as against making sure they have freedom. But this is meant to be mandatory. They have adjusted it to allow people to go out to some of the places in Alice Springs on the weekend, so there is room for flexibility while being mandatory. In relation to the Darwin one, it was first of all at Darwin hospital and it has moved out to the single area ...

Mr ELFERINK: It is here now, low security ...

Mr WOOD: Yes. You mentioned it in your report and said you have to give it more time. Do you report back to people like CAAAPU and Saltbush? Not waiting for the report to come out, but when you visit do you report back saying there are some issues here ...

Ms SIEVERS: The whole oomph of the program is to try to resolve things at the lowest possible levels. The way the program works is if one of our people – they may even be out there today – goes to the facility and something comes up, they will talk to the staff directly. If that does not get resolved when they are there to start with, then it is put into an e-mail to whoever the case manager is; it varies between what the arrangements are for each of those. If it is not resolved then, it goes into our quarterly report. There is continuous reporting back to the treatment and assessment centres on any concerns.

Similarly, with the Department of Health, if they are broader concerns, then we will continuously talk to the people in charge of alcohol and other drugs. By the time we get the annual report, nothing in it is a surprise to the Department of Health or any of the providers. That is the whole thing about the program. The program can only achieve results for the individual people, and better care for the community as a whole, by those relationships. The relationships and the reporting are the primary importance.

Mr WOOD: You also have another role, which is a much broader role, where you look at the rights of the person being held to see whether those rights are being infringed on unnecessarily. Do you look at the role of the Alcohol Mandatory Treatment Tribunal to see whether it is operating according to the act in relation to your role of seeing whether people's rights are being overridden, in a sense, unnecessarily?

Ms SIEVERS: The concept you are talking about is called least restrictive options. That goes across every program. It is a long-term mental health concept, so people can receive mandatory treatment for their own safety and the safety of the community, and to integrate them back into the community, and for the person themselves to take up the treatment. If you are engaged in your treatment, that is the best sort of treatment, then you need to gradually loosen those restrictions.

Shopping for people in Alcohol Mandatory Treatment or having contact with family is integration back into the community, trying out those new skills you might have learnt about staying off the grog when you are being visited or doing cultural business. That is the concept of least restrictive. We only monitor that in the assessment and treatment centres. We do not have any role before the tribunal. When the program initially started, we had an advocate who went into the tribunal. But that made the roles really tricky because the CVP general role is about establishing relationships to ensure change, whereas the advocate was saying, 'No, my client does not want to be on this order', or whatever else. The tensions were too great. The only role we now have is if someone in an assessment centre asks us to come along as a support. Since we stopped doing the advocate role we have only done that on one or two occasions. We do not have any responsibility for monitoring the independence of the tribunal because it is an AGD independent tribunal.

Madam CHAIR: If there are no more questions, that concludes Output 4.2.

Mr ELFERINK: Madam Chair, I place on the record my thanks to Sally Sievers, the Anti-Discrimination Commissioner, for her attendance today, and I am sure the committee feels the same way.

Output 4.3 – Information and Public Interest Disclosures Commission

Madam CHAIR: We will move to Output Group 4.3, Information and Public Interest Disclosures Commission.

Answer to Question on Notice to 4.1

Mr ELFERINK: I have an answer to question 4.1 in relation to legal policy research. The major reviews, amongst others, are the statutory review of the *Business Tenancies and Fair Dealings Act*, the crimes assistance act, the justice centre act; the review of domestic and family violence legislation; the review of Part 15 of the *Caravan Parks Act*; the review of legislation regarding compliance with the Commonwealth *Sex Discrimination Act*. They are the major ones, and then there are a lot of smaller ones being done as well, but I hope that satisfies.

Ms WALKER: That is fine, minister.

Madam CHAIR: Output 4.3, Information & Public Interest Disclosures Commission. Are there any questions?

Mr ELFERINK: Sitting second to my left is Ms Brenda Monaghan, the Commissioner

Ms WALKER: I actually have no questions and I apologise to the Commissioner.

Mr WOOD: I realise we have a lot of work to do, but I have a question which fed in from a question yesterday to the Ombudsman. It was about issues of conflict of interest; is that an area you look at?

Ms MONAGHAN: Yes it is. It is actually an area that, particularly in our investigations, commonly comes up. It often comes up as a complaint, and it is also an area that we target a lot in our public sector training. We have just been to Alice Springs with local government bodies, doing training with them. We had about 40 from different local government bodies at our training session on a number of issues, but including that issue, because it is a difficult live issue.

Mr WOOD: Do you have some definitions of what conflict of interest is that people can see and understand?

Ms MONAGHAN: There is a lot of information about it and we are very happy to assist public bodies in preparing conflict of interest policies, etcetera. There are some good resources. The ICAC in New South Wales has a website that has a lot of terrific information on it that we use as a resource, and we do assist others. We have nothing particularly saying, 'This is what you have to have as your conflict of interest policy', but we certainly have a lot of experience and wise words of advice. We assist public bodies a lot in looking at what they are doing and commenting on how they could improve, both with respect to policies and their processes, and, most importantly, the training of their staff so staff really understand what a conflict of interest is and what they have to be aware of, depending on their role.

Mr WOOD: I raised this with the Ombudsman. We do not have an integrity commissioner, so your role does not go to members of parliament?

Ms MONAGHAN: No. The definition at the moment is quite clear and it is public sector organisations. Saying no is actually the wrong answer, because there is a qualified answer. We have actually received none. It is certainly something where, at the request of the Speaker, we can investigate an allegation of improper conduct and report back to the Speaker. That is a provision in the act, and I think the reality is it there as an oversight mechanism. The fact it has not been used would suggest there are probably better oversight models.

Mr WOOD: But it can be used?

Ms MONAGHAN: It can be used; it could be used.

Mr ELFERINK: I make the observation that there is an oversight of members of parliament, like everybody else; it is called the criminal law. If a member of parliament has stepped outside the law they are as susceptible to investigation and prosecution, should that be required, as any other citizen in our community.

Mr WOOD: The issue that concerns me is whether conflict of interest is outside the law, if you go against a conflict of interest.

Mr ELFERINK: Oh, I see what you mean.

Mr WOOD: If I am in the public service, for instance, and I make a decision and I have some knowledge of the person I am making the decision about, which could lead me to favour that person, then what is to stop me not announcing that I have a conflict of interest?

Mr ELFERINK: The Privileges Committee in relation to members of parliament.

Mr WOOD: I do not know how that would work in this case?

Mr ELFERINK: If you are talking about a member of parliament, the Privileges Committee is the vehicle by which conflicts of interest are dealt with, or the body of the parliament as a whole, which determines any recommendation the Privileges Committee makes, as well as the references by the Speaker the Commissioner just identified. In terms of the actual law, the criminal law itself – it is susceptible to investigation as with any other human being.

Mr WOOD: I suppose what it highlights is that when we had the Stella Maris Inquiry, recommendation 23 was that we have an integrity commissioner. It was not taken up. I think you can see there is a sort of ...

Mr ELFERINK: That is being looked at by Justice Brian Martin, as I understand it.

Mr WOOD: Do you know what stage that is at, at the moment?

Mr ELFERINK: I am waiting for his report. Because of the determination of the parliament, I have no interest, input or capacity.

Mr WOOD: I did not know whether it had turned up; that was all.

Mr ELFERINK: He will report when he is ready to report. I am sure the report will be adopted and implemented, unless it says something completely absurd.

Mr WOOD: Thank you, Ms Monaghan.

Madam CHAIR: If there are no more questions, that concludes consideration of Output 4.3. Thank you, Commissioner.

Output 4.4 – Registrar-General

Madam CHAIR: The committee will now consider Output Group 4.4, Registrar-General. Are there any questions?

That concludes consideration of Output 4.4.

Output 4.5 – Public Trustee

Madam CHAIR: I now call for questions on Output Group 4.5, Public Trustee.

That concludes Output 4.5.

I note that questions regarding Output 4.6, Health and Community Services Complaint Commission, will be answered by the Minister for Health later today. I also note that questions regarding Output 4.7, Children's Commissioner, will be answered by the Minister for Children and Families later today, and questions regarding Output 4.8, the Office of Parliamentary Counsel, were answered by the Chief Minister on Wednesday 15 June.

OUTPUT GROUP 5.0 – DOMESTIC VIOLENCE DIRECTORATE

Output 5.1 – Domestic Violence Directorate

Madam CHAIR: The committee will now move to Output Group 5.0, Domestic Violence Directorate, Output 5.1, Domestic Violence Directorate. Are there any questions?

Ms WALKER: I will ask you, minister, about the appropriation to this output in a moment. First of all, we have been advised that all operational functions associated with domestic violence currently under the DV Directorate, such as grants, managers and safe houses, are moving to the Department of Local Government and Community Services. Can you confirm, minister, if this is the case, as the current whole-of-government coordinator?

Mr ELFERINK: Yes.

Ms WALKER: And why is that shift occurring?

Mr LFERINK: Because minister Bess Price has expressed interest in it. My role and intention as part of the Pillars of Justice environment was to establish and get the thing up and running and operating. That has been achieved. I think it is a stand-out model for domestic violence throughout this country. There are few other jurisdictions that could hold a candle, perhaps with the exception of South Australia, to what we do in this jurisdiction. I am immensely proud of it. We have a very capable minister, in the form of Bess Price, who also represents the Northern Territory on the domestic violence issue at the national level. I have spoken to minister Price and it is only reasonable and sensible that the minister who represents us on a national level should also have carriage of this organisation going forward, now that it has been established and continues to operate.

I think minister Price, considering her personal background, is a splendid ambassador for the Northern Territory in this space. I look forward to the Domestic Violence Unit going from strength to strength. It is a sideward step. It does not have any other functional effect on the operation of the unit. Basically it is the case that my work here is done. I am happy to see minister Price carry it forward.

Ms WALKER: As of what date?

Mr ELFERINK: We hand it over on 1 July. There is no physical structural change or anything else. They may move offices, I presume. There is no change to funding, the services provided or anything else like that. I was asked to establish it by the Chief Minister. It has been established and I do not have any sort of territorial ambitions in relation to parts of my department which are better suited to other environments.

Ms WALKER: Thanks, minister, for answering that question. I certainly wish minister Price every success in taking on that added responsibility. I am sure she will do well. With regard to the appropriation, minister, the budget highlights for the Department of the Attorney-General and Justice – \$6.77m has been allocated to the NT Domestic and Family Violence Reduction Strategy. Can you advise where this is outlined in the budget papers? That figure of \$6.77m is listed on page 146 under Budget Highlights. There appears to be a reduction in domestic violence funding from \$7.8m in a revised estimate to \$7.3m in 2016-17?

Mr ELFERINK: The model we used was trialled in Alice Springs under national partnership funding. It was a national agreement which became, if you like, the source of information for the establishment of the domestic violence unit. This year the funding finishes for that Alice Springs project, so the reduction I presume you are referring to is the reduction of Commonwealth funding in this space.

You can imagine the \$6.7m we spend this year is substantially more than has ever been spent in this space by the Territory prior to this government coming to power, and we are proud of it.

We acknowledge the depth of the problem that domestic violence is here in the Northern Territory. Nobody would deny it. It forms a large slice of our offences against the person in our crime statistics, and it is ghastly. I saw it perpetrated to the point of death when I was a police officer. I am sure the member for Katherine can relate similar experiences. It has been a privilege to be involved in what I think is the best response in this country.

Ms WALKER: What will the \$6.7m fund and what is the remote footprint of the domestic violence strategy? As a remote representative, I am particularly interested.

Mr ELFERINK: The strategy itself, when you see components of it rolled out on the ground, is about surrounding the victim. It is a victim-oriented response. If you look at the Pillars of Justice, which I insisted upon when I became the minister, and I remember doing a ministerial statement on it – one of those pillars was about victims. If you look at how this thing rolls out on the ground – I presume you may have seen it, but I do not know if you have. If you have not, please take the time to sit in on one of these meetings because what happens in Darwin, Palmerston, Katherine and Alice Springs is that 11 separate and disparate government departments come together. It is not executive director level and all that stuff; it is

people who have frontline contact with the families. We are talking about senior constables and sergeants, nursing staff and housing staff surrounding the victim, including NGOs – lots of information sharing. Whilst it is not precisely a case management system, it has the flavour of a case management system.

If you are going to do that on-the-ground delivery of surrounding a victim, you also have to deliver in remote areas, which is what the program intends to do. What does that look like? That will depend on the remote area and the services being rolled out, within capacity. How much money does it deserve? Does it deserve \$6m or \$20m? I am sure we could spend \$20m if we wanted to, but with budgets being what they are you have to live within certain parameters.

Ms WALKER: I have one last question. I suspect you will take it on notice, or you might have an answer there. Can you advise of the 30 NGOs delivering services under the DV Directorate, their locations, how service delivery is being integrated and the amount of funding allocated to each of those NGOs?

Mr ELFERINK: You are absolutely right; I will have to take that on notice.

Question on Notice No 4.3

Madam CHAIR: Could you please restate the question, member for Nhulunbuy?

Ms WALKER: Minister, can you advise of the 30 NGOs delivering services, their locations, how service delivery is being integrated and the amount of funding allocated to each NGO?

Madam CHAIR: Do you accept the question, minister?

Mr ELFERINK: We take it on notice with the only qualifiers being if a victim's identity or, alternatively, some commercial-in-confidence arrangement is exposed by the answer to the question ...

Ms WALKER: Absolutely, that is fine.

Madam CHAIR: The question asked by the member for Nhulunbuy of the minister has been allocated the number 4.3.

Mr SHANAHAN: By way of clarification, a lot of those services are actually funded by different agencies. The directorate only provides top-up funding, so do you want whole-of-government or just the ones the directorate funds?

Ms WALKER: The whole-of-government.

Mr ELFERINK: A number of NGOs will have their own. If the question is about money and funding, and I am not entirely sure it is, they will have their own funding sources, etcetera. The point of the program is to not simply say government can fix this, because government cannot. It is to get as many people surrounding the victim as we can. Let us say, for argument's sake, one of the organisations is St Vincent de Paul, it will have funding sources outside of government as well. I cannot scribe to St Vincent de Paul's internal management system ...

Ms WALKER: No, I understand that.

Mr ELFERINK: I have just been told that we have gone to Nhulunbuy as well, so you have a similar organisation. I am sure we will make you welcome when the organisation meets in Nhulunbuy. You will get a sense of how it operates and how, for a lack of better words, intimate it is regarding the relationship with the victim.

Ms WALKER: Okay, that is great, thank you.

Madam CHAIR: Do we have any other questions on the Domestic Violence Directorate?

Mr WOOD: Do you fund the No More campaign, or is that through another agency?

Mr ELFERINK: That is Local Government.

The feds are in this space as well. There are few organisations at the moment that are not in this space. I will make a general observation. The feds are in this space – I will not say in a clumsy fashion, but in an awkward fashion. There is a lot of goodwill.

When I started attending meetings of Attorneys-General, I was very keen for a national system of recognising domestic violence orders and doing all sorts of things, only to discover we cannot run a national system. We were looking at CrimTrac as a vehicle to piggyback domestic violence orders, bearing in mind that domestic violence orders are civil orders and not criminal orders. That has its own complexity, but you cannot recognise a system such as Victoria's because it is still paper based, believe it or not. A domestic violence order in Ballarat is sitting in a filing cabinet. You will have a copy of it, but there is no way you can create a national database. So there is lots of goodwill on a national level; the problem is the physical capacity for a national scheme is somewhat limited.

We have done everything we can in this jurisdiction. We not only recognise interstate orders, but we have even changed legislation to *prima facie* recognise an order until such time as the order is established, which is as far as you can possibly go. It is probably even a bit risky to a degree in an effort – I am told we have not got there yet. It is something I would like to do, but it comes with inherent risks. It is about protecting vulnerable people in our community who need protection from the civil and criminal law in relation to these issues.

Madam CHAIR: We have just heard you talk about the excellence of your domestic violence strategy. You said it is the best response in the country; however, in the Northern Territory we still have the highest level of domestic violence per capita in Australia. What is the problem? Is it in the implementation, or is the strategy not quite as good as you are telling us?

Mr ELFERINK: The response is excellent to an enormous problem. If you suggest that government can fix people's domestic arrangements, then you are mistaken; it will not happen. Part of the problem is way beyond our control.

We have a passive welfare system in this country which pours millions of dollars into this jurisdiction every fortnight so that we, as a jurisdiction, can spend millions of dollars every fortnight cleaning up the result and mess that leaves behind. We have no control over that, and trust me, I have raised this with my federal colleagues, both at the Health and Attorney-General level. The appetite to change a corrosive system of passive welfare payments is zero. There is no political will in Sydney, Melbourne and those types of places, so this charade of support will continue operating in this jurisdiction and the body count will mount.

Madam CHAIR: Are there any more questions on the Domestic Violence Directorate, Output 5.1?

Ms WALKER: I have one, Madam Chair. It relates to FTEs, if this is the appropriate spot to ask. On page 51 of the annual report – 9.4 FTEs in the DV Directorate. Could I ask for a breakdown of the designations or classification of those positions?

Mr ELFERINK: I am prepared to take it. I have 10.9 FTEs as at Pay 20 for the year 2015-16: AO4, 1.2; AO7, 4.7; SAO1s, 5; ECO2, 1.

Madam CHAIR: That concludes consideration of Output Group 5.0.

OUTPUT GROUP 6.0 – CORPORATE AND GOVERNANCE

Output 6.1 Corporate and Governance

Madam CHAIR: We will move on to Output Group 6.0, Corporate and Governance, Output 6.1, Corporate and Governance. Are there any questions?

That concludes Output Group 6.0

Are there any non-output-specific budget related questions?

That concludes consideration of all output groups relating to the Department of Attorney-General and Justice. On behalf of the committee, I thank the officers who have provided advice to the minister today.

The committee suspended.

DEPARTMENT OF CHILDREN AND FAMILIES

Madam CHAIR: Minister, I invite you to introduce the officials accompanying you from the Department of Children and Families and, if you wish, to make an opening statement regarding the Department of Children and Families.

Mr ELFERINK: Madam Chair, on my immediate right you will find Ms Anne Bradford, the CEO of the department. On my immediate left you will find Mr Nathanael Keeler, who is the CFO of the department. I will take this opportunity to make a moderately long opening statement. I will endeavour to keep it to five minutes.

Children and Families is a complex portfolio and it must respond where others fail to be the safety net for those who are most vulnerable in the community: our children. The Department of Children and Families continues to experience unprecedented demand pressures across all areas of child protection, including sustained increase in notifications, a high number of investigations and children in out-of-home care. The department continues to focus on three key areas: child protection; out-of-home care; and family and parenting support. These are delivered via statutory and community-based services, either directly provided by the department or contract arrangements with the non-government sector.

The Northern Territory government recognises the challenges of the portfolio and the increased demand for the department's services. The government increased the funding to the department in 2015-16 by more than \$8m a year. The revised estimate for the 2015-16 year is \$180.8m, an increase of \$8.4m. This includes \$10m of ongoing funding for out-of-home-care demand pressures and a \$2m reduction due to the transfer into future years of the Australian government funding for the National Partnership Agreement on Northern Territory Remote Aboriginal Investment.

In 2016-17 the budget for the Department of Children and Families commits \$180.7m to protecting children from harm in the Northern Territory, compared to the 2015-16 final estimate of \$180.8m. There is a small reduction of under \$100 000. This is largely as a result of a planned decrease by Australian government funding.

The Northern Territory government has negotiated with the Australian government a new Northern Territory Remote Aboriginal Investment National Partnership Agreement, which has replaced the Stronger Futures in the Northern Territory National Partnership Agreement. Over five years the Department of Children and Families is focusing on delivering remote family support services and women's safe houses in a streamlined, integrated and responsive system for children and families in remote communities.

The Child Protection Services output received \$33.7m in its 2015-16 budget. This was revised in the final estimate to \$27.4m and \$24.1m and will be received in the 2016-17 budget. These movements reflect the Australian government funding adjustments associated with the transition from the Stronger Futures National Partnership Agreement to the Northern Territory Remote Aboriginal Investment National Partnership Agreement and one-off adjustments to output groups in 2015-16 to allow the realignment of resources to better reflect casework for out-of-home care and family and parenting support services, and resources invested in corporate government systems.

These movements enable the department to deliver on its organisational vision of safe children, strong families to achieve its five key priorities: to protect children from harm; to optimise outcomes for children in care; to partner with families and communities within agencies; to continuously improve the child protection practice so we are working in the most effective and contemporary way; and to uphold a workplace that values and invests in people.

The 2015-16 budget has also refined the service and outcome statements for each of the output groups and introduced key additional performance indicators to improve transparency and understanding of the department's business. For the Child Protection output group the budget papers and annual reports will now include the number of child protection cases open and the number substantiated. These two additional measures will provide a stronger picture of the outcomes and achievements of the department's efforts in protecting Northern Territory children from harm.

By the end of 2015-16 financial year, the Department of Children and Families expects to receive more than 19 500 reports of child abuse or neglect, compared with 17 032 in 2014-15 and 12 936 in 2013-14.

All reports made to DCF are individually assessed, with approximately 38% meeting the threshold criteria for investigation. There is sustained pressure on the front end of child protection and a corresponding

increase in the overall number of reports and proceedings to investigation. Inevitably more reports or notifications translate into a requirement for more investigations, and that volume is growing.

At 31 March 2016 there were 1116 child protection investigations in progress. This is a significant number and should be considered in the context of the higher numbers of notifications received and investigations that have been completed during the period overall.

During 2014-15 there 6870 investigations closed during the year, a 60% increase on the 2013-14 financial year. In the first nine months of this year the Department of Children and Families has already completed 5957 investigations and is on track to complete over 7500 child protection investigations in the 2015-16 financial year.

Despite a significant increase in the number of completed child protection investigations, there has not been a corresponding increase in the number of substantiated cases. As at 31 March 2016 the Department of Children and Families had substantiated 1504 cases where children had been harmed, a substantiation rate of approximately 25% of investigations finalised. Of these substantiated investigations in the first nine months of 2015-16, 244 children have been taken into the care of the CEO.

The 2015-16 budget for the out-of-home care output was \$88.6m. In 2016-17 the Territory government will invest \$102m to protect, support and ensure positive outcomes for children in out-of-home care, an increase of 2.1% over the revised 2015-16 estimate and more than \$13.2m than provided last year.

New key performance measures for the out-of-home care output group include a number of children on care and protection orders, the number of children exiting out-of-home care and the number of fostering/kinship places of care. These measures recognise the critical importance of work done to attract, recruit and retain carers, and to work with parents to enable children to leave care successfully.

On 31 March 2016 there were 998 children in the care of the chief executive officer. Encouragingly, the rate of growth of the number of children in out-of-home care has slowed this year. However, the cost of out-of-home care, sadly, has not abated and there is an increasing number of children who are remaining in care for longer.

Increased investment will ensure the department can meet the cost of caring for children who, for their own protection, cannot remain at home. Safe, stable placement with families optimises outcomes for children in care. The government continues to provide foster care and kinship care across the Northern Territory to increase the number of families who will open their homes to care for children in a loving and stable environment. Dedicated funding of \$500 000 will remain in 2016-17 to continue a campaign for recruitment, retention and training support for carers.

Turning to the Family and Parent Support Services output, the 2015-16 final estimate has increased by \$800 000 to \$41.2m. In 2016-17 the government will commit \$42.1m to maintain momentum of reforms to family and parenting support. New key performance measures for the Family and Parent Support Services output group include the number of children whose families are receiving ongoing casework. This is a critical area of child protection practice that will now be publicly reported on.

I do apologise for the length of this, but this is important information.

Fundamental to the department's work with parents and families, there has been an implementation of the Family Intervention Framework. Under the framework, family support service, either delivered by the Department of Children and Families or by its non-government partners, are being reoriented to children and families that need it most. This reorientation is expected to reduce the demand on the statutory child protection system and to help prevent the number of children entering and remaining in out-of-home care. Four goals have been identified under the Family Intervention Framework: preventing future abuse and neglect of children coming into out-of-home care; supporting family preservation; assisting kinship and specific carers; and helping families towards reunification.

The first service stream to be implemented under the Family Intervention Framework involves allocating \$4.5m in 2016-17 for the establishment of intensive family preservation services from 1 July 2016. In April 2016 I was pleased to announce that four organisations are being contracted to work intensively with parents and families who are at risk of having their children removed. Services will be located in Darwin, Alice Springs, Katherine, Tennant Creek and Nhulunbuy.

Coming to the last group, Corporate and Governance, the 2015-16 budget of \$9.7m was increased by \$2.8m through the final estimates to \$12.5m. The 2016-17 budget allocates \$12.7m. The funding adjustments mostly relate to the realignment of funding from other outputs to ensure governance systems are accurately and transparently reflected.

There is a legitimate interest in the staffing levels of government departments. As of 31 March 2016 the Department of Children and Families had a total of 626 full-time FTEs, which was an increase of 16.5 over the previous year. Across Australia all jurisdictions report difficulties in recruitment to the child protection field; the Northern Territory environment poses even greater challenges. Given our geographical isolation and smaller population the agency continues to work hard to attract, support and keep the right people.

Over the past few months the senior leaders group of the department has spent time formulating the organisational values that underpin the way staff must work towards achieving the five key priorities of the department. The values agreed are respect, courage, integrity and trust. I acknowledge the great work undertaken by the departmental staff, particularly my CEO, to the value and interest in its organisational culture. I also take this opportunity to acknowledge the efforts of the Department of Children and Families in leading the establishment and operation of the emergency evacuation centre for the residents of Daly River affected by the flooding of the community for 18 days over December and January. The efforts and dedication of departmental staff, together with their non-government partners, to ensure those in need were cared for, was truly remarkable.

As always, this government remains committed to improving the lives of the Territory's most vulnerable children and families, wherever they live. The budget reflects our focus on providing direct support where it is needed most, to children and families, and I thank the Department of Children and Families for their collective diligence, passion, love and care.

I am now happy to take questions.

Madam CHAIR: Are there any questions relating to the statement?

Ms MOSS: Thank you, minister, for your opening statement. I would like to start in relation to – you spoke a lot about the budget and how much has been allocated to certain areas of Children and Families in this particular year. With the Child Protection Services output, can you step me through the changes to the budget and the almost \$11m in funding reduction since the budget was set in 2015-16?

Mr ELFERINK: The CEO of the department has done a number of things in relation to organising it. Perhaps I will leave it up to the CEO to respond any further, if she wishes to add to the comment I am about to make.

Child protection is a demand driven environment, which means it does not get to choose how many notifications it receives. It has a limited capacity by the tight tool it uses to deal with those notifications in terms of what does and does not become an investigation. They have a tool which turns a notification potentially into an investigation about one third of the time – I could not tell you the exact numbers off the top of my head but I can get them in a second – which then leads to some substantiations. I understand this year those substantiations will be fewer than last year, in fact fewer than the last couple of years on current projections.

The question you ask is where are we applying the resources? Essentially, where they are needed. If you are interested in the bureaucratic details of which professionals are working and in what parts of the department, I am happy to pass that on to my CEO if you seek more information about that.

Ms MOSS: Yes please, that would be appreciated.

Ms BRADFORD: You were talking about the decrease based on BP3 going from \$33.678m to \$24.092m for Child Protection Services, is that correct? If you do not mind I will read from the notes.

There is a \$6.3m decrease mainly due to funding adjustments. There was \$6.6m transferred due to reclassification of agency activities to more closely align that activity to the activity which was in family and parenting support. An amount of \$0.3m was due to an increase in building-related adjustments and changes to notional charges for services provided by DCIS.

The \$3.3m net decrease from 2015-16 to 2016-17 is a reduction as a result of a \$1.3m reduction in the Northern Territory funding, comprising \$0.6m in additional funding for indexation, a \$1.5m reduction for

transfers to other outputs following internal agency review of cost centres and allocations to other outputs, minor reductions for various adjustments and an additional efficiency.

In addition, we also lost \$2m in Australian government funding based on the conclusion of the Mobile Child Protection Team program.

Ms MOSS: Thank you. Before I move on, minister, we put forward some global written questions and I am wondering if you would be willing to table those today.

Mr ELFERINK: Yes. I will table them. I can read them out, but it will waste your time and mine.

Ms MOSS: I happily have you table them, minister; that would be great.

Mr ELFERINK: No worries.

Ms MOSS: Minister, you talked about the increase in notifications. That is something we are all very familiar with and there have been significant increases in notifications in child protection. Can you please outline the key issues for each of the officers? Where are the bulk of notifications coming from? Is it a particular region or are there any trends that you are seeing in the notifications that are being made?

Mr ELFERINK: I somehow expected you to ask those questions so magically I came prepared with a graph which I am happy to table at some point. I will take the moment to point something out to you. It has been a source of some irritation to me and I have raised this both with my CEO and the Commissioner of Police. You will note that there are a number of squiggly lines on this graph; I love squiggly lines, but I will try to put them into some sort of context.

There is a group of five lines which deal with slight increases in a number of departments, so each line represents departments, other professionals and those sorts of things. Then you have the outstanding line, and this is replicated in the Children's Commissioner's reports over the last three years. It is around page 40, 42, somewhere like that. This graph is pretty much a straight lift out of those reports in terms of the numbers.

You will see that police, in the year 2010-11, notified of 1513 incidents of neglect or abuse, as per the mandatory reporting requirements. By the time we get to the predicted outcome for this year we anticipate extrapolating on existing figures that central intake will receive nearly 8000 – 7945. The police run into children through the normal course of their duties far more than any department, I suspect, other than the Education department. Education has long since had protocols in place in relation to reporting matters that have concerned chalkies in the classroom. They will look at a kid and think, 'That is a problem', and they have protocols in place.

Police seem to err on the side of caution, to put it politely, in relation to how they respond to what they see. Your central intake can see notifications go upwards. That leads to what I suspect will be your next question – I am happy to table this graph if the committee wants it – which is the overall number of notifications. If you look at the same period of 2010-11, overall notifications the department received was 6534. In this year we anticipate getting just shy of 20 000. That does not mean there are 20 000 cases of child abuse. It means 20 000 individual instances of somebody saying, 'I am not sure. I will pick up the phone and make a phone call.'

The tool is then applied. The people who are in central intake are very experienced professionals in this field. I think they must have their four-year university degree, plus four years of active service. So the person who picks up the phone at central intake knows their stuff. They then have an assessment tool at their fingertips and they can discount, according to this, that almost two-thirds of those matters have not been neglect or abuse, in spite of the fact a telephone call has been made. Nevertheless some of them will be marginal, and because the tool errs on the side of caution, it enlivens an increased number of investigations.

You will note here on the red line that investigations in the same period have not tripled as is the case with notifications. They have gone up from, basically, 4000 to 7500. The investigations have less than doubled over that same period. But an investigation, once again, is not a confirmation of child abuse. We cannot discount it at the point of a telephone call so we have to knock on the door and look. 'Mrs Smith, we have received a report and we need to look at little Johnny', or whatever the case may be. Then that child protection worker makes an assessment.

In that instance most do not amount to neglect, abuse or sexual abuse. Most are other issues which are not of interest to DCF. We protect children from neglect and abuse; we do not give parenting advice on how often to wash your kid, unless that becomes a form of neglect in its own right.

This then leads to the green line, which is the one that matters. The green line is the one that says these are actual substantiated cases of neglect, abuse or sexual abuse. I note that over the reporting period I have referred to, from 2010 onwards, there has not been a substantial deviation from a mean – I would be guessing – of about 1600. In 2011 there were 1765; in 2011-12 there were 1748; it went down substantially in 2012-13 to 1481; and it went up again to the 1700s in 2013-14. Last year concerned me because it suddenly leapt up to 1996, which I thought was a bit scary as it was a sudden increase. Then all of a sudden it dropped again down to what we predict will be 1612 this year, so we have dropped back below the mean.

It is reassuring in one sense that whilst notifications are up and investigations rise as a result of those notifications, substantiations do not show an increase. I think we have reached the point in the Northern Territory where the numbers have matured and we are now discovering what is out there and we are responding in an effective way. Are these numbers good? No. I would rather that green line was zero, but they are what they are, and they do not show an increase of child abuse/neglect substantiations over the last five years.

Ms MOSS: I understand the complexity of this. You obviously want people to continue to report anything they are concerned about.

Mr ELFERINK: Can I qualify that comment? I want them to report, but I particularly want the police to be mindful about what they report because it consumes this department's capacity when we take those notifications and do those investigations that ultimately become dead ends. Please forgive my interruption but it is an important point to make.

Ms MOSS: It actually leads right into the question I was going to ask about this answer you have given. I recall we had a very similar conversation in estimates last year about notifications, particularly by police, but also health and education providers being the biggest notifiers of ...

Mr ELFERINK: Police, hands down – a million miles ahead of the rest of them.

Ms MOSS: I recall at that we were talking about the need for further training for professional notifiers. We are at a point where we are discussing the same issue. I am interested in what work is being done currently by the department to work with those departments.

Mr ELFERINK: My CEO knows my opinion on this, and has responded. The police are discussing these issues with DCF with a view to taking that pressure away and making sure that what is reported is an actual notification of neglect. If you want details of that work that is being done, I am happy to hand it over to my CEO. But the direction from me has been quite clear: please do not exacerbate the demand on our resources because we are merely being overly-cautious. Over to you, Ms Bradford.

Ms BRADFORD: Thank you, minister. You are absolutely right – the mandatory reporting guide and the training. Training has been undertaken in both the northern and southern regions, and we are working with police, our colleagues, to ensure we are using our system core support link, which we are hoping will change and show some notional changes very soon.

Mr WOOD: I will not give details, but I was notified recently about a matter that a parent was concerned about. It was to do with what she said was violence, as she put it. Yet on the surface, from my point of view it is something that can be dealt with via mediation or some other alternative means. I rang the Children's Commissioner to get some advice, and they said the person must notify the police. Are you saying that system should not change, but the system that needs to be adjusted is how the police deal with it on an issue-by-issue case?

Mr ELFERINK: The vast majority of matters that come to the attention of government do not come from Mr and Mrs Mary Smith, John Citizen or Mr and Mrs Malak. The majority are generated by professionals in the Education and Health systems, but particularly the police. I would never, for one second, say to a citizen of the Northern Territory who does not have any training in this field not to err on the side of caution. Of course, you must err on the side of caution. There is no harm done and, by the way, in those circumstances central intake would probably dispose of the matter before they even referred it to investigation.

My concern is that these professional organisations, particularly the police, who spend a lot of time on the streets in contact with kids, are capable of being trained to know at least some elements of the tool used to assess whether neglect or abuse has actually occurred. They err on the side of caution. I get it; I know exactly why they do, because they do not want to leave themselves exposed to criticism should there be a subsequent coronial matter or whatever else. I get the motivation for it. So they go, 'Better report that because we are not sure'.

That then puts a demand on the department which may not be necessary. If professionals in those other organisations can receive training to say, 'No, that is not neglect, but we really should pull mum aside and say, "Look, you want to go and have a chat to this organisation or that organisation about how you are looking after little Johnny"'. That is a completely different issue. Mums and dads do not make up the bulk of the telephone calls to central intake.

Madam CHAIR: Are there any other questions on the statement.

Ms MOSS: Minister, you talked in your statement and in some of your other answers about realigning resources to where they are needed. There is a significant increase, and has been year on year, in notifications, as we know, budgeting for 3000 additional notifications in 2016-17. Why is there a decrease in overall funding for child protection services and the people who are investigating those notifications if that is the case?

Mr ELFERINK: Are you comparing line items with line items? There is some re-adjustment being done at an administrative level by the CEO. From memory, one of the functions that has been taken from child protection services – the function is still there, it just finds its way into a different line item. If you marry up the line items you will find there are some equivalencies, but if you want details of that, once again I am happy to handover to the CEO.

Ms MOSS: Yes please.

Ms BRADFORD: I absolutely concur with what the minister said. There is nothing that has been lost; it has merely been more closely aligned. The area you are talking about for notifications, CIT, still remains in exactly the same output it was before. It is other things that have moved that more closely align with family and parenting support or out-of-home care services. We are trying to put good governance around to actually accurately reflect where money is being spent with regard to our sub-outputs.

Ms MOSS: How many people are currently employed within your Central Intake Team?

Ms BRADFORD: In the Central Intake Team there are 23.56 staff.

Ms MOSS: Are you able to break that down into FTEs and PTEs? Are they all full-time?

Ms BRADFORD: I can break them down as to how many of those are direct to public.

Ms MOSS: Yes, please.

Ms BRADFORD: Of that number, 16 of them are direct to public and 7.56 are not to direct public. In other words, they are providing the administrative support and aligning with what – they do not take the calls; they do the other work that is there.

Ms MOSS: Minister, can you confirm that the department is expecting to overspend its out-of-home care budget allocation again this financial year, hence the additional funding in the 2015-16 estimate?

Mr ELFERINK: Yes, as I said before, it is a demand driven thing. We pay for out-of-home care services as demand crops up. It is like the front door of the hospital, if you like; you cannot predict what is going to come in the front door. If you have to spend the money, you have to spend the money.

Ms MOSS: Minister, in your statement you referred to the retention and recruitment of foster carers, which been a focus of the department, one we talked about last estimates. We are talking about it again and I acknowledge that the National Foster & Kinship Care Conference was here over the weekend and this ...

Mr ELFERINK: Can I say thank you for your interest in relation to it. I know you spent a lot of time at that.

Ms MOSS: I did, thank you. It was a very good conference and it is great to see the Northern Territory government supporting that particular national conference here in the Territory. Foster and kinship carer retention and recruitment was a really big theme of that conference. Is it correct that there has been a decrease in the number of foster and kinship carers' places of care, from 483 to 428 in March this year?

Mr ELFERINK: Yes; however, I do point out that the year before it was 414. Foster carers come and go at a fairly high rate. Of those 400 – I think 25% on an annual basis move in and out of the system. I could stand corrected on the exact figure but it is in the order of about 25%. If you see a shift of what in this case is six, that is an unremarkable shift. I would like to see more foster carers, of course, but it takes a special type of person to become a foster carer. The year before it was higher. I would hope this year will be higher again. It is the number of people we can encourage to come into the system, hence the increased budget for recruitment of foster carers. We encourage them to come into the system and take up that role. It is a very important role in our community.

Ms MOSS: There was an announcement of \$300 000 to recruit foster carers in this financial year.

Mr ELFERINK: It is \$0.5m.

Ms MOSS: Can you provide some detail about how that will be allocated?

Mr ELFERINK: It is all part of the promotional system. It will be more of what we already do to recruit foster carers. If you want a breakdown of brochures, fliers, advertising and other recruitment activities I would have to hand you over to my CEO for details.

Ms MOSS: I would be interested if there are any new initiatives the department is undertaking.

Ms BRADFORD: Absolutely. At the conference you would have heard some of those initiatives. Last year we recruited 113 new foster and kinship carers, which was quite extraordinary, noting in every other jurisdiction they have struggled to get them. What was disappointing is that we lost an equal number; in fact we lost 116. The majority of those were kinship carers, and once a kinship carer ceases caring for their kin, they fall out of the system. It is a natural change. Noting that 90% of our children are Indigenous, where we have managed to place them with Indigenous families, as soon as they step out of the system – that is part of our problem.

In terms of the funding allocated to enhance the Carer Community, we have put some work into the website. We are going to do more engagement events and activities with the carers. We have launched the kinship carer talking posters in five remote communities. We have them in seven languages. We have formulated a dedicated recruitment team to ensure the timely processing of the applications, because we found we have lost some as the time progresses. We are also involved in continuing to work with FCANT, and as you saw at the weekend we have done a lot of work with FCANT, both representing ourselves at that conference and speaking to some of the participants, those families here for that conference.

Ms MOSS: Thank you. Can you tell me about some of the initiatives you are undertaking in terms of retention of foster and kinship carers, because that is obviously a ...

Mr ELFERINK: We could actually superglue them to their seats but unfortunately that is not an option. Before I hand over to the CEO, who is anxious to answer the question because I know she has a good answer for it, one of the things I encourage is improvement in the quality of relationship between foster carers and the department. There is always a natural tension between the expectations of the professionals in the departments and what foster carers do. That relationship can ebb and flow depending on the quality of communication, particularly between the professionals and the foster carers themselves.

I commend my CEO. This is one of the issues I raised with her when she started, about building relationships with Foster Carers NT in particular and the excellent work that Ann Owen and her team do. I understand that relationship, whilst it never will be perfect, has certainly improved, so congratulations also to my CEO in building those relationships. Part of that can be evidenced by the fact we had at least two EDs at any given time at the national conference of foster carers, which was a demand on their time that was fairly high. To have the CEO present at the opening, myself as the minister and two executive directors there pretty much the whole time demonstrates the bridges we are trying to build.

Ms BRADFORD: One of the things we have done in relation to retaining carers is commence a focus group across the Territory, not just in both Darwin and Alice Springs but in other more regional centres. We have asked them for their advice with regard to what it is we could be doing that will improve that

relationship. It includes providing training. As the minister has reflected in his opening speech, one of the priorities we are focusing on is partnering with families, communities and other agencies. That is a genuine desire to make sure we try to retain more foster carers because we include them in our training, and that we actually value and invest in them, not just take from them.

Ms MOSS: In your opening statement, minister, you also referred to the intensive family support services and the \$4.5m allocated towards that. Is this new funding or is it reallocated from existing services from the Child Protection Services output, and how has it been accommodated?

Mr ELFERINK: It is a reallocation. It is something we have always done but for clarity's sake it now stands as something you can look at in its own right. I do not think the department, or for that matter government – wherever government may do this in Australia – necessarily wants to run around taking kids off parents. You would rather make some effort to try to strengthen the family before that bridge has to be crossed. That bridge is only crossed when all other options are exhausted. The department will always make an effort, by whatever means, to make sure families are not broken up.

Once you take a kid out of the family – government, as I have said on repeated occasions, is not a good parent. Keeping a child in a family, albeit that family is dysfunctional to a greater or lesser degree, you are still trying to make sure at least the kid is in some sort of environment which is familiar to them. One of the great ironies is that when kids scarp out of care – we lose them from time to time; kids will leave care – often they will go back to the family from whence we have removed them. Such is the connection.

Ms MOSS: Thank you, minister. I am happy to move to outputs if people do not have any other questions on the statement, but I just wanted to confirm whether questions about safe houses will come under Output 7.3.

Mr ELFERINK: That is a very good question.

Ms BRADFORD: Yes, it will; it comes under family care.

Ms MOSS: Okay, thank you.

Madam CHAIR: Are there any other questions on the statement? Are there any other agency-related whole-of-government questions on budget and fiscal strategies?

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

OUTPUT GROUP 7.0 – CHILDREN AND FAMILIES

Output 7.1 – Child Protection Services

Madam CHAIR: We will move to Outgroup Group 7.0, Children and Families, Output 7.1, Child Protection Services. Are there any questions?

Ms MOSS: Looking at the Child Protection budget output over the last three years, in 2013-14 it was at \$31m, which is 40% of the overall budget; in 2014-15 it was 33%; in 2015-16 it is estimated to be about 27% at \$27m; in 2016-17, with \$24m allocated funding for Child Protection Services, it is a decrease.

In this time child protection notifications that need to be assessed have increased. They have gone from 13 000 to an estimated 21 000. Investigations commenced have increased from 4900 to an estimated 7500, which is an extra 2500 investigations for the professional staff. According to annual reports and answers to written questions, there are fewer professional staff year on year to deal with increasing notifications and caseloads. Can you explain how that is possible?

Mr ELFERINK: I think we just had this conversation in relation to notifications, investigations and those sorts of things. We are aware of the increasing number of notifications. We had that conversation; I will not go there again. The question is a bit cute because you break it from numbers into percentages, but, if it makes you feel any better, the number of professionals as at 31 March 2015 was 271; as at March this year it was 283, an increase of 12. I am not quite sure where you are getting your numbers from, but professional staff numbers have actually increased.

Ms MOSS: Minister, the Report on Government Services ...

Mr ELFERINK: Good old RoGS.

Ms MOSS: ... which parallels what is currently occurring,

Mr ELFERINK: No, it does not.

Ms MOSS: ... found that the annual real recurrent expenditure on all child protection activities per notification has been declining. Annual real recurrent expenditure on all child protection activities per investigation has declined from almost \$18 000 to less than \$6000. Annual real recurrent expenditure on all child protection activities per substantiation declined from more than \$44 000 in 2012-13 to less than \$22 000 in 2015-16. How is that justified when they are more substantiations and more investigations, and more children in care?

Mr ELFERINK: Your question was wrong at the outset, and I will tell you why. RoGS is dated data; it does not talk about what is happening now. The best you can hope for is 18 months ago because of the time it takes to compile RoGS from all jurisdictions across the country. RoGS is not about currency.

The second thing I point out is that, without even asking any further, the shifts you are talking about are massive and substantial. When that happens in the budgetary process, it means some counting system or whatever has changed. To suddenly say, 'You cut half out of this and half has disappeared' – those monumental shifts, if true, would be instantly recognisable to anybody working in the department. It would be front-page news and it has not been front-page news. I question the measures you are referring to.

Having made those observations, I make one other observation about the assumption built into your question. It is one I have always bridled at. If I had one child protection worker who was able to effectively protect every child in the Northern Territory that we had in care, and it cost us \$100 000 a year but the result was that every child was protected, then that would be good expenditure.

Expenditure as a measure of success is the wrong yardstick to use. Results are the correct yardstick to use. What are the results we are getting? One of the heartening results we are getting is we are not seeing an increase in the number of substantiated matters which, as I said before, means that, for a lack of a better expression, the marketplace for child protection has matured to the point that we are now comfortable as to the number of child protection cases we are getting.

In reference to how you are reading and interpreting RoGS, and your assumption that expenditure is the result you desire, I suggest you are wrong in how you read RoGS and your assumption that expenditure is a good thing is not correct. The assumption should be, is the result there? Are we covering the field of investigations and notifications? Yes, we are.

Ms MOSS: Another question on RoGS and results, with data provided from DCF, the proportion of substantiated investigations is the lowest since 2005-06, but the rate of re-substantiations is the highest since 2004-05. Do you see a correlation between the two and have you investigated what is happening in that regard?

Mr ELFERINK: The department is always aware of re-substantiations, but this comes back to the comment I made earlier. What is the percentage of re-substantiation? About 18%?

Ms BRADFORD: It is 19.5%

Mr ELFERINK: That, by the way, is not exclusive to this jurisdiction; re-substantiation happens in other jurisdictions, but let us put it into the real world rather than just a number. A departmental professional will, as I described before, seek to keep a family together in the first instance. It is called the Department of Children and Families for a reason. I keep referring to it as the department of child protection. Part of that process is to see if you can get the family functional enough so the child is not living in circumstances of neglect, abuse or sexual abuse.

In pursuit of that, a judgment call will be made. That judgment call will be completely subjective. It might be based on information that is untrue, withheld from a professional worker, or glossed over, corrected – whatever. The child protection worker has to make a judgment call based on what they know, what they have learnt professionally, their experience and the subjective information they have at their fingertips. That invites them to take a risk, and that risk is that they try to keep the family together; because, they know, I know, we know that government does not make a good parent. We do not really want to take kids away in that instance, so an effort is made.

When that effort is made, that child protection worker has done their job professionally with the information they had, and slightly less than one time in five, neglect is re-substantiated and that child protection worker has to make a subsequent decision. That is the equivalent of any other jurisdiction in this country. It happens all over the place and it is the same challenge child protection workers have in the Northern Territory as they have in Tasmania, and I imagine throughout the whole of the OECD.

Re-substantiation is indicative of quality of oversight; so, it is not a case of saying, 'We will leave the kid there, bring some services and wait for somebody to ring up again'. It means the child protection worker goes back and checks and if the effort being made in terms of getting that family child protection ready is not reached, then that is recorded as a re-substantiation. This re-substantiation is the child protection worker doing their job. Tragic as it might be, it means that oversight is occurring. When child protection workers use their judgment and take a risk, I back them; this government backs them, and I hope, should you ever become the minister for child protection, you will do so as well.

Ms MOSS: Thanks minister. I think they do an incredible job. I am just interested to see if you think there is a correlation between those two things.

Mr ELFERINK: Certainly, but for all the reasons that I described.

Ms MOSS: Minister, how many professional staff do you have in the agency who can actually deal with the investigations? Are you able to break them down by professions?

Mr ELFERINK: Two hundred and eighty-two was the number I just gave.

Ms MOSS: Are you able to break them down by professional stream and office?

Mr ELFERINK: Do you want it as at 31 March this year?

Ms MOSS: Yes.

Mr ELFERINK: At the end of the third quarter: Barkly, 47; Alice Springs, 21; Casuarina, 15; Palmerston, 51; Arnhem, 21; Arafura, 38; and Big Rivers, which is Katherine, 35.

Ms MOSS: What is the average caseload carried by the professional staff by region?

Mr ELFERINK: It depends on regions. I think Barkly is a little bit on the busier side than some of the other jurisdictions. I have it in front of me somewhere; I remember reading it the other day. My error, what I did not give you was staff numbers; I actually just gave you the caseloads

It ranges from Alice Springs, which is 21, up to 51 in Palmerston. Those are the caseloads. The staff numbers are: Casuarina, P1, 12.9; P2, 5; P3, 5.6; Palmerston, P1, 16.6; P2, 13; P3, 8; northern remote Arafura P1, 5; P2, 8; P3, 45; Nhulunbuy, there are no P1s; P2s, 8.3; P3s, 3.5; Katherine, P1, 6; P2, 10.73; P3, 3; Tennant Creek, P1, 3; P2, 3; P3, 1; Alice Springs, P1, 28.5; P2, 7.54; P3, 11.91; Central Intake, P1, 1; P2, 15.76; P3, 4.8; Out-of-Home Care, P1, 8; P2, 20.16; P3, 12.5; Remote Family Support, P3, 8.4.

Sorry about that, I had my anticipated questions the wrong way around.

Ms MOSS: That is okay, it happens. I want to confirm then that the average case load for the professional workers in Barkly is at 47? Is there recruitment happening there at the moment, or what is being done to address that? That is exceptionally high.

Mr ELFERINK: Yes, I have visited and spoken with the Barkly staff. You know something, it is a great office. They are a lot of fun. In terms of actual recruitments of I will hand over to my CEO.

Ms BRADFORD: The number of cases held by the Barkly office has reduced by six because we are at a full compliment.

Mr ELFERINK: There you go; we have recruited to the positions.

Can I also make this observation. The same problem former governments had we have now – our actual and establishment are two different things. That is always going to be a problem. A problem of child protection right throughout the country is being able to recruit staff. I referred to it in my opening statement, but thank you for that, Ms Bradford.

Mr WOOD: Could I ask a question on that? Have you got figures of turnover of staff?

Mr ELFERINK: Yes, it is pretty high. It is around 24 is it? No, told you a lie.

Mr WOOD: Does it vary according to location?

Mr ELFERINK: That I would have to drill into a bit, but the overall DCF workforce is 11.4%. Let us put that into context. In Health I think it is closer, particularly in the nursing populations – the number I just gave, 24% is actually, from nursing numbers. We have high turnovers throughout a lot of departments. Eleven is high but not unusual, particularly in the Northern Territory.

Mr WOOD: Barkly has been an ongoing issue. I am not saying the staff do not do a good job, but I think even with the previous government a lot of the criticism was the high caseload in Barkly.

Mr ELFERINK: We just heard that caseload has come down by six as a result of being able to recruit to those positions.

Mr WOOD: So it really is a case of keeping on top of it.

Mr ELFERINK: Yes, it is an ongoing battle. No matter who the minister or government of the day is, recruiting to places like Tennant Creek for the purposes of child protection, or some other departments, is always going to be challenging; staff cycle through.

Ms MOSS: Minister, how many investigations this year have been assessed as Priority 1, for an investigation to commence within 24 hours.

Mr ELFERINK: Year-to-date, the numbers I have at the most recent – the percentage I can give you, which is 96%, which is up from 89% the year before and 95% before that, so it is consistent – a total of 1010, of which 973 are on time.

Ms MOSS: I note that the estimate within the budget papers for commencing an investigation for Priority 1, 24-hour, child in danger, has been revised down from 100% to 95%. Where is the delay happening and what measures are being put in place to protect children in those situations.

Mr ELFERINK: I get what you are saying. The truth is that I doubt 100% has ever been achieved. In 2012-13 it was 90%. At the risk of pre-empting an answer from my CEO, who will probably slap me with a piece of paper if I say the wrong thing at this stage, I think it is a more realistic review of what we actually do as a department. However, if my CEO wishes to now hit me on the side of the head with a piece of paper and say, 'You are wrong, minister', she is welcome to do so.

No she does not, so I am right.

Ms MOSS: What was the average length of time to complete an investigation in 2015-16?

Mr ELFERINK: That is a bit of how long is a piece of string. A lot of these files stay open for a long time.

Ms MOSS: What is the average?

Mr ELFERINK: How long is a piece of string? Child protection workers I think – I will not say they are reluctant, but they are cautious in closing files because investigations have to stay open, particularly where they are uncertain about the child's future. Once a file is open, it is an ongoing matter. How long does it take? That depends on the individual case.

Ms MOSS: How many and what proportion were completed within a 28-day period?

Mr ELFERINK: Investigations?

Ms MOSS: Yes please.

Mr ELFERINK: I have outcomes, but it only tells me about finalisations, which have increased substantially over the last few years. In 2012-13 the number of investigations that were finalised was 3558. By the time you get to 2014-15 it is up to 6870, so there is a substantial improvement in finalisations of

investigations. Year to date, to 31 March 2016, is 5900, so if you add in another quarter – I would be extrapolating, but you would be heading towards the 7000 mark.

Ms MOSS: Minister, I want to move on to the overdue investigations and unallocated investigations. The commissioner noted that at 30 June there were 1300 overdue investigations and 244 unallocated investigations. How many overdue investigations do you have at present and how many notifications are unallocated?

Mr ELFERINK: The number of investigations not commenced has fallen from that date – the figure you gave of 244 – to 130. Complete investigations have gone to 1116, but if you compare that to the last year of government of the ALP that was 540 – so we have doubled the number of complete investigations since the ALP was last in government. As at 31 March 2016 there were 560 child protection investigations that had not been finalised within 28 days and 130 investigation matters that had not yet commenced. Those numbers show a substantial improvement in the last few years.

Ms MOSS: I have another question on RoGS, and I am sure you will be keen to answer this one. In terms of RoGS and the data presented in that report, the time taken to commence investigations has worsened, with 10% of investigations taking more than 29 days to commence. Response times are back to what they were prior to the board of inquiry, where funding dramatically improved response times. Is it the outcome of reducing budget and/or staff for child protection investigations? What is occurring there?

Mr ELFERINK: I really advise you to read the introduction to RoGS rather than just the part on DCF. If you look at the numbers RoGS relies on, you will see that those numbers, by the time they are compiled and put into RoGS, have a certain redundancy in terms of the passage of time attached to them.

I would assert that your assertion is incorrect. Let us track back in relation to incomplete investigations. If you compare 2014 with 2015, you can see it went from 1070 to 1339, and the following years it was 1116, so in the last year we have seen a substantial improvement. That is the problem; you have a lag. RoGS relies on information provided by states after those states collate the information for their annual reports. We do not complete our annual reports until October/November, as a general rule, then that information is collated and passed onto RoGS. Then RoGS writes back to the departments and the departments get a chance to respond. They respond and RoGS is compiled, and by that stage 12 to 18 months has passed.

Ms MOSS: I have a question on the client information systems. Last year's budget papers outlined an intent to review the client information system. What work has been done in planning to replace the ageing system that is currently within the department?

Mr ELFERINK: I will pass that over to my CEO and she will be able to inform you. I could hazard a guess, but it has been a while since I had that briefing and, frankly, I am not as clear as I would like to be, so I will trust my CEO to answer that question effectively.

Ms BRADFORD: There has been significant work done to establish what our current needs are and what our future needs will be. Currently there is a business case being put together with our colleagues in DCIS and Health to come up with an idea of what the future might look like. We are hoping by the end of this financial year we will have a plan to identify what our future state might be and the best way of achieving that future state when it comes to (inaudible) replacement.

Ms MOSS: Thank you. That sounds good. That is all the questions I have for that output.

Mr WOOD: I am not sure if this was covered, but I just looked at the figures for child protection investigations commenced with the allocated priority response time as in the budget, and I compared that with what is in the annual report. Are the budget figures slightly optimistic when you consider, for instance, in 2013-14 you got 80%, next time you estimate it will be 60% and it actually got to 62%. That is Priority 4 within 10 days.

Mr ELFERINK: Yes.

Mr WOOD: If I look at the budget, it says 70%, possibly 85% for 2015-16 – we do not know the actual – then 80% for the 2016-17 budget. I realise this is a difficult area, but would it be better to have figures that look a bit more realistic, or are they ...

Mr ELFERINK: I am so glad. This is not a Dorothy Dixier, folks, but I am going to treat it as one. Do you know what? You are right. I will tell you one of the things that concerned me when I became the minister

for child protection. I do not want to diminish the work of the board of inquiry or, for that matter, the *Little Children are Sacred* report or those type of things. I do want to remind members that such was the state of concern and disarray when all of this was done that it percolated down to the department. I believe the department, to a large extent, had lost its way. I do not mean that to be negative, but there was almost a state of panic in the government of the day about what had occurred, particularly in the Deborah Melville matter, which was a ghastly tragedy. Having made those observations, I like organisations to be organised, unlike my desk.

Mr WOOD: Join the club.

Mr ELFERINK: The organisations I have had the privilege of oversighting – part of what I tried to do is make them run leaner and more efficiently. I have attempted to do that with DCF, and that is something that was picked up by the former CEO, Jodeen Carney, and continued ably by my current CEO, Anne Bradford.

They have gone back to their core functions. I have been publicised as walking around inside of my departments and frightening staff. That was never the intent, but I would ask questions of staff like, 'What is your vision statement?' You would be surprised how many people do not know that. The reason they get out of bed in the morning should be what the vision statement of that department is. Yet they cannot answer that question, which means that I sense it is not percolating down the system in the department ...

Mr WOOD: You better give them the annual report to read every year.

Mr ELFERINK: Yes.

Mr WOOD: It is in there.

Mr ELFERINK: That is the point. It is there, and it has to be there. But this managerial style was taken out of the private sector where, if you look at – Pepsi's vision statement was 'Beat Coke'. That was it. That is all they existed for; every staff member new their job was to beat Coke. That is why Pepsi did so well in the United States.

The private sector type of management structure has been adopted in the public sector. It is sort of an odd fit, but it works as well as anything else. The idea is that every staff member is engaged with the vision statement. Not all of them know it.

Once you get your systems organised in such a fashion that more and more staff understand what the vision statement for the department is – and that process has been gone through quite recently in DCF – the tighter the system runs and the better results you get.

Coming to the question you placed, if you take the comparisons of year 2014-15 in relation to Priority 1s, commenced within 24 hours, the 89% in the year 2014-15 is now up to 96%. Priority 2s, which is within three days, have shifted from 78% last year to 88% this year. Priority 3s, commenced within five days, have gone from 71% to an improved position of 88% year to date this year. Priority 4s, as you quite correctly pointed out, last year was 61%. We have now reached 86%. In the pursuit of excellence in terms of what this government department stands for, it is clear there is a more refined picture as to what the department is about in the minds of an increasing number of people in the lower parts of the department, and the consequence of that is you are starting to see these better results. My personal approach to running - as much as I do not really run these things, but my personal approach in terms of creating management structures so these things can run - is always about making sure the system runs efficiently, targeted at the vision and mission statement of that organisation, measured by these indicators.

Mr WOOD: My other question might be a conflict of interest, minister, but we will see how it goes.

Mr ELFERINK: As long as you declare it.

Mr WOOD: It might be a conflict of interest in your case, because you are also the Correctional Services minister.

My question is in relation to the vision of the Department of Children and Families, the vision is, 'To improve the lives of vulnerable children and support families and communities to keep children safe'. Further down, under 'Our Role', it says 'Intervene to protect children from harm'.

I ask that question because – we go back to the legislation we were looking at, which is aimed at, I suppose, getting young, but also adults – but in this case I will refer – it does not discriminate. It is looking at putting children back in remand if they have committed certain types of offences more than twice in a period of time.

From a department's point of view, do you look at these particular matters from the child's point of view? I know there are other factors to be taken into account – public safety, etcetera – but where does the Department of Children and Families fit in to giving an opinion on this type of legislation to see whether it can actually add advice to the government, to say there are alternatives which may protect children from harm, which are different than what you are trying to achieve by introducing new legislation.

Mr ELFERINK: The bill you are referring to, of course, is the bail amendment legislation, which is targeted specifically at the frequent flyers I referred to earlier. When you go through the Cabinet process there is a series of blue sheets of paper on the front of any Cabinet submission, and they are the advices from various departments. Clearly DCF gives its advice. I reiterate one important component of this legislative instrument, as I envisaged it working, is that it does not create an absolute circumstance; it creates a presumption.

If a bail application is being heard before a judge of the lower courts - and the judge is not limited to the rules of evidence in that bail application, because that is a requirement under the bail legislation - the judge can hear whatever matters are pertinent. If the judge who is considering an application is confronted with circumstances and evidence, albeit hearsay or otherwise, that ongoing custody will be profoundly detrimental and harmful to that child, then the legislation or the bill does not anticipate removing that discretionary power from the judge; it simply says to the judge, 'The question you should ask yourself is not why should I not give this person bail; the question is why should I give this person bail.'

That is what happens when you reverse the onus, which is what this legislation is essentially attempting to do. If the answer is, 'Because this individual child is in a circumstance of diabolical danger', or whatever in terms of going into the remand environment, then it is still available to the judge, as part of the considerations as outlined already in the *Bail Act* to still grant bail. Can I say, however, that a child - for arguments sake we are talking about children - who repeatedly commits crime after crime, after crime, and gets convicted and convicted, seriously needs some structure around them.

Mr WOOD: That is where I am leading to. We presume this is a child; well, this is the area we are talking about ...

Mr ELFERINK: In the context of this conversation.

Mr WOOD: Yes, that is right. That child has come from some form of family. If that child is committing offences, do not get me wrong here, I am just asking a hypothetical, should the department not actually step in and say the child is not getting any support from their family. That child has broken into cars three times, its parents are not home and they are drinking and there is no family environment for that child to be cared for and to be directed. Is there a process where we are getting in before we get to the stage you are bringing in this bill where the Department of Children and Families is intervening?

Mr ELFERINK: About half the kids I have in custody – I could stand corrected on this figure – in the Correction system are kids in care. Is that right?

Ms BRADFORD: Eleven.

Mr ELFERINK: Sorry, 11 out of 40 or 60-something at the moment. I tell a lie, but a significant number of them are already DCF kids who are committing offences and come into the custodial environment. That is being done. Nothing absolves either the police or Corrections from reporting neglect or abuse if they have evidence of it, which is evidenced clearly by the activity of the police department in its reporting systems. Each case will be judged on its individual merits. Some children are 17-and-a-half years' old, way beyond the influence of their parents and have been for years. Some children we have in custody are much younger and have been neglected awfully by their parents, and they have become criminal for a raft of reasons, which are all tragedies. I hate seeing these lives getting wasted in the way they are. The responses are certainly there. If the department determines, particularly the police or Corrections, that a child is in need of investigation, they will refer that matter as they are required to by the law.

Mr WOOD: I will not take that on. I suppose you can see where I am coming from. To me your bill on the surface might sound reasonable for some people; I am not seeing it that way at the moment. I am working

through a series of issues that relate to the welfare of the child versus the protection of the community and how the welfare of the child can be best looked after. That is why I am trying to get a broader view of where this particular department would fit in relation to what you are trying to achieve?

Mr ELFERINK: I get the question. Just so we are absolutely clear – this is an unambiguous philosophical position of government – as far as the government is concerned, in the circumstances where we have these repeat offenders appearing in front of the courts we have placed the protection of the community forefront of our mind.

Once a child is exposed to that system we will protect that child in every way we possibly can, subject to the boundaries of the criminal law and our other civil responsibilities. By the time we see the sort of circumstances where hundreds of offences are being committed, or even dozens of offences are being committed by a wayward kid, then I suspect it is time for an intervention in that space, as a general principle. If there are specific circumstances, or exceptional circumstances which places a child outside of those general principles, the latitude that a court needs remains.

Mr WOOD: You can see, minister, why I need the stats to back up what you are saying. I am not saying you are wrong, but this is a serious piece of legislation and unfortunately we have estimates, which takes up most of my time.

Mr ELFERINK: The problem is that – take Palmerston for example. Even when I worked there as a copper 28 or 29 years ago, we had problems with kids. It was the same frequent flyers. We would go and knock on some of these kids' doors and say; 'Why did you do such and such', and they would tell us.

Mr WOOD: Yes. I will be looking at alternatives too. Thank you.

Mr ELFERINK: I have just had a note slipped under my nose that eight out of the 43 in custody today are DCF kids.

Madam CHAIR: That concludes consideration of Output 7.1, Child Protection Services.

Output 7.2 – Out-of-Home Care Services

Madam CHAIR: The committee will now consider Output 7.2, Out-of-Home Care Services. Are there any questions?

Ms MOSS: Minister, how much have you spent on foster and kinship care, year-to-date, as a portion of the out-of-home care budget?

Mr ELFERINK: Lots and lots. The Out-of-Home Care services budget for this year is \$99.7m.

Ms MOSS: That is how much has been spent year to date as a proportion of the Out-of-Home Care budget?

Mr ELFERINK: No, that is the final estimate for the current financial year. We are extrapolating out – we are called the Estimates Committee for a reason – until the end of the financial year, so there is potential for it to shift up and down, but, by this stage of the year, not much.

Ms MOSS: How much have you spent on Family Day Care payments as a proportion of the out-of-home care budget?

Mr ELFERINK: I will hand that over to the CEO as she will give you the exact numbers.

Ms BRADFORD: Can I confirm the question? Was it how much have we spent this financial year for Family Day Care?

Ms MOSS: How much have you spent on Family Day Care payments as a proportion of the out-of-home care budget year to date?

Ms BRADFORD: We have spent \$17.6m year to date, and that was with effect from 31 March. I will get someone to give me the percentage of that, what it works out to be, and that way we can address it straight away – it would be 17.6% of the \$99m budget.

Mr ELFERINK: I note that the CFO has his calculator out and is typing madly.

Ms BRADFORD: It is 17.7%.

Mr ELFERINK: It is actually 17.652959%. Roughly.

Ms MOSS: How much was spent on residential care as a proportion of the out-of-home care budget?

Ms BRADFORD: Year to date is \$7.5m as at 31 March, and that is excluding our own facilities – 7.9%.

Ms MOSS: Thank you. How many children are placed in residential care?

Mr ELFERINK: There were 106 as at 31 March, to be precise. If you compare it to the last couple of years – in 2014 it was 99, and in 2015 it was 97, so it is well inside a bell curve.

Ms MOSS: Can you confirm that, for the first time, less than 50% of children are now placed with foster and kinship carers, with the majority of children now placed in Family Day Care arrangements, residential care or other individualised arrangements?

Mr ELFERINK: You said ‘for the first time’? I am just looking at the numbers, going back over the last few years, and I have no indication it is for the first time. The numbers have not shifted substantially.

Looking at foster carers for the last three years – it is 255, 270 and 259 in foster care, so 255 to 259 over the last two years. But if you look at kinship care and add Family Day Care – those numbers have always been much higher than the number of foster carers, so the presumption in your question is not correct.

Ms MOSS: Minister, is it 21% that have been placed with foster and kinship carers?

Mr ELFERINK: I will give you the figures if you like. It is easy to do it, but to assert from this that for the first time it is less than 50% foster carers is just not correct.

Foster care – the numbers I will give you are for 2014-15 and then year ending 31 March 2016. It is 255, 270 and 259. You then have kinship care, which is 232, 213 and 221. Purchased home-based care – I presume they are fairly high needs?

Ms BRADFORD: They are.

Mr ELFERINK: ... is 35, 38 and 34; Family Day Care, 222, 288 and 291, which has seen a fairly sharp increase over that time. Residential care is 99, 97 and 106. Then, care types, which is boarding schools and other types like that, is 75, 92 and 87. Nothing out of that, except perhaps the Family Day Care placements, are major shifts one way or the other.

Ms MOSS: Minister, on average, how many placements a child in care in 2015-16 would have had and what the maximum of placement is?

Mr ELFERINK: Too many is the short answer. It always is. However, I will let the CEO answer that question.

Ms BRADFORD: The majority of our children will have one or two placements in a year. There are exceptions to that where there are a small number of high-complexity-needs children who have far more places than that in one year.

Ms MOSS: What would be the maximum for the 2015-16 year for a child?

Mr ELFERINK: You want an individual kid who has been moved around the most? Is that the question?

Ms MOSS: I would like to know the maximum number of placements a child might have had in the 2015-16 year.

Mr ELFERINK: You would have to go back and count. I am a little twitchy about this because it is the stuff of sensationalist headlines. I do not know what the answer to that question is; it will be somewhere in the departmental records. But I am not reading an investigation of government policy. I am now reading an attempt to generate a headline, which is why I am a little disinclined to simply say ...

Ms MOSS: Not at all.

Mr ELFERINK: ... we will talk about it. The motive for the question is questionable. Frankly, it would generate a headline – I can see the press release now, 'Kid moved 10 times' without any reference to ...

Ms MOSS: Not at all, minister. That is not the intention.

Mr ELFERINK: Well I think it is.

Ms MOSS: Something discussed at the conference over the weekend was the need to reduce the number of placements for children in care, which we can all agree with ...

Mr ELFERINK: I could not agree more.

Ms MOSS: I am interested in the Northern Territory context.

Mr ELFERINK: The problem I have is that whilst your intention may be noble, I suspect that other elements will not be noble with that information. For that reason I am going to be disinclined to even take the question on notice, because I do not trust the motivation behind the question.

What I have tried very hard to do is create an environment in the department where people feel safe doing their jobs. I am not about to release information which will erode all that hard work because of the sake of a sensationalist headline. If people are unhappy with that, please do not vote for me at the next election.

Madam CHAIR: Minister, just as we are not here to debate the answers to questions, we are not here to debate the questions asked either. It is up to you how you answer it.

Mr ELFERINK: The member has my answer. I am trying to approach this as openly as I possibly can, but if I sense that a question will be corrosive to the work we do, then I will move to protect the work.

Ms MANISON: I do not think it is going to be corrosive and attack the workers of that department. Everybody appreciates how hard they work, but we appreciate what a complex challenge it is working within the system ...

Mr ELFERINK: Why would you focus on an individual child?

Ms MANISON: Because it is about people being able to understand the challenges, the complexity and the reality the agency faces, minister. If you are not keen to answer the question now, you should put it on notice because there has to be a level of transparency.

Mr ELFERINK: It is not a question of being keen to answer the question. It is trusting the motives of the people who ask the question.

Ms MANISON: This process is about transparency and understanding the challenges ahead of the department so our government is best placed to ensure it has the right policy to help deal with these very challenging children, and what they face.

Mr ELFERINK: I agree with that, but you do not base policy on an individual case. That is what is attempting to be done here, and for that reason I am resistant. I do not trust the motivation of the question. You have my answer.

Madam CHAIR: Can we move on, perhaps ask a different question.

Ms MOSS: Minister, what proportion of children have had face-to-face contact with their case manager in the last month and how many in the last two months?

Mr ELFERINK: I am just getting that answer for you now. Departmental policy requires that case managers need to see each child in care at least once every month. As at 31 March 2016, 763 children in out-of-home care seen were seen by their case managers in the previous month.

Ms MOSS: Thank you, minister. I do note the very sensitive nature of this, but I do want to ask some questions about DCF's review of services around the recent coronial inquest.

Mr ELFERINK: Are we talking about the Maddy D case?

Ms MOSS: I am, yes. DCF's own review of the services provided to Ms Maddy D found that it had failed in the following aspects: DCF's own protection investigation concerning Maddy; DCF's delivery of out-of-home care services while Maddy was in care; DCF's assessment and management of Maddy's high-risk behaviour; and DCF's collaboration with other agencies which were called upon to provide assistance to Maddy. When was the review undertaken?

Mr ELFERINK: The review was undertaken shortly after Maddy D's death, and in pursuit of excellence, as far as you can pursue excellence in a department like this, the department initiated its own review, as acknowledged by the Coroner in that particular matter.

I also acknowledge a very other important observation made by the Coroner, and I wish to reiterate it here. Consistent references to the department being in crisis were rejected by the Coroner and he said it, quite literally, that it is not a department in crisis, and that is because we have tightened up the systems. Part of the internal review processes when these things occur is we improve systems. I do note that the Coroner acknowledged the work by the department, and that those systems have been reviewed to the satisfaction of the Coroner.

Ms MOSS: Thank you minister. Is DCF monitoring the implementation of the recommendations?

Mr ELFERINK: Yes.

Ms MOSS: Minister, you have issued the instruction, as recommended by the Coroner, for all case managers to provide formal written confirmation of any and all information exchanged between case managers at the time of handover of any case relating to a child in the care of the CEO. Is that correct?

Mr ELFERINK: Yes, the review itself came to that conclusion.

Ms MOSS: Thank you; that is all the questions I have for that output.

Madam CHAIR: Last week I was reliably informed that there are over 100, possibly up to 120, children and youths roaming the streets of Alice Springs at night and most of those children are in out-of-home care; they are wards of the state, in the care of the CE of the Department of Children and Families. I know this is a difficult problem, but I am wondering what strategies you are implementing to try to address this problem?

Mr ELFERINK: I am not sure about the numbers. I think they might be speculative, but for the sake of ...

Madam CHAIR: They are not, but that is your opinion.

Mr ELFERINK: I said, 'I am not sure'. I think they might be speculative, but for the sake of this conversation, there are doubtlessly incidents where some of these kids are under the control - if you like, for a lack of better words - of DCF.

One of the tragedies is when we say kids sometimes we are talking about kids who are 15, 16 or 17. We do not lock these kids up, even in foster care or out-of-home care services, etcetera. They are not physically restrained, bolted to the floor, chained to the wall or whatever; you cannot do that. That would harm the children much more than not, which means even with the best out-of-home care services and foster care services in the world – some kids will simply walk out of the environment they are in, occasionally back to the very family from whence they were removed, because the relationship with that family may suit the child for their short-term needs or wants – extremely dangerous for their long-term survival. This is an imperfect system; it always will be and, of course, the DCF will do everything within its power to make sure these kids are placed as safely as possible. For that reason, out-of-home care services, those sorts of thing – particularly when these kids get to a certain age they are difficult to control. If you ask any parent with a wayward 16 year old how easy it is to control that child – good luck. I am not looking forward to those years with my daughters, but hopefully it will work out all right.

Madam CHAIR: That concludes consideration of Output 7.2.

Output 7.3 – Family and Parent Support Services

Madam CHAIR: I now call for questions on Output 7.3, Family and Parent Support Services.

Ms MOSS: You talked earlier, in a previous area, about the relocation of some areas of DCF going over to Local Government and Community Services. Can you tell us which functions and how many positions associated with those functions will be moving from DCF to the Department of Local Government and Community Services to deliver domestic violence-related services?

Mr ELFERINK: This is in relation to questions I received earlier as the Attorney-General. I do not know whether you were here for that or listening in, in relation to the movement of domestic violence. We have a number of staff in the DCF environment who assist with the domestic violence policy of the Northern Territory government.

There are 59 total positions transferring. Fifty-five remote women safe house staff – who are women that work in remote and regional areas across the Northern Territory delivering services on the ground, which is entirely consistent with the localised flavour of the domestic violence policy, the Safety is Everyone's Right policy. Forty-one are based in remote communities; two are based in Alice Springs; and there are 12 in Darwin. There are two positions from the e which are both Alice Springs based and two positions in Corporate Services, which are grants and remote – to it is administration.

Ms MOSS: In terms of the intensive family support and the family preservation service, I understand they are both located in the same locations. Is there coordination between the two services and could it be that they are working with the same families?

Mr ELFERINK: If they were in the same location I would be astonished if there was not coordination between the two services. If you have specific questions about the business model and structures of these organisations I am happy to hand you over to the CEO to deal with those more intricate details.

Ms BRADFORD: I think you said the Intensive Family Preservation Service and the Intensive Family Support Services. One of those is funded by the Commonwealth. The Intensive Family Support Services is Commonwealth funded and is located where the Commonwealth government chooses to put it. Our Intensive Family Preservation Service is about to commence come 1 July. There are four contractors who have agreed to come on board as successful tenderers: CatholicCare; Save the Children; Somerville Community Services; and Tangentyere.

Ms MOSS: Minister, how many child and safety wellbeing officers are working in remote communities at present? Where are they located and did the Yirrkala position ever get replaced?

Mr ELFERINK: I will get the CEO to talk about Yirrkala specifically. I will just outline that there were 25 and Yirrkala is – they are attached to the zones. At Yirrkala I have an RAFC worker there, so yes.

Madam CHAIR: Are there any other questions? That concludes consideration of Output 7.3 and Output Group 7.0.

OUTPUT GROUP 8.0 – CORPORATE AND GOVERNANCE

Output 8.1 – Corporate and Governance

Madam CHAIR: We will now proceed to Output Group 8.0, Corporate and Governance and Output 8.1, Corporate and Governance. Are there any questions?

Ms MOSS: I am just very aware of time, Madam Chair. I have no further questions on this output.

Output 8.2 – Shared Services Received

Madam CHAIR: We will go on to Output 8.2, Shared Services Received. Are there any questions?

Are there any non-output-specific budget related questions? That concludes consideration of outputs relating to the Department of Children and Families. On behalf of the committee thank the departmental officers who attended today. Thank you very much.

Mr ELFERINK: Thank you, Madam Chair. I place on the record my thanks to the department, particularly the CFO and the CEO, who were sitting to my immediate left and right during this period.

The committee suspended.

CHILDREN'S COMMISSIONER

Madam CHAIR: The committee will now consider outputs associated with the Children's Commissioner. I note that the Children's Commissioner, Output 9.0, sits within the Department of the Attorney-General and Justice. However, as the minister is responsible, questions relating to the Children's Commissioner will now be answered. I invite the minister to introduce any officials accompanying you and, if you wish, to make an opening statement. Given that the minister is not here, he has handed over to the Children's Commissioner. I welcome the Children's Commissioner. Do you have an opening statement?

Ms GWYNNE: No, I do not, Madam Chair.

Madam CHAIR: Are there any questions for the Children's Commissioner?

Ms MOSS: Thank you for making time to be here today, Commissioner. We appreciate it. From the budget papers you have not received an increase in funding. Are you sufficiently funded to fulfil your statutory duties?

Ms GWYNNE: Yes, I think so. The role of a Children's Commissioner varies between jurisdictions. Some states have commissioners, some have guardians, some have a commissioner for young people. The Children's Commissioner in the Northern Territory is a commissioner and a guardian because my role is so broad in the oversight of services to vulnerable children. It not only oversees those children in the care of the CEO, but also outside. Ideally, it does both. The title I do not think is that important.

In the role we undertake at the moment, I tried to change the way the complaint system works within the Commissioner's office. It is quite a laborious task and it is administratively burdensome. I am trying to bring in a system where those who make a complaint to my office are referred back to the responsible service provider or agency in the first instance, with a follow-up soon after to ensure they have received a response or had their question answered.

What you will see is maybe not a reduction in the number of approaches we have, but a reduction in complaints. That is what we want to see - matters resolved by the responsible provider.

Ms MOSS: The key performance indicator outlined in the budget papers is simply the number of inquiries and complaints received by your office. Is that suitable or relevant and does it need a review, from a budget allocation perspective?

Ms GWYNNE: You will see we have had an increase in the number of complaints and inquiries received.

Ms FYLES: Is that this financial year – to date?

Ms GWYNNE: Yes. In the first quarter our target was 45, we had 59; the second quarter was 45 and we received 63, but I can tell you we have had a distinct reduction this month. Why that has occurred, I do not know. I am hoping that is a good sign – that a reduction in complaints to us may mean people are happier with the service, but then again we have had a month where we received a large number of complaints. It is very hard to predict; it is not seasonal, so I guess that would take more of an understanding of the complaints and where they come from. We do look at trends in terms of why people make complaints and what the issue of the complaint is and I think, in terms of my office, those issues are extremely important in understanding the gaps in service delivery associated with vulnerable kids.

Ms FYLES: To clarify, Children's Commissioner, is the 59 and 63 complaints example you just gave us that per month or per ...

Ms GWYNNE: That is per quarter.

Ms MOSS: Commissioner, last year you commenced six investigations of complaints into services provided by the Department of Children and Families, do you have an ongoing role in monitoring the recommendations that were made.

Ms GWYNNE: We certainly do. We receive progress reports every quarter in relation to investigations we undertake for the services provided to vulnerable children. That is ongoing and we need to be satisfied that those recommendations are fulfilled.

Ms MOSS: Would you consider those progress reports to be satisfactory?

Ms GWYNNE: Yes, I do. The progress reports we receive – if we are not happy with them we will go back to the department. We often have face-to-face meetings, not only at CE level but also at ED level, to ensure that the responses to various recommendations are sufficient and implemented effectively.

Ms MOSS: Commissioner, would there be many that do go back to be resubmitted?

Ms GWYNNE: Yes. I cannot tell you how many; from time to time it does happen. I could not give you a percentage, but if we are not satisfied with a response we get on a particular progress report we will go back to the service provider.

Ms MOSS: What are the main reasons you might receive a report that needs to go back to a service provider?

Ms GWYNNE: By way of an example, the department may advise us they have implemented something to overcome a certain gap in service delivery and we do not believe that has been implemented fully. How do we know about that? We ask questions, obviously, and also review the system, policy or procedure. If we are not satisfied that does fulfil the recommendation then we will ask them to, refocus, relook at that recommendation. We will not sign off on any investigation or recommendation until we are 100% satisfied.

Ms MOSS: I can appreciate that. Are you conducting any own-motion inquiries this year and, if yes, what areas are you investigating?

Ms GWYNNE: We are. I cannot talk about the specifics of those, because they have not yet been tabled. All I can say is that we have own-motion investigations under way.

Ms FYLES: Do you expect that to be tabled in the next sittings opportunity?

Ms GWYNNE: No, I do not.

Ms FYLES: So that might not see – obviously with the election later this year we might not see that for some months.

Ms GWYNNE: You understand with the own-motion investigation there is an opportunity for the responsible agency, agencies or providers to provide a response to any investigation. The process is quite lengthy. We try to work with the department in the first instance to resolve the matter at the lowest stage rather than having to seek the minister's support in tabling any report; that is not where I want to be in trying to resolve responses to kids. If we can work with the department, resolve matters and have changes made to policy or procedures, or even matters that may relate to staff training or anything to do with governance of an agency, that is where we want to be, working in consultation with the responsible agency.

Ms MOSS: Commissioner, how many own-motion investigations are in-train currently?

Ms GWYNNE: Currently we have two.

Ms MOSS: On a different issue, in response to written questions, the department has confirmed that no permanent care orders had commenced or been implemented. Are you surprised that this is the case given the increasing number of children who are admitted to the care of the CEO until the age of 18?

Ms GWYNNE: I am not surprised. I guess that permanent care orders are a way of an individual taking responsibility for a child. With other orders it is the CEO of the department who has responsibility, so it is an individual that takes legal responsibility for that child until they reach the age of 18 years. I guess in terms of those orders, what does not come with them is any financial assistance; that could be a barrier for some carers. I am not surprised, and from my consultations with carers or potential carers, they would see that as a barrier because the financial burden of bringing up a child is significant and there is not that financial assistance under that particular scheme.

Ms FYLES: Just a question to clarify around the financial assistance and support – it is more that these children have potentially had quite a difficult, for lack of a better word, upbringing, to a certain point when they engage with this family that may look at taking out that permanent care order. Is there provision to provide that support longer-term? Obviously there is the financial day-to-day cost of raising a child but there is also, I imagine, significant cost with these children for support services that might be needed. Is there any provision for that to take place?

Ms GWYNNE: I might have to take that one on notice. I think the CEO of DCF does have a provision to provide funding, but I am not sure if that applies under those orders. I could take that question on notice.

Question on Notice No 4.4

Madam CHAIR: Could you please restate the question for the record, member for Nightcliff?

Ms FYLES: The question is, for a child that is going to be placed on a permanent care order, what provisions are made for the long-term support of that child to be placed on that order?

Ms GWYNNE: Was the question around particular funding to support that child under a PCO?

Ms FYLES: Yes, so around support, as in funding for support services. What is the long-term funding provided to children placed on a permanent care order?

Ms GWYNNE: I accept the question.

Madam CHAIR: The number allocated to the question asked by the member for Nightcliff of the Children's Commissioner is 4.4.

Madam CHAIR: Are there any other questions?

Ms MOSS: Commissioner, you noted in your annual report last year that only 44% of investigations were completed within the 28-day period, and a further 25% were not completed within 62 days. Are you in a position to advise whether there have been any improvements or are you able to explain that situation in further detail?

Ms GWYNNE: As you know we are now moving into preparing our annual report for 2015-16. I am not privy to the overall the statistics in relation to that until we receive the figures from the department. I think the second part of the question is why? Is that what it was? I would think that is a workload issue.

Ms MOSS: A caseload issue.

Ms GWYNNE: Yes. I think, previous to me, the department presented on those high caseloads. That is the nature of the child protection system; the case loads are very high in certain areas. I think they varied quite significantly depending on the region, from what I heard. The completion rates would have to relate to pure workload by the caseload workload.

Ms MOSS: Notwithstanding that you are still waiting for some data around that to be able to compare, are you getting any sense that there have been improvements to that?

Ms GWYNNE: I cannot answer that either way. On a day-to-day basis I do not know what the position is. We receive a range of statistics for the preparation of our annual report after the end of the financial year. I do not have a sense of the overall picture.

The committee suspended.

Madam CHAIR: Welcome back. We are will continue hearing from the Children's Commissioner. We are just taking general questions.

Ms MOSS: Commissioner, you noted in your annual report that 9994 individuals were the subject of 17 010 notifications. Are you able to shed any light on why multiple reports are occurring in the system?

Ms GWYNNE: I think we average about 1.75 children have more than one report - I think that is how it goes. I think the department also spoke about this. There are a number of children who will be the subject of more than one report, and that is what the statistics say. I guess where my office is concerned is around the issues with cumulative harm. If there is one child who is the subject of more than one report, then I guess the crux of that is, are we taking into consideration all the history in relation to that particular child and is the response matching the particular risks of that whole picture?

Ms MOSS: I guess in relation to that both your report and the report on government services, which I believe is largely based on 2014-15 data as well, note that notifications have increased significantly and the number of investigations has increased significantly, but the proportion of substantiated investigations has decreased and the number of re-substantiations within that 12 month period has increased. Can you give your views on this scenario and whether you think there is a correlation between that data?

Ms GWYNNE: You are talking about the number of notifications and investigations?

Ms MOSS: Yes, the fact that the proportion of substantiated investigations has decreased, but there has been an increase, over a 12-month period, in the number of re-substantiations.

Ms GWYNNE: I do not have any evidence around this. I think that when you have more than one report in relation to a child you are building a bigger picture, in terms of the whole circumstances involving the risk factors of that particular child. Unless I really examined and had a look at a number of cases where that has occurred, I could not say for sure why that is the case, but it is certainly an area that needs to be closely examined.

In terms of case management in situations of child protection, then the number of cases that each child protection officer has is definitely of concern, because it then takes you to the point of, how much attention can they give one child if they are trying to balance 30 to 50 cases? I guess no one is superhuman and that is a significant task in itself. If young people come before the child protection system, then those issues are often very complex.

Ms FYLES: So it is concerning that the number of investigations has increased, but the proportion of substantiations has decreased in that timeframe?

Ms GWYNNE: I guess you would want to look into why that is the case before you say whether it is a concern. There needs to be some real detailed analysis of that to understand more about it.

Ms MOSS: You noted in your annual report that there were 244 unallocated cases for investigation as of 30 June 2015. Were there any category one and two notifications within the backlog of unallocated cases and do you think there will be more unallocated cases at the end of this financial year?

Ms GWYNNE: I can say that in terms of the particular categories and which of the priorities were not allocated – I cannot say for sure whether any of those unallocated cases were Priority 1 or 2. Again, that is something that probably requires a further examination. The second part of your question was?

Ms FYLES: Can I jump in – so 244 unallocated cases for investigation by the Department of Children and Families and we do not know what category those investigation notifications were?

Ms GWYNNE: All I can tell you they are unallocated, exactly what those cases are I cannot tell you.

Ms MOSS: Is that just the way you get the data from the department?

Ms GWYNNE: That is correct. That may be something the department can answer, but I certainly cannot answer that question.

Ms FYLES: Do we have a feeling around this year? Will there be more unallocated cases or that will we have to wait and see until the data comes?

Ms GWYNNE: Again, I do not get the data until after the reporting period so I would be guessing.

Ms FYLES: It is pretty concerning to have 244 cases that the department does not have the means or the want or – that would be quite concerning as to why they have not been investigated?

Ms GWYNNE: I guess we are talking about investigations. The minister explained how the system works from first report and then the screening process. I think they end up dealing with 30% of matters that go to investigation. I guess that is a concern because they are the matters that are deemed to require attention and further investigation. I imagine that is an area the department would be quite concerned about.

Ms FYLES: Even looking at their own numbers you have 244 unallocated cases for investigation; 30% of most cases that come through do get investigated. Surely in that 244 it would be safe to assume that there are some that should be investigated that are simply just being left?

Ms GWYNNE: All of them should be investigated because they have already been through a screening process. The process we use in the Northern Territory is an excellent tool where the examination of a report is very thorough. To get through that screening process there is cause for further investigation. What comes with that is an element of concern or risk to that particular child until, as the minister said, they undertake further investigation to ascertain what the issue is, if anything.

Ms FYLES: So 244 cases that should be investigated are simply being left. Child protection in the Northern Territory has had a long history of – there have been inquiries and coronials, and evidence that show that children have been failed. Obviously having 244 cases that should be – that certainly poses risk to those children and the community

Ms GWYNNE: It does. In the Northern Territory we are not on our own in terms of unallocated cases within child protection systems. You will see that across Australia. I guess we are concerned with the Territory, and even one case is a concern. I imagine that would be a focus of the department. To reduce unallocated cases should be their priority, and the reduction in the time taken to investigate matters is also equally as important.

Ms FYLES: You obviously deal with the department a lot, from your recent dealings do you think they are adequately equipped to deal with helping to stop this – to have 244 unallocated last financial year, do you think that should go down this year? Obviously we do not know until we get the figures, but in terms of resourcing and direction within that department to make those changes, do you feel it is starting to happen?

Ms GWYNNE: I think that will be better addressed by the department. All I have is the numbers. As I have said, unallocated cases are a concern, and the department or the minister is probably better placed to say whether they are sufficiently resourced.

As you are aware, within any department you have a number of FTEs and you move your numbers around depending on the priority at the time and what the highest risk is. In terms of child protection the risk is always there. It is a difficult situation, but the caseload for individual child protection workers is always a concern. I know out of the board of inquiry there was some focus on trying to reduce – looking at workloads, particularly of child protection workers. It is something the department would be concerned with. From my perspective as the Commissioner, I would want to see a reduction in caseloads for individual child protection workers.

Ms FYLES: It is certainly concerning when you have high caseloads and unallocated cases.

Ms MOSS: We heard this morning from the department about the realignment of resources to areas within the department that require more attention. One of those would be those dealing with the vast increase in notifications and who will see those progress to investigations. In terms of realignment of resources, are you seeing the realignment going to places you think need more attention?

Ms GWYNNE: I do not have sight of how the operational resources are allocated within the department. Under my act I have a range of functions, and one is oversight of the department in regard to dealing with matters involving vulnerable children. Again, I think that question would be better answered by the department, not my office.

Ms MOSS: Last year we were all concerned when you reported 110 cases of abuse in care, involving 95 children in the out-of-home care system, 12 with multiple reports of harm and exploitation. How many cases of abuse in care have been referred to your office in this financial year?

Ms GWYNNE: I can get that number for you, but I will take that on notice at this stage, Madam Chair.

Question on Notice No 4.5

Madam CHAIR: Could you restate the question please, member for Casuarina.

Ms MOSS: How many cases of abuse in care have been referred to your office this financial year?

Madam CHAIR: Do you accept the question, Commissioner?

Ms GWYNNE: I accept the question.

Madam CHAIR: The question asked by the member for Casuarina of the Children's Commissioner has been allocated the number 4.5.

Ms MOSS: Commissioner, I understand a body of work has been occurring to ensure that allegations are assessed in the same way that other notifications are. Has this occurred and have changes been made to the reporting requirements to the Commissioner?

Ms GWYNNE: Obviously you are talking about abuse in care? No, not at this stage; I have not seen any changes.

Ms MOSS: That would also be a big concern given how important that report was and how concerning the report was, so we will have to ask some more questions about that.

You noted in your annual report the high number of children abused in kinship care. You noted that some carers are assessed while children are placed with them on an interim order. Is this, in effect, a family-way placement?

Ms GWYNNE: Yes, it is. Family-way placements obviously are not utilised formally anymore. The board of inquiry touched on the dangers involved with using family-way placements. We are still seeing some examples of what we deem to be family-way placements used. We are working with the department on that to ensure we do not have children placed in those situations. There are times where it is very difficult for the department when a child self-places. It then makes it very hard for them to be located. We have had some discussions with the department about this and we are working with it on it right at this time.

Ms MOSS: I was of the understanding that it was to cease and would be replaced with a full assessment.

Ms GWYNNE: You are correct. Formally, family-way placements do not exist anymore. But it presents some difficulties at times when a young person leaves and relocates back with family or with kin. At times it takes the department some effort to locate that child. For the time being, they are in a family-way placement. It is something we have raised with the department and are working with it to try to resolve.

Ms MOSS: Your review of the riot incident at Don Dale also had some pretty distressing reading. You made a number of recommendations in that report. Did the government ever respond formally to the recommendations and findings in your final report?

Ms GWYNNE: Yes. The government has endorsed all the recommendations. We are working with the Commissioner for Correctional Services on their response to those recommendations. As recently as yesterday I met with Commissioner Payne and we went through the recommendations and the status of their response to those recommendations. That is well under way.

Ms MOSS: Do you know which recommendations have been implemented at this stage?

Ms GWYNNE: Most of the recommendations are quite broad in terms of training, policy and recruitment. As you can appreciate, for many of the recommendations it is just not a matter of changing overnight. It takes proper change management and sometimes a rewrite of policy and training, and then a proper implementation of that change of business practice in some circumstances. But we are satisfied that the department is working towards fully implementing those recommendations.

I also appreciate that some of these changes will take time, particularly when that department is also going through a review. Commissioner Payne is trying to balance a number of commitments. We are meeting regularly with the department and dealing with them over their implementation of those recommendations.

Ms FYLES: In your experience interacting with the youth justice system, do you believe there have been improvements in these areas since both your and the (inaudible) inquiry reports?

Ms GWYNNE: The improvements are slow. When you are starting from such a low threshold, in some circumstances some of those changes and reforms will take time. There is significant consultation being undertaken by the department with the various stakeholders, including my office. A lot of the criticisms that are still directed to the department deal primarily with infrastructure. As you can also appreciate, that means a significant investment by government.

Ms FYLES: In the new Correctional Services organisational chart, youth justice is no longer a stand-alone division, but each of the work units has been allocated to the relevant adult Correctional Services structure. Do you think that is a good idea in youth justice and is that best practice in your view?

Ms GWYNNE: That structure is still relatively new. The other change that was also made was that programs were put together. In terms of the overall programs to deal with correcting both adult prisoners and detainees, I see there is some merit in placing the programs together. In terms of how that new structure is translating to better outcomes, I probably cannot comment. It has only been relatively short, but there seems to be, certainly, better communication and better oversight from the Commissioner, the deputy and the executive director. I think it is a little bit early to say whether it is providing better outcomes for young people; it would be at least 12 months to two years to really understand how effective that change has been. I think the rationale is certainly sound.

Ms FYLES: It has merit?

Ms GWYNNE: Yes.

Ms MOSS: The government has recently introduced legislation relating to youth justice as it relates to the use of restraints, and amendments to the *Bail Act*. Can you provide advice as to the adequacy of this legislation?

Ms GWYNNE: If I can talk about the use of restraints; my office did not support that legislation. We do not believe it is the direction that we should be taking; I base that on our recent investigation and our day-to-day dealings with young people who are subjected to the youth justice system. The use of restraints within a detention centre – there are times where young people are transported and I understand that restraints are required, but I think the focus should be more around communication, mediation, de-escalation of what have been some significant events within our detention centre, rather than using more punitive measures to control young people within a detention centre.

In a perfect world, we would like to leave the doors open and hope young people would embrace the programs and the environment they are in - in a detention centre. We are not there yet, but we see that measures such as using more punitive approaches are not conducive to good rehabilitation of young people who are already exhibiting complex trauma. As I said, we were not supportive of that move. The legislation is now in and I guess it is about working with the department to ensure the decisions made around the restraint of a young person are done within a really strict governance framework where there is complete justification and reporting, and we are already talking to the department about having some oversight of those decisions.

Ms FYLES: You obviously provided that advice to the minister, before the legislation was introduced?

Madam CHAIR: We provided a response to the draft bill, yes.

Ms MOSS: Along the same lines, have you recommended restorative justice approaches to youth justice with programs like circle sentencing and supportive initiatives like bail-supported accommodation. Are these approaches that the government might be considering?

Ms GWYNNE: When I recently spoke about restorative justice and preventative-type programs for matters dealing with youth offending – I have some evidence of the success of those programs. I see that, particularly, victim offender conferencing is highly successful in reducing recidivism amongst young people, and that is only one part of a whole suite of preventative measures that could be used within the Territory. There is pre-sentence conferencing; there is bail support. Often with bail it is very difficult, because you are bailing young people into an environment that is not supportive and you are putting them back in a situation that contributed to their offending in the first place. I believe there needs to be a whole suite of responses and programs that assist young people to stay out of detention. As we know, it is always the last resort. I am not sure if we have enough options at the moment in the Northern Territory that allow us to divert young people away from detention.

Ms FYLES: Is the government considering those measures? Have you had any indication from organisational structures and policies that they are considering those types of measures?

Ms GWYNNE: In terms of bail support, yes. There have been some discussions around how that could look and where that could be best placed, but they are fairly early. There is also a number of programs like the boot camps. Although there is some merit to the boot camps, I think it would be prudent to have similar

opportunities for young people prior to their offending. It is about understanding when young people present certain behaviours and they present a certain risk to the community that our response is much earlier on in the piece and not just done in isolation by one department. It is a whole-of-community issue. I think we as a community need to ask ourselves, every one of us, what we could do to make this better. We are talking this morning with the department about the numbers of notifications. I think we all acknowledge that unless we do something different up front the department is going to continue to receive an increase in notifications. I guess my view is the discussion needs to be more in the preventative space.

Mr WOOD: Can I just follow on from that? You might have heard some of the discussion this morning about the changes to the *Bail Act*. From your annual report, you are providing comment on the proposed NT Youth Justice Framework. Going through that one, there is a section bail. Early intervention and prevention, 2.4, says 'develop a youth bail support program to increase eligibility and compliance with bail conditions'. The funny thing is, that seems to be nearly in opposition to what is being put forward as changes to the act.

What is your feeling about the changes to the *Bail Act*? I understand where the government can come from politically, saying these can get and go back to committing crime, and people are getting sick of their cars and houses being broken into; therefore we should lock them away. We once had places like Wildman River. You could take someone away from the environment, which is not the place to send them back, nor is putting them back in a detention centre, which I am not sure is really – I would love a review of our detention centre to find out whether it is a suitable place to put people under 18. Do you feel we need to be looking at this issue a lot more holistically before we just look for quick fix solutions?

Ms GWYNNE: Yes, without a doubt. An area we need to seriously consider is that our offenders are getting younger. If we look five or 10 years ahead then we have some real concerns in terms of young people offending. We have to understand who the cohort is. You will hear a number of people talk about how our cohort is very small. We know who they are, where they live and who their networks are. What that does is present an opportunity. If we are dealing with young people and their families coming before the police for offending – the child protection system is trying to deal with a number of children who are not being well cared for. You have domestic violence, drug and alcohol abuse, and a range of issues, so our response needs to be more holistic. That has to start with a system where we can better share information to understand the issues that are occurring within a family set.

Often youth offending is a symptom of the problem, and I think we are trying to deal with some matters in a relatively ad hoc way. There has to be a suite of measures that deals with early childhood, with a huge focus on education, and then focusing on the families and youth who are at the biggest risk and need the most support. Otherwise our systems, both child protection and our youth justice, will continue to be inundated.

Mr WOOD: I totally agree. You were in the police force and you would have seen some of the – I think the minister this morning said to talk to operation – I do not know if it was operation bravos – the group of police that looks at these young people ...

Ms GWYNNE: Trident, I think it is.

Mr WOOD: Trident – and he said they keep coming back again and again. I am trying to find out if that is accurate from a statistical point of view, because if the government says something then I need to see the evidence.

I suppose the difficulty for me is that you do not want those kids causing problems again, but you do not want them to go back into a system which will not make them any different. Life will not get much better, even if they spend a couple of weeks in remand. Should we look at places where they can go that are set up differently? I know we have the boot camp at Loves Creek, but that is generally for kids who could get into trouble.

There is a youth sentencing network for Loves Creek boot camp. I do not know if that is a separate cohort of young people who have actually committed an offence. We had Owen Springs, I think it was called, and we had Wildman River, and there has always been the concept of work camps where you could perhaps have juvenile work camps that worked out of national parks or got kids out of that environment for the time being.

Maybe you can comment here because I think this is a very important issue. You say there is only a small group of people, relatively, that commit multiple offences. Why can we not look for alternative ways of

dealing with them even when they are on remand? I know that might cost money, and it might be a fair way away from the courthouses, but do you think we need to look at alternatives to the issues that face the community now? Notwithstanding what you are saying, that we should spend more time and money on trying to beat this at the beginning, but we have problems right now that we cannot sort out. We cannot reverse in time what we should have done, but how would we cope with these people who are causing a problem now?

Ms GWYNNE: Over-restrictive bail legislation has proven not to reduce offending. It does not work.

Mr WOOD: I do not disagree, but does it solve a solution that it takes people away from repeat offences while they are on bail?

Ms GWYNNE: That is a good point. If you use bail alone to try to solve a recidivist offending regime it will not work, but if you use that in tandem with intensive programs that are targeted to individuals rather than general programs, it will work.

This model is expensive and intensive, but I think there needs to be some thought about the long-term savings we could make if we invest from early childhood before we get to the stage where we are now.

As I said before, the Northern Territory is not alone with these issues. There are other jurisdictions and countries which have done a lot of work around youth offending, and there are programs that have worked. We need to look at what has been evaluated, what works and what could be transferred and adaptable in the Northern Territory. This is a discussion that could probably go on for hours.

Many of the programs that have been put in place are very good, but it is the connectivity, particularly if you have a young person you invest in and put through an intensive program. What is the through care for that young person? What happens after that finishes? Do they go back to the environment? Is there any support for them? That is where it becomes logistically difficult. There has to be a real rethink of how we can work with young people in a more holistic sense, not just the kids but their families and within communities as well.

Mr WOOD: Without taking the conversation too far – you said you could talk about it for a long time – do you have any names you could put to programs you think have been successful, off the top of your head?

Ms GWYNNE: Yes. The Families as First Teachers is an excellent program; that is run by the Department of Education.

Mr WOOD: There are family responsibility-type programs in parts of Queensland which are more for more remote and traditional communities. Have you seen that in operation as well?

Ms GWYNNE: No, I have not. I know that minister Elferink has had a good look at that. I have read a lot about it. There has been some evaluation of that program that has not been great. We have to be careful of jumping at something we think would work, because often programs that look good on paper do not translate well on the ground, particularly if you are talking about the remote setting.

It needs to be a holistic framework that deals with high-risk families from very early on. It is the public health model I am referring to, which is well known. The public health model talks about having that universal approach to everyone. Then you get to the secondary approach where you start targeting those areas that are the most risk. Then you get to the tertiary space where you concentrate fully on those areas that are causing the most grief to any community. What we have now is a group of young people who are continuing to offend. I am not convinced that being more punitive, without a number of measures, is going to change the environment for us in the Territory.

Mr WOOD: My understanding of that family responsibility program is that it is working well because it has gone into Doomadgee, I think, now. It has expanded and it is still getting funding.

Ms GWYNNE: Well, it probably has worked well. Often some of these programs work well because they have a really good champion.

Mr WOOD: They also have a retired judge who helps make sure the whole system operates. In relation to your annual report – it has some bearing on what you have just been saying – you talked about the issues of the education area of the prison. I think you had a report in there mostly saying it was not up to – you

were not the one saying it; you had complaints about the standard of the facilities there. Have those facilities been upgraded or improved since then?

Ms GWYNNE: Are you talking about just the education facilities? There have been a number of improvements made to the Don Dale centre.

Mr WOOD: There was a report that said, inadequate access to education for young people in youth detention centres when being managed in behaviour management unit and/or isolated, segregated for behavioural issues'. So it was only for part of that, I suppose.

Ms GWYNNE: I guess what we were talking about there is that as a way to manage behaviour they were removing the ability for young people to receive education. We were saying that is the time you should be using education. I am happy to see that practice of removing young people from classrooms is not occurring anymore.

Mr WOOD: There is a review going on at the moment – I heard it from someone else. I do not know whether we will get to the corrections today. Do you know if that is covering the youth detention area?

Ms GWYNNE: It is a holistic review. It is probably something you need to speak to the minister about. I am almost certain it does cover the youth detention.

Mr WOOD: Okay. Thank you.

Madam CHAIR: Are there any more questions for the Children's Commissioner? If not, I would like to thank Colleen Gwynne, our Children's Commissioner, for her time.

The committee suspended.

DEPARTMENT OF HEALTH

Madam CHAIR: The committee will consider outputs relating to the Department of Health. Welcome to, the Minister for Health and the Health officials. Minister, I invite you to introduce the officials accompanying you and, if you wish, to make an opening statement regarding the Department of Health.

Mr ELFERINK: Madam Chair, I think everybody is on the list, but I welcome, starting from my right and working my way across, Mr Michael Kalimnios, the COO for Top End Health Service; Mr Anthony Hendry, whose function is the CFO of the Department of Health; on my immediate left, of course, is the very well-known and famous Dr Len Notaras - Professor Len Notaras, I must say in the current environment - the CEO of Health; sitting beyond him is Ms Anderson from the department, newly welcomed this year, doing a sterling job; and, of course, the COO of the Central Australian Health Service, the inimitable, the indomitable, Ms Sue Korner.

With the committee's indulgence, I will go through the changes in the financial position and structure that have occurred in the Department of Health between the budgets of 2015-16 and 2016-17, so as to better equip the committee in interpreting information before them, as outlined in the 2016 budget papers.

Over the last 12 months the Department of Health has continued its journey to consolidate the transformation of the health system since the *Health Services Act 2014* commenced on 1 July 2014 and established two separate service delivery agencies, the Top End Health Service and the Central Australian Health Service.

The evolution of this structure is enabling the Department of Health to focus on its role as system manager, which includes governance, strategic policy development and regulatory functions. A key principle of the new structure is that major operational decision-making relating to service delivery is at the health service level, where cross program synergies can be maximised to leverage better outcomes for Territorians.

Under the *Health Services Act* the two health service boards are to ensure their respective services are managed efficiently and effectively, as well as producing strategic directions that are consistent with the health needs of this service to the community. This is designed to deliver greater local control of healthcare decisions; improve the flexibility, responsiveness and innovation capacity of the public health system; and provide more effective and efficient health services.

Last financial year saw a suite of major infrastructure projects that also improved the efficiency of our health services as well as the amenities for patients, families, carers, visitors and our staff. The largest of those is the \$64m upgrade of the Royal Darwin Hospital, which will continue throughout this financial year. The Royal Darwin Hospital has already received a new negative pressure room for the emergency department, whilst the negative pressure rooms in ward 4B will be upgraded this year to assist with the management of infectious diseases. Once complete the \$64m upgrade, jointly-funded by the Northern Territory and Australian governments, will see enhanced paediatrics, new outpatient and pre-admission facilities, and relocation of allied health services. The project will also deliver improvement to our hospital's front entrance, lobby and air conditioning. The hospital's external sunhoods will also be replaced.

Another key highlight last year from the Health portfolio was the emergency response provided by the National Critical Care and Trauma Response Centre to Fiji after Cyclone Winston caused widespread devastation and flooding, affecting 350 000 people. On 22 February 2016 the Australian government tasked the trauma centre with coordinating the medical response to the devastation caused by Cyclone Winston. The first team of Australian medical staff, nurses, doctors and paramedics was on the ground in Fiji by 23 February assisting with the local response. Two teams were eventually deployed and located across six areas of Fiji, working in combined Fijian-led health teams. Twenty-one Australian medical assistance personnel were deployed to Fiji, 10 from the Northern Territory, the last of which returned home on 15 March 2016.

Turning now to this financial year, the major reform to the Health portfolio has created a significant change in the output group structure over the past few budget papers. In Budget 2016-17 this can be further evidenced by variations of alcohol and other drugs and community services outputs which have occurred as a result of the transition of remote and primary healthcare grants to the two health services in 2015-16, which continues the journey of delivering an integrated primary healthcare service delivery model in regional areas. The service delivery arm of the Alcohol and Other Drugs Program also transferred to the two health services in 2015-16. Top End and Central Australian Health Services now provide assessment services under the AMT program, providing opportunities to link clients to a range of services that cater for people experiencing health issues relating to their substance misuse.

From 1 July 2016-17 oral health, hearing and cancer screening services will transition to the two health services, further complementing the integrated primary healthcare model. These programs deliver primary healthcare, oral services and hearing services, including hearing screening for newborns before they leave hospital. Cancer screening services include a four-wheel drive bus providing services to remote communities across the Northern Territory. The new Guardianship of Adults Bill, passed on 24 May 2016, will establish a contemporary framework for adult guardianship and replace the *Adult Guardianship Act 1988*. We referred to that earlier today. The key features include the establishment of an independent statutory officer as the Public Guardian.

As occurs each year, the department is negotiating with the Australian government and other external funding providers on a range of agreements that will affect funding in 2016-17. We expect agreement to be reached shortly, after which time these variations will be incorporated into the 2016-17 budget through the Treasurer's midyear report. This government's investment in health is spread across a range of areas. In the Department of Health, highlights include \$36m over two years from 2016-17 to support the commissioning of the Palmerston Regional Hospital, including purchasing furniture, fixtures, equipment and information and communications technology to ensure the provision of safe, quality clinical services on the opening of the hospital.

There is \$10m in 2015-16 from the Boosting our Economy stimulus package for the development of the Disability Services Hub. There is \$5m for the Menzies School of Health Research to fund research in delivering strong economic and health returns for the Northern Territory. There is just shy of \$1m in 2016-17 to support pay equity in the social and community services sector, and just shy of \$0.5m for 2015-16 to support the completion of a community centre in Palmerston. There is \$300 000 from 2016-17 for specialist support and forensic disability services in the Northern Territory.

The NDIS Bilateral Agreement between Commonwealth and the Northern Territory has been signed for full transition to full scheme, with approximately 5000 Territorians to benefit from the scheme by 30 June 2019. At full scheme implementation the Territory is committed to a contribution of \$99m per annum in terms of its insurance premium, and the Australian government will contribute \$105m.

Just shy of \$7m will be used to continue relocating the ambulance centre in Katherine out of the flood zone.

In the health services the major highlights include investment in health services, as well as infrastructure to improve the provision of healthcare and to benefit the broader Territory economy. For the Top End Health Service the budget supports the health and wellbeing of Territorians through \$8.3m to establish emergency and elective cardiothoracic and neurological services in the Top End.

There is just shy of \$14.7m over four years to increase the capabilities of allied health services across the Top End and provide opportunities to expand the Aboriginal workforce. There is \$10.5m over five years to the emergency road and medical transportation services. There is \$10.23m over two years for the expansion of dialysis treatment to meet the short-term demand growth through acquisition of additional dialysis chairs, extending clinic hours and enabling concurrent planning for longer-term renal plans. There is \$600 000 for the Back on Track program, which supports increased Indigenous representation across the health workforce.

Results from the special measures initiative that commenced in January 2015 are particularly noteworthy. Under special measures, Aboriginal applicants for any position across NT Health must be considered before other applicants. In 2014, 4% of applicants for NT Health advertised vacancies self-identified as Aboriginal. The figure at 31 March 2016 was 10.5%. In terms of the selection of our successful applicants the 2014 data shows 3.2% of successful applicants were Aboriginal. At 31 March this year the figure was 18.5%.

There is \$300 000 for the Pathways to Community Control program to create a framework that supports Aboriginal community control in the planning, development and management of primary healthcare and community health services.

There is \$4.9m for fire remediation works in the Gove District Hospital; \$3m to construct a new area for the second CT scanner; and \$800 000 to refurbish the existing bathroom facilities at the Royal Darwin Hospital. Just shy of \$22m is for the works of the Royal Darwin Hospital, including the remedial repair of spalling concrete in the main ward block – I have no idea what spalling concrete is, but I am sure somebody will ask me that question – stage refurbishment of the main tower building, including outpatient clinics, allied health and public access areas, fire upgrades and upgrades to negative pressure rooms.

There is \$1.3m to remote health essential upgrades and just shy of \$38m for the construction of the joint Territory/Commonwealth-funded Palmerston Regional Hospital.

For Central Australian service, the budget supports the health and wellbeing of Territorians through \$6.8m over two years for the expansion of dialysis treatment to meet short-term demand growth through the acquisition of additional dialysis chairs, extended clinic hours and enabling concurrent planning for longer-term renal plans.

There is \$4.5m over five years for emergency road ambulance and medical transportation services, and \$2.3m for the expansion of retrieval service capabilities across Central Australia and to address the growing demand for medical services – I am nearly there, Madam Chair, please bear with me – \$290 000 for the Back on Track program that aims to increase Indigenous representation across the Health workforce – as noted previously, Back on Track has been supported by successful special initiatives – \$2.8m for the Pathways to Community Control program to create a framework that supports Aboriginal community control in the planning, development and the management of primary healthcare and community care services; \$16.2m at Alice Springs Hospital for fire protection, air conditioning, remediation, upgrade of operating theatres and wards as well as upgrades to emergency power and water reticulation and electrical systems; \$2.3m for remote health centre essential upgrades; and not to be forgotten is the major investment of \$186m in the core clinical system renewal program, which will provide a single electronic health record at the point of care across the Northern Territory's public health services. This supports the clinical reform agenda by facilitating better ways of working, and will modernise the core clinical IST systems.

As I have stated previously, the \$1.5bn budget for the Department of Health in 2016-17 is the largest of any Northern Territory government agency, and this government continues its commitment to bolster health services for Territorians.

Madam Chair, I thank you and the committee members for your indulgence in relation to my opening statement. I am now prepared to take or redirect questions as the case may be.

Madam CHAIR: Are there any questions relating to the minister's statement?

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

Madam CHAIR: The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation (2016-2017) Bill as they relate to the Department of Health. Are there any agency-related whole-of-government questions on budget and fiscal strategies?

Ms WALKER: Minister, will you be tabling the global written questions we put to you.

Mr ELFERINK: Yes. Here they are.

Ms WALKER: Thank you, minister; that is very helpful for us. I have one question in this opening part. You can redirect me to another output if needed. I was looking for a list of service providers which have yet to receive a new funding agreement that would normally tick over on 1 July. A fortnight out from that, I understand organisations such as Lifeline, for instance, have not received a renewed agreement to recommence from 1 July. I believe there may be others. Can I ask this question now, or do you want ...

Mr ELFERINK: You can ask the question now and I will give you the equivalent of a blank look. I am sure the CEO can deal with the question in relation to this matter. Professor?

Professor NOTARAS: It is part of a subsequent group. It might be best to deal with under the next output group.

Ms WALKER: Questions about Palmerston Regional Hospital would go under Output 17.0, Top End Health Service?

Mr ELFERINK: That will do. You can do it now if you like, but Output 17.0 is fine.

Ms WALKER: I might wait until we get to Output 17.0, minister.

Madam CHAIR: That concludes consideration of agency-related whole-of-government questions on budget and fiscal strategies. We will go to Output Group 10.0, Territory-Wide Primary Health Care, Output 10.1, Territory-Wide Primary Health Care. Are there any questions?

Ms WALKER: Sorry, Madam Chair, I had questions at the last output. I rejigged notes so frantically, given the reduction of time.

Madam CHAIR: Do you want to go back to the agency-related whole-of-government questions?

Ms WALKER: If the minister would graciously ...

Mr ELFERINK: I do not object. Can I go even one step further. You asked a question about the providers and their ongoing funding. I have just had someone whisper in my ear that they would need to take that on notice and we will get that to you as quickly as we can.

Ms WALKER: Thank you, minister; that would be helpful.

Question on Notice No 4.6

Madam CHAIR: Could you restate the question, please, member for Nhulunbuy?

Ms WALKER: Can you please provide a list of service providers who have yet to receive a new funding agreement that would see that service continue from 1 July 2016?

Madam CHAIR: Do you accept the question, minister?

Mr ELFERINK: Yes, of course we accept the question.

Madam CHAIR: The question asked by the member for Nhulunbuy of the Minister for Health is allocated number 4.6.

Ms WALKER: Thank you very much for your indulgence, minister, in allowing me to go back

Mr ELFERINK: Not at all, this is about discovery.

Ms WALKER: The Back on Track initiative, which you referred to in your opening statement – I asked a written question about the progress of the Back on Track initiative, whereby, in 2014 the government had committed to increasing the number of 10% year on year. Last year's budget allocated \$230 000 to this initiative. Has this eventuated and how short are you on achieving your statements?

Mr ELFERINK: It is all in my opening statement; I just talked about it. I have to dredge it up again, but we are pretty happy with the results ...

Ms WALKER: So you have met your target in increasing this number?

Mr ELFERINK: Yes. I think the number I just quoted to you was 10%. It is 10.5% - I am pretty sure I did say that number when I was just reading out the statements - so yes, it has been achieved.

Can I also say that when I became the Health minister I directly involved myself with the Back on Track thing and went to the meetings on a regular basis to make sure it was impressed upon those in the Health department who had carriage of this that ministerial attention was being paid personally to that particular approach. I hope that has helped in encouraging people to go down that path.

Ms WALKER: Further to that, how many Aboriginal health practitioners are employed within the Department of Health, the Top End Health Service and the Central Australian Health Services?

Mr ELFERINK: Aboriginal health practitioners employed as practicing practitioners, as at 11 February, which is pay 17 in the cycle, in the Department itself: 4.68. I always love these figures where you have parts of people. Basically four people, a torso and two legs. Top End Health Service, 26.5 human beings and Central Australian Health Service, 28.5 human beings. I am not sure where we get the half human beings from, but I am sure there is an accounting reason for it.

Ms WALKER: I asked a written question about the outcome of the \$5m scoping study for the Palmerston Regional Hospital and health services for the greater Darwin region. Are you able to table a copy of that report?

Mr ELFERINK: That is in the global questions.

Ms WALKER: Thank you very much. Around the Grants Management System - you made reference to it in your opening statement - I asked a written question about expenditure on the development and operation of the Grants Management System for the financial years 2010-11, 2011-12.

Mr ELFERINK: Yes, that folder I just handed up, it is in there.

Ms WALKER: That is all in there, fantastic. Thank you so much. Is the Grants Management System fully operational now?

Mr ELFERINK: I understand that it is down that path, but, Professor, if you would care to answer that question.

Professor NOTARAS: It is progressing towards it. It has not yet reached the full load capacity, but it is on the way towards that.

Mr ELFERINK: I can say that it went live on 31 March 2015.

Ms WALKER: Thank you. What have been the barriers or the hurdles to it becoming fully operational?

Professor NOTARAS: Largely the education and technology that is involved, member for Nhulunbuy; the technology itself has a degree of complexity to it that needs some education. Talking to some of the NGOs that have already been trained in the area, they are very happy with what they have seen. Other groups are still coming to terms with the change, but it is a mechanism for a much more astute stewardship of the monies that we put out, and, indeed, a much fairer distribution and timely receipt of those monies as well.

Ms WALKER: Excellent, thank you, Professor. I take it then that the written question I asked breast cancer and cervical cancer screening has been answered, as well as the question around the National Partnership Agreement on Improving Public Hospital Services?

Mr ELFERINK: Aye.

Ms WALKER: A question for you in relation to waiting times. How are we tracking, minister, for 2016? Are you able to provide an update on overall ...

Mr ELFERINK: When you say waiting times, are you talking about elective surgery or are you talking about A&E presentations?

Ms WALKER: Elective surgery and emergency department services.

Mr ELFERINK: I think the news is pretty good in those areas. I will hand over to Professor Notaras.

Professor NOTARAS: In terms of the two entities, that is Central Australia and Top End, I think the complexity - one of the reasons for the number of people we have here today is we now have three departments within one, in a sense. Central Australia is tracking extremely well and Top End is doing well with a number of issues, whether it is access to surgical services or access to outpatients, which I believe was one of the questions in the global questions. In essence they are based on the national triage and the national access categories one, two and three for outpatients, for instance, within 30 days for particularly urgent cases through to 90 days and a year.

In terms of inpatients and access to theatre, we find with Royal Darwin Hospital, for instance, as the single tertiary referral of the Top End of Australia, there are delays and the numbers are not yet as good as we want them to be. I can say that Mr Kalimnios, Chief Operations Officer, and his team are working very hard on that. They are getting throughput that has been much better than in the past. In other words, access to theatres that are taxed with acute admissions - in other words emergencies and acute come first. There are sometimes delays with some of the other accesses.

In terms of the other governor of access - I am talking surgical now - the availability of specialists does impact upon that and we are fairly, for want of a better word, resplendent with specialists in both the Top End and indeed in Alice Springs, although there are some areas of address. One in particular in the Top End I will mention without being asked is neurology; we are working towards addressing that collectively. I hope that in part or completely addresses your question.

Ms WALKER: It does. Thank you very much.

Mr ELFERINK: Can I also add to that in terms of the NEST program in relation to waiting times for NT-specific targets. Let us do a comparison with the year 2010 to last calendar year, ending 30 December 2015, so that is apples with apples. The average overdue wait time, in days, for those who have waited beyond the recommended time in 2010 - the category one figure was 67 people. By 2015 the answer was zero. Nobody was waiting over the recommended time for the NEST targets. Category two in 2010 - the figure was 97 and by 2012 it fell to 78. By the last day of last calendar year it had fallen to 19. In 2010, the category three people were waiting for 144; by 2012 it was 115. By the last day of the calendar year 2015 it had fallen to 29. We are seeing some substantial improvements in relation to the NEST benchmarks.

That was, by the way, for the Top End but you get the picture.

Ms WALKER: I understand. My next question is around the national health funding and agreements that are outlined on page 172 of Budget Paper No 3, under Revenue Statement. What is the increase in funding for national health reform directed towards?

Mr ELFERINK: The short answer is health services. This of course is the product of the ERC as engaged with by the federal government. The national health funding agreement, which was based on an activity-based funding model rather than a population funding model, was agreed to between the Northern Territory and all other jurisdictions, and a prior federal government. The ERC saw the federal government stepping away from that, which exposed the Northern Territory to a loss of \$78m over three years, which was unsatisfactory and caused robust discussion, to say the least, amongst ministers at the COAG subcommittee dealing with Health ministers.

The federal Health minister, Sussan Ley has seen the wisdom of returning to a better funding model, and the Northern Territory has not only recovered its position, but done slightly better. What we spend that on will be in the agreement between the Northern Territory and the Commonwealth. If you need those details I would have to dredge up the agreement, or the professor might know it off the top of his head.

Professor NOTARAS: No, I do not.

Mr ELFERINK: We can dredge up the terms of that agreement and get that information to you if you want to know what that money is earmarked for.

Ms WALKER: Thank you. Continuing with the national health funding agreements, \$3.6m in rural health outreach funding ceases this year. What will be the impact of that on service delivery?

Mr ELFERINK: It is \$3.6m less worth. That is Commonwealth funding. We will do what we can as a Territory government in this space. There is an increased budget again this year to Health that brings us to \$1.5bn, but one thing I am not prepared to do easily is step in where the Commonwealth vacates, because that is mere cost shifting, and the Commonwealth does not have budgetary pressures exclusively, so do we.

Ms WALKER: Likewise, there is a \$3m funding cut for My eHealth Record implementation. Has the intention of this funding been achieved for the Northern Territory? Is that why that has ceased?

Mr ELFERINK: I think it has. The Territory was the leader in eHealth, so much so that the Commonwealth government did not even bother to change the name of it when they stole it – well, we gave it to them – and it has become the benchmark for the country.

It has been remarkable. If you track the take-ups of eHealth, the first couple of years you would swear you were wasting your time, then all of a sudden the technology seems to have caught the imagination of the physicians who use it. The net result is that you now have it being used as the source of a substantial amount of truth, and the milestones have been delivered.

Ms WALKER: Excellent. The Aged Care Assessment Program has ceased. There was \$1.5m attached to that. How different will the aged care gateway be in replacement?

Mr ELFERINK: Replacement?

Ms WALKER: And will ACAP teams still exist without this funding?

Mr ELFERINK: They will. What they can do is bounded by what they are funded to do, but they will continue to operate.

Ms WALKER: They will continue to have a service, but it will be delivered less \$1.5m.

Mr ELFERINK: The service will be there. Apparently, the Commonwealth and the Northern Territory, at an officer level, are having a conversation about the future of it and how it looks going forward. We remain optimistic.

Ms WALKER: Let us hope there is a positive outcome. There has been a significant cut in the budget for clinical teaching support. What will be the impact there, particularly for regional hospitals?

Mr ELFERINK: Once again it is the Commonwealth domain. We will not discontinue the services, as I understand it, but we will, of course, do what we can with what we have. There are no further negotiations around it that I am aware of. Prof is anxious to press his microphone button. Go, prof.

Professor NOTARAS: It is largely for research at Menzies, but from a teaching perspective there is a significant investment in the NT medical school, formerly known as the clinical school. That, along with the Royal Australian College of General Practitioners, AMSANT and some of the other groups that provide teaching for registrars and various clinical or medical practitioners is fairly significant. As well as that, on another plane we are dealing with the other clinicians who make the health service work, the nurses and the allied health, and there is close association with Charles Darwin, etcetera.

Ms WALKER: We talked about this one last year, minister, but it has come to fruition now. That is the \$4m cut in Indigenous teenager sexual reproductive health and young parent support.

Mr ELFERINK: We continue to operate the Centre for Disease Control and those sorts of things. I am aware of, particularly, syphilis being resurgent, not only in the Northern Territory but in remote and regional places in Queensland and Western Australia. It is frustrating, but we do what we can.

Ms WALKER: They were all the questions I had, Madam Chair, ahead of Output 10.0.

Mr WOOD: We are talking Territory-wide primary healthcare. I will quote from the annual report:

In the NT, Aboriginal people have the most significant health needs out of all population groups and makes up 70% of all patients in NT public hospitals. For these reasons the health and wellbeing of Aboriginal Territorians remains a major focus for NT Health.

It goes on to talk about shorter life expectancy, low birth weight, etcetera. From a policy point of view, and bearing in mind that like when we criticise the number of people in prison compared to the population, 70% of the people in hospital are Aboriginal and about 30% of the population is Aboriginal. What are the challenges to reduce the number of Aboriginal people using our public hospital systems? Is there a focus? I know there are lots of things happening, but sometimes you need an overall focus. What is that focus to reduce the need for that many people to use our public hospitals?

Mr ELFERINK: That is a really good question. The member for Araluen received an answer from me and I am about to repeat it.

The Northern Territory is in a difficult situation, simply because we can respond to the Aboriginal health issues. I prefer to say people largely in regional and remote areas, because it has a lot to do with geography rather than race, per se. Race is probably not the accurate vehicle to use. It has a lot to do with geography and those sorts of things.

Having made that observation, what I said to the member for Araluen before during the DCF module was that we have a federal government which pours millions of dollars into this jurisdiction every fortnight ...

Mr WOOD: \$1.4bn into our own.

Mr ELFERINK: ... and we then pour millions of dollars into the same jurisdiction every fortnight to clean up the mess that results. I believe no matter who is in government in the Northern Territory, they will fundamentally struggle with the outcomes of a passive welfare system that is corrosive in the way it is implemented. I am not anti-welfare, but I think we have made fundamental errors as a nation as to how we bring that welfare to bear. What you do is enliven dependency.

In our response we then try to fix that dependency by creating even further dependency through our health models. We have to otherwise people die in the streets. You are stuck in this dreadful situation.

We talk about health outcomes for Aboriginal people or people who live in remote and regional areas as something we can fix, when in actual fact what really will drive health outcomes for anybody is the choices they make in how they live. A large slice of that is how they live with a sense of purpose; psychologically how well are they?

The rationale behind Sentenced to a Job is classic in this. To give a person a purpose, a sense of direction in life, means they make better decisions across that life.

The health system we are forced to bring to bear because of the negative outcomes of that welfare system are policy discussions that have to happen with the federal government. Here is the problem: the appetite for change in the federal government is zip. I even tried to get it on as an agenda item for Health ministers to discuss amongst themselves, and the appetite to even having the conversation about the link between welfare and health outcomes could not be less interesting. Until we, as a nation, are prepared to look at that, the issues you complain of will remain persistent.

Mr WOOD: Perhaps we should not look at statehood; we should look at independence?

Mr ELFERINK: Unfortunately we are handcuffed by relativities; otherwise I would be able to have a chat with WA – who knows, but that is a conversation for another day.

Mr WOOD: Thank you for that, because it is an important issue. This will come up year after year, and I am not sure that we are ever going to catch up with ourselves.

Mr ELFERINK: Let us go through the relativities process. I do not know if you have ever gone to the Commonwealth Grants Commission and looked at the way that they calculate the relativities. You will hear the land council say, 'This much money has been set aside for Aboriginal expenditure in the Northern

Territory and it is never finding its way to Aboriginal people'. It is actually not true. In fact, Syd Stirling, the former Treasurer of the Northern Territory, had work done and a substantial report developed a decade ago, where he was able to demonstrate that our expenditure for Aboriginals and non-Aboriginal across government was at a ratio of about two to one, if memory serves me. Which means he was trying to make clear that, whilst we receive this money and it does not go to remote communities, that is because a lot of it is going into hospitals that service Aboriginal people.

I do not like that racist conversation; unfortunately it is now in the lexicon on how we do things, but the fact is that those sorts of relativities – the money does find its way to people, it is just not apparent when those services are being delivered in the Royal Darwin Hospital.

Until you walk through the Royal Darwin Hospital and you see the number of people of an Indigenous background who receive those services. Equally if you walk through a dialysis unit – the same thing.

Madam CHAIR: I think we have jumped around a bit.

Mr ELFERINK: I am happy to be as flexible as necessary.

Ms WALKER: Can I just check under which output I should ask questions around prison health services?

Mr ELFERINK: That is a good question. Top End Health Service provides the services. We will take it under Top End Health Services.

Ms WALKER: Minister, the monitoring evaluation and reporting framework for the Office of Aboriginal Affairs has set a target of transferring 80% of remote primary health clinics to Aboriginal community control by 2020; the baseline is 40%. Given that it has taken over 18 months to transition the Milingimbi clinic since it was announced by the Minister in June 2014, and I know the handover is 1 July ...

Mr ELFERINK: To Miwatj.

Ms WALKER: ... to Miwatj - indeed. Do you think this is an achievable target?

Mr ELFERINK: I will make certain that if we do had a clinic over it is going into good hands. In the case of Miwatj ...

Ms WALKER: I am sure it is.

Mr ELFERINK: Excellent hands. When I visited Elcho Island for the first time and I ran into the first Miwatj clinic at Gapuwiyak – is it Gapuwiyak?

Ms WALKER: The one at Miwatj?

Mr ELFERINK: Yes.

Ms WALKER: Galiwinku. It is called Ngalkanbuy clinic, transferred on the 1 July 2008.

Mr ELFERINK: I apologise for that, Galiwinku. My Central Australian geography is better than my Arnhem Land geography; please forgive me.

Ms WALKER: There are a lot of places that start with G out my way.

Mr ELFERINK: I did the typical thing; I walked in there and the first person I spoke to was a white male who I thought was in charge, and immediately I discovered that I was not talking to the person in charge. I was then redirected to an Aboriginal woman and I spoke to her, and then a number of her staff, and suddenly realised those people were fully trained and fully competent to do the job.

In fact, I walked away saying to people in my company that I would comfortably allow the treatment of my daughters in any one of those Miwatj clinics, because of the quality of expertise and training I see there, and I understand that they also do placements in places like Melbourne.

That is, for me, the light on the hill, in the sense that I would love to see all clinics go down that path. One of the problems with staffing in remote clinics is getting consistency. When I first worked in the bush, if you got somebody to do two years in the bush you were not doing bad, nowadays you would be flat out getting

six months to a year for some placements. The amount of agency nurses you see – the only person who will truly buy into the local community is someone who is from and dedicated to that local community – either married into, lives in the community or born and bred. If they are the people working in the clinic then they would be the obvious ones to run the show.

In terms of your question, is it attainable? I would like to think it is, but I am more focused on making sure the service provided is up to the standard that somebody in an OECD country would accept. I would default to the quality of service rather than meeting some artificial benchmark. If we do not meet the benchmark it is about making sure we get the right services up. I certainly encourage other communities, not least of which is Borroloola, to seriously look at their own system. Sunrise runs Mataranka and a few others, and they do a fine job as well. I certainly encourage more of that into the future.

Ms WALKER: Thank you for answering the written question about Healthy Under 5 Kids partnering ...

Mr ELFERINK: Yes, HU5K. It is an odd thing. It is HU5K, but at first glance it looks like HUSK.

Ms WALKER: I think it is a really good initiative to roll out – universal health programs across urban and remote settings, but I would like to ask a couple of questions. Will this initiative be rolled out in Aboriginal-controlled community health organisations as well as government-run health clinics?

Mr ELFERINK: I would encourage them to do it. Without speaking to the people around me, one of the reasons I would encourage community-run health programs like this – let us use Miwatj as an example. What happens is that Miwatj can also then tap into any other number of sources. They can bulk bill. The National Disability Insurance Scheme will provide opportunities for these organisations if they want to then run some form of program like HU5K, an Abecedarian program or something of that nature. That is something we certainly encourage. The good professor is pointing things out to me, and I will read this out without having read it. ‘The program will be implemented across all urban and remote NT government health centres’ – that is the Northern Territory government health centres – ‘after a series of professional development workshops, and all staff can deliver the programs.’

I would presume if we were trying to do it in areas serviced by non-NT; we would find some mechanism going forward to encourage that. Please bear with me while I make one important little observation. Up until 30 or 40 years ago the measure of a successful society – we still do this, particularly with remote and regional areas and Aboriginal people – was the length of an average life span. I think we have reached a point where unless there is a major change in technology in terms of average life spans, we have reached the limits of what DNA can take us to in terms of growing old. The measure of longevity as a successful measure of society is one measure.

If we have reached the parameters or the boundaries of what we can do in terms of longevity, then quantity diminishes as a measure of social success. Then obviously the question is, what is the correct measure? The correct measure then is quality. If you are going to improve a person’s quality of life – and I am sure the Labor Party would agree – you do not start at the end. You go right back to the beginning and start there.

That is what HU5K is about; that is what Abecedarian programs are about. I think it was Professor Nossar, who worked for us – I took Victor out to lunch when he retired after 30 years, and I said, ‘Tell me everything the department does wrong’. I had been the Health minister for about 10 minutes at that stage. He wanted to impress one idea and one idea on me only, and I hope to impress it upon you should you become the next Health minister of the Northern Territory. That was simply this: after 30 years all he wanted me to do was focus on the first year of life. He quoted some studies, probably not entirely accurate, but it left an indelible memory with me. He said that in the United States a number of studies had been done, and in the child who hears 600 words per day compared to a child who hears 1400 words a day or thereabouts from their parents, irrespective of any other social determinant, the child who heard 1400 words a day in their year of life was four times more likely to graduate from college. That is a remarkable and astounding figure.

I would love to have done more in that space. One of the things I will walk away from politics saying I could have done more was exactly that sort of Abecedarian type of thing, but it means we have to start asking ourselves some difficult questions about where we think our funding has to go going forward. It is not an endless bucket. I know that led to some controversial comments, but I stand by what I said.

Ms WALKER: Thanks, minister. I have no more questions about the output.

OUTPUT GROUP 11.0 – PENSIONER CONCESSIONS
Output 11.1 – Pensioner Concessions

Madam CHAIR: We will now move to Output Group 11.0, Pensioner Concessions, Output 11.1, Pensioner Concessions. Are there any questions?

Ms WALKER: I have a couple that my colleague, the member for Casuarina, as our shadow for Senior Territorians, has drafted, and I believe the member for Nelson will have one or two.

Mr WOOD: I might have the same one.

Ms WALKER: Minister, COTA NT is currently collecting signatures for a petition about urgently reviewing the Pensioner and Carer Concession Scheme. I understand that there is a review under way. When did this review begin, what resources have been allocated to it and what is the time line for it?

Mr ELFERINK: The review began a number of months ago. Resources are within house. The time line is December.

Mr WOOD: That was my question.

Ms WALKER: Minister, how many pensioners accessed this scheme, year to date, and what was the expenditure?

Mr ELFERINK: I think it was around the \$29m mark, from memory. How many, I could not tell you. One thing that inspired the review of the scheme is the most obvious thing in relation to the travel scheme, but also the global nature of the scheme, particularly when it comes to discounted electricity prices and those sorts of things. One of the challenges we face, and should you become the next minister you will face as well, is the reality that in some instances there are very substantial power bills being claimed in regard to concessions for people who live in environments – the power is in the name of a pensioner who shares the house with any number of other people who are not pensioners.

That is the kind of thing that needs to be reviewed because the scheme needs to be protected. If the scheme becomes too onerous then it becomes difficult for government to protect the scheme, particularly when you are thinking about targeting pensioners, which is the focus of the scheme. If, for argument's sake, that pensioner was to live in a house worth a couple of million dollars and they were on the scheme by virtue of the only measure of being a person aged 65, then perhaps the equity which is presumed in such a scheme is not as present as you would want it to be.

The total number of members is 24 664. As of March 2016, for the current financial year it was already \$19.3m, so you are looking at about \$28m to \$29m for the estimate going forward.

Ms WALKER: Thanks very much, minister. That is helpful. Just one last question on pensioner concessions – this is what seniors ask all the time – what was the rationale behind changing the scheme so flights can be accessed every two years from last use, as opposed to every two years from the eligible individual's birthday?

Mr ELFERINK: I do not know the answer to that question. Prof, can you shine a light on it?

Professor NOTARAS: No.

Mr ELFERINK: To cut a long story short, I do not know. Maybe it is an administrative thing. By the sound of it, I suspect it is. I am not hearing how that would substantially change expenditure one way or the other on the face of it, but I could stand corrected. I suspect it is administrative convenience; that is my sneaking suspicion.

Ms WALKER: I will accept your answer. My colleague is not here so I cannot elaborate further on that.

Mr WOOD: Do you know how much money the government lost by the misuse of the scheme and whether you were able to recover some of the money?

Mr ELFERINK: The answer is yes, because with Flight Centre we arranged a settlement of \$2.3m. I suspect it might be a bit harder to quantify for a number of reasons: one, I do not know how many investigations are on foot right now; there might still be current investigations. In identifying, for example,

the Kamitsis matter, there is a matter the court dealt with which has a figure attached to it. It may be the case that we have lost a lot more because other travel agents, for whatever reason, have done this thing and gotten away with it in not being prosecuted for want of evidence or whatever; I am speculating. To quantify it in that sense is difficult. I could certainly say that three travel agents were found guilty of misappropriating X number of dollars, and we recovered so much through the court system.

The scheme was exposed to fraud. But, frankly, every scheme is exposed to fraud. In a perfect world I could leave my windows down in my car and \$1000 sitting on the seat and nobody would touch it, because to do so would be to steal it. My system's security would not be particularly strong, but one of the things I have said to the department is that all systems we have are vulnerable to fraud. If somebody is going to create the mental element to commit a criminal offence and then steal from a scheme, then you cannot protect yourself against that.

As the courts have observed, there was an expectation that a person would operate legitimately under the operation of the scheme. What appears to have become common practice among some, if not many, travel agents has led to a number of them committing criminal offences and being prosecuted accordingly – three so far, if I am correct. I am not sure about how many others because I have nothing to do with the investigative process; that is the police.

Mr WOOD: Has the department actually looked at what its 'role' – I am not saying any criminal role – was from the point of view – did it have a risk program that would ...

Mr ELFERINK: I understand the question. It is tempting to go down that path and say we are going to tighten the system up and create higher benchmarks and audit more aggressively. That will happen to a degree, but I have made it quite clear that I will not ask the department to tighten up the system where access to the system becomes so bogged down in red tape it becomes more expensive to administer than it does provide services to Territorians.

Mr WOOD: I mean from checks and balances – you take a random sample ...

Mr ELFERINK: Checks and balances is actually what found the flaws in the system. The system that has been abused goes back six, seven, eight years; I am not quite sure, but long before we were in government the system was being rorted.

It was drawn to our attention when we came to government and we reported the matter to the authorities, as you do, and as a consequence of that several criminal prosecutions have been completed or are currently before the courts. Investigations are, I presume, ongoing in relation to other matters. I know that matters have been referred to the police. That is a matter of public record.

The settlement of any civil breach of the scheme does not protect anybody from a subsequent criminal prosecution if that is appropriate.

Mr WOOD: One question following on from the member for Nhulunbuy, you were able to get \$500 to travel, and previously that did not exclude anyone, regardless of their income. The reason the government brought that in was to try to encourage people to stay in the Northern Territory. That does not happen now. It is one area, I must admit, about which I hear older Territorians say they have worked all their lives in the Territory and all of a sudden the government changed the system which, to them, looks like a slap in the face. Is the government considering, especially with the travel side of it, allowing that for all seniors or for all people over 65, for instance? It has been a common complaint back to me that ...

Mr ELFERINK: Sure, and I get that, but unfortunately what has occurred has exposed weaknesses in the scheme, and inequities, and we have to respond to those. Part of protecting the scheme is making sure the scheme remains viable, and viability is a dollar question.

Mr WOOD: Well, you did cut it down to \$500; that was a big change.

Mr ELFERINK: I know that people will not be happy with some of the changes; I accept that, but we need to change the scheme to protect it from collapse.

Madam CHAIR: That concludes questions for Output Group 11.

OUTPUT GROUP 12.0 – DISEASE PREVENTION AND HEALTH PROTECTION

Output 12.1 – Environmental Health

Madam CHAIR: We will move onto Output Group 12.0, Disease Prevention and Health Protection, Output 12.1, Environmental Health. Are there any questions?

Ms WALKER: I was going to ask questions, Madam Chair, but in the interests of moving forward in limited time, I will not ask them.

Mr WOOD: Just one; it is more of a rural question, minister. Does the department have a policy now on the sewerage treatment plants for urban-size blocks? There has been a lot of discussion about it.

Mr ELFERINK: Urban-size blocks?

Mr WOOD: Urban-size blocks in the rural area. Is there a definitive policy on sewerage treatment plants for those blocks?

Mr ELFERINK: That I do not know. I have just been advised there is a long-winded answer: no.

Mr WOOD: So is the long-winded answer yes, but I can get it on notice, or is it just no?

Mr ELFERINK: No, is the answer. I understand your question. I just would be very surprised that any planning authority - long before it gets to the Department of Health - would allow for sewerage treatment on an urban-sized block.

Mr WOOD: They do, and with the permission of the Department of Health.

Mr ELFERINK: In that case, I am sure that if they approached us - if that situation was to occur - we would give them an answer. Wow, this is like the days of the old dunny man, isn't it ?

Mr WOOD: It is a treatment plant, not a sewerage system. I will take the no and I will follow it up.

Mr ELFERINK: The answer is no, but if somebody knocks on our door - like Planning - and says, 'What are the health implications for something like this?' I am sure Health would give them an answer.

Madam CHAIR: That concludes consideration of Output 12.1.

Output 12.2 – Disease Control

Madam CHAIR: We will go on to Output 12.2, Disease Control. Are there any questions?

Mr WOOD: I have a few questions, but I will stick to one. What is the government doing in relation to the Zika virus?

Mr ELFERINK: Precautionary at this stage. I do not think it is present in the Territory. There is no evidence that it has been present. We are certainly keeping an eye out for it.

Mr WOOD: Those chickens have not got Zika virus yet?

Mr ELFERINK: The chickens, sitting there with their little metal hats on and bandoliers and, holding little chicken guns, being sentinels for us all, continue to do their job.

Mr WOOD: One of the great reasons chickens should be looked after, but I digress. I would just be interested to know because it is certainly an issue ...

Mr ELFERINK: Do I take it from that sort of comment that, come the Woods government, there will be the Nuremberg chicken crimes trial and KFC is the first one to go to the gallows?

Mr WOOD: No. Do not tell the health people, I occasionally eat KFC.

Madam CHAIR: That concludes consideration of Output 12.2 and Output Group 12.0

OUTPUT GROUP 13.0 – COMMUNITY TREATMENT AND EXTENDED CARE
Output 13.1 – Alcohol and Other Drugs

Madam CHAIR: We will move onto Output Group 13.0, Community Treatment and Extended Care, Output 13.1, Alcohol and Other Drugs. Are there any questions?

Ms WALKER: Minister, what portion of the alcohol and other drugs budget has been transferred out to the area health services?

Mr ELFERINK: I do not know off the top of my head. Mr Hendry, the CFO, has just whispered in my ear that we will have to get back to you. We will take it on notice.

Question on Notice No 4.7

Madam CHAIR: Could you please restate the question for the record, member for Nhulunbuy?

Ms WALKER: Minister, what portion of the alcohol and other drugs budget has been transferred out to the area health services?

Mr ELFERINK: We will accept that on notice and hopefully we can get an answer for you.

Madam CHAIR: The question asked by the member for Nhulunbuy of the minister has been allocated the number 4.7.

Ms WALKER: I am assuming, minister, that Alcohol Mandatory Treatment is funded through this output?

Mr ELFERINK: I understand that it is, yes.

Ms WALKER: I will proceed with some questions down that road. Minister, in response to written questions it was revealed that the residential AMT facilities were only one quarter occupied for the financial year last year. Can you give an update on the average occupancy rates of all the beds within each of the treatment centres for this financial year to-date?

Mr ELFERINK: You are obviously after the specific numbers and details rather than me speculating. We will get that for you.

Ms WALKER: The average occupancy rates of all beds.

Mr ELFERINK: Alice Springs – occupancy rate is 12; Darwin 26 ...

Ms WALKER: This is a percent?

Mr ELFERINK: This is beds.

Ms WALKER: Twelve out of?

Mr ELFERINK: Twelve out of a range of five to 19; 26 out of a range of 16 to 36 – so increased occupancy rates compared to last year.

Ms WALKER: Darwin?

Mr ELFERINK: That was Darwin.

Ms WALKER: Sorry what was Darwin again?

Mr ELFERINK: 26 out of a potential range of 16 to 36 beds.

Ms WALKER: In this financial year to date, how many people have completed their mandatory treatment for three months?

Mr ELFERINK: Most, I would imagine, because we lock them in pretty much. I do understand that they are capable of leaving from time to time with permission. I will get you an exact number for that. There is a lot of shuffling happening here; I suspect it might be an on notice.

Ms WALKER: Do you want to take it on notice.

Mr ELFERINK: Can we take it on notice? There is some nodding. Yes.

Question on Notice No 4.8

Madam CHAIR: Could you please restate the question for the record, member for Nhulunbuy.

Ms WALKER: Minister, how many people have completed their mandatory treatment this financial year to date? Could you provide those stats for Alice Springs and Darwin?

Madam CHAIR: Minister for Health, do you accept the question?

Mr ELFERINK: Yes, we will accept.

Madam CHAIR: Sorry I missed a question on notice, so the one you asked just before, member for Nhulunbuy, was about the number of people who have had completed mandatory treatment and that is 4.8 and you have another question to put on notice. Could you restate that?

Ms WALKER: That was the one I have just done.

Madam CHAIR: Okay. Continue.

Ms WALKER: You might need to take this one on notice, minister. How many people have been referred to community treatment this financial year?

Mr ELFERINK: I will definitely have to take that one on notice because that is through the tribunal that governs that. It could have easily have come up under AG's as well.

Madam CHAIR: We have the answer?

Answer to Question on Notice No 4.8

Mr ELFERINK: Not for that one, but for the one you asked in relation to numbers. We have commencements up to March, so the first three quarters. Residential treatment orders: Alice Springs, three; Darwin, 32; Katherine, one. Community treatment orders: eight for Alice Springs; Darwin, 14; Katherine, 1. Other, which means revocation exemptions, variations and cancellations: Alice Springs, 17; Darwin 22. Total individuals in all reaches across the Territory: 102, 28 in Alice Springs, 68 in Darwin, and six in Katherine.

Madam CHAIR: Does that answer the question you just put on notice, member for Nhulunbuy? Question 4.8.

Ms WALKER: Yes.

Madam CHAIR: We will take that off the list.

Mr ELFERINK: I have an answer for her second question as well. Community treatment orders in total: 83.

Ms WALKER: Is that up to the March quarter?

Mr ELFERINK: That is 1 July 2015 to 31 March 2016, so for the first three quarters.

Madam CHAIR: Does that answer your question, member for Nhulunbuy?

Ms WALKER: Yes.

Answer to Question on Notice No 4.7

Mr ELFERINK: In answer to your earlier question in relation to alcohol and other drugs expenditure going out to the health services – AOD: 9.4 and 4.3 to Top End and Central Australia respectively.

Ms WALKER: I am sure you will have this figure, minister. How many people, financial year to date, have not completed their mandatory treatment? The figure through to the end of the March quarter will be fine.

Mr ELFERINK: Seventeen.

Ms WALKER: That figure would include ...

Mr ELFERINK: That is Territory-wide from what I can make out here.

Ms WALKER: ... people who have absconded?

Mr ELFERINK: Yes.

Ms WALKER: How many people who have been through the program in its entirety have returned? They may have returned once or twice ...

Mr WOOD: Some have actually returned voluntarily, as in CAAAPU.

Mr ELFERINK: The short answer is I imagine there would be returns. We can get those numbers for you.

Question on Notice No 4.9

Madam CHAIR: Could you restate the question please, member for Nhulunbuy.

Ms WALKER: Minister, how many people who have been through the program in its entirety have returned, are those returns are more than once, and how many of those returns would include voluntary returns?

Madam CHAIR: Do you accept the question, minister?

Mr ELFERINK: Yes. Absolutely.

Madam CHAIR: The question asked by the member for Nhulunbuy of the minister has been allocated the number 4.9.

Mr ELFERINK: To cut a long story short, I imagine there will be a number of these people who return. That is the nature of addiction; it is not an easy cycle to break.

I have just been told that we are not aware of any voluntary returns, so I am not quite sure where that has come from, Gerry. You may know of one that I do not.

Mr WOOD: On my visit to CAAAPU they said some people come back voluntarily.

Mr ELFERINK: I can tell you, anecdotally, I have sat down and spoken to a number of the clients – for lack of a better word, inmates, because they are in mandatory circumstances – and one thing I get consistently from them is the fact they are grateful for a clear head to see the world through a different lens than they may have had over recent years.

If that makes a substantial difference to them, I am heartened by that. I am also mindful of the fact that the nature of addiction is that, even with the best intentions, one drink is one too many and then a thousand will not be enough.

Mr WOOD: CAAAPU has a voluntary section as well, so that may blur it a bit.

Mr ELFERINK: Since long before AMT, Health has provided alcohol and other drug services to people who are volunteers, including, if memory serves me, some form of supported accommodation through organisations like CAAAPU. CAAAPU was around long before AMT was. In fact, all those people were volunteers at one stage, so that might be the case. Mandatory treatment, of course, is an interrupter; it is essentially a mental health intervention, if you are going to be honest about it.

Madam CHAIR: Do you have any more questions on alcohol and other drugs?

Ms WALKER: Minister, what has been the cost of the program per treatment, that is, one person under one order for three months is one treatment?

Mr ELFERINK: I think the number that I saw on ABC TV a while ago was something like \$80 000. It has reduced substantially in recent times, because of increased numbers, down to about \$63 000 or thereabouts. I think that is about right. As volumes increase, the cost will come down. Compare it to a renal dialysis patient – you are looking at \$103 000 per year.

Ms WALKER: Did you say \$63 000 was the overall cost for one treatment?

Mr ELFERINK: Yes.

Ms WALKER: Would we see variations in that cost between Darwin, Katherine and Alice Springs?

Mr ELFERINK: I imagine you would. The more people you have ...

Ms WALKER: Are we able to get that figure or is that too complex?

Mr ELFERINK: It is drilling in a bit deep but we can certainly see if we can hunt it down. The more people in the system the cheaper it becomes per head of population.

Madam CHAIR: So you will take that question on notice?

Mr ELFERINK: Yes we will take it on notice.

Question on Notice No 4.10

Madam CHAIR: Can you restate the question, member for Nhulunbuy.

Ms WALKER: What has been the cost of the program per treatment, that is, one person under one order for three months is one treatment, a) overall, b) in Darwin, c) in Katherine and d) in Alice Springs?

Madam CHAIR: Do you accept the question, minister?

Mr ELFERINK: Yes I do.

Madam CHAIR: The question asked by the member for Nhulunbuy of the minister has been allocated the number 4.10.

Mr ELFERINK: I want to make one observation though. I appreciate it is expensive and it sounds expensive, but medical care is expensive. If somebody has rheumatic heart disease and they have a bacterial infection on their heart valves, we fly them interstate, for the moment at least. That costs money as well. To put that into context, you would not get much change out of a couple of hundred grand in an exercise like that, I guess. Renal patients alone cost \$103 000 a year, so in the context of medical services delivery there is a reason the Health budget is \$1.5bn.

Madam CHAIR: I remind everyone we have just got over one hour to complete Health and Correctional Services, so if we could keep our comments to a minimum, and questions.

Ms WALKER: Thank you, Madam Chair, noted. Minister, can you tell me where the review into alcohol mandatory treatment is at, when we can expect to see that review completed and when would it be made publicly available?

Mr ELFERINK: It is a longitudinal review so there is a lot of work going into it. It is January next year when the review will report back.

Ms WALKER: That review is being conducted within Health?

Mr ELFERINK: Yes. Menzies School of Health has carriage of it. I will let Prof answer the question. It is all yours, Prof.

Professor NOTARAS: Thank you, minister. The Department of Health has engaged PriceWaterhouseCooper Indigenous corporation to conduct the review. It is in association with the Menzies School of Health.

Ms WALKER: Excellent!

Professor NOTARAS: There is a check, or at least a gateway check, at the end of July, but that is just a calibration of where they are at. Alan Cass from Menzies has told me the review will be finished in January of 2017.

Ms WALKER: I look forward to seeing that review. Minister, you berated me last year for suggesting it should be outsourced outside of your agency. I will show you in *Hansard* later if you want.

Mr ELFERINK: No, that is fine. Let us just say that I am sometimes a soul on the road to Damascus, like the rest of us.

Mr WOOD: Who reads last year's *Hansard*?

Ms WALKER: I have great trust and faith in your agency and the people who work there, but the expertise through Menzies School of Health can only make for a good evidence-based ...

Mr ELFERINK: They are purpose built for this sort of research; why would you not bring them on board?

Ms WALKER: Excellent. Thanks for that, minister, we look forward to seeing that report. I make reference to comments made by the Chief Minister yesterday during his session where he said:

My preference is that we go back to the model that is mandatory and you are not getting out.

...

... moving into the election I will certainly be saying that we go back to the old way.

Is this your view, minister? Has Cabinet made a decision that you will be going back to the legislation which saw people penalised for escaping?

Mr ELFERINK: It is a good question. The original model which I personally envisaged was not health focused; it was a hybrid between criminal justice and health. When I envisaged it when we were in opposition, we constructed the policy to create a vehicle by which a mandatory order could be obtained. The vehicle was that a person, similar to an alcohol protection order as it has now become manifest, would be subject to an order to undergo treatment, and if they refused or for whatever reason left that treatment facility then they would have breached the law and would be charged with a criminal offence of breaching the order, which then would lead to an incarceration inside a prison, with the effect of them bringing health services in an incarcerated environment.

I did not have control of the policy after we came to government, so the nature of that policy changed. I have some sympathy with the Chief Minister's observations because the tribunal process and the health focus has gotten to a point where, to a degree, it has stepped away from the mandatory part of it.

Bearing in mind we are dealing with some very sick individuals, if they were then ordered into an environment where they were held as a form of sentence, that would not cause me much grief, but I

imagine some clinicians may have an ethical issue with that. That is a bridge you would have to cross at that point.

Having made that observation, the focus for me was always to get these habitual drunks out of circulation and into some sort of treatment because the average Territorian is sick and tired of seeing them in our parks and gardens. That was part of my motivation, but I also know, after years out arresting these people, and in some instances putting them into body bags, that these were people who needed some sort of intervention, because their conduct was often terminal.

Ms WALKER: I will make the comment that I will keep an eye on the Chief Minister's Facebook page, where he seems to be announcing policy these days as to where he is planning on going ...

Mr ELFERINK: The Chief Minister and I often have conversations about how we step forward and I will continue encouraging the government to be firm in this space, as the Chief Minister is indicating.

Ms WALKER: Minister, do you have a figure as to how much the Alcohol Mandatory Treatment program has cost this financial year to date; I am talking to 31 March.

Mr ELFERINK: The spend at the end of this year will be about \$24m.

Answer to Question on Notice No 4.10

Mr ELFERINK: I have an answer to an earlier question on notice in relation to cost per service per location. Darwin, \$62 000; Katherine, \$64 500; Alice Springs, just over \$66 000; I have exact numbers here, but that is accurate enough.

Ms WALKER: Thank you.

Madam CHAIR: That was the answer to question 4.10.

Madam CHAIR: Any more alcohol and other drug questions?

Mr WOOD: The department decided it would take the Darwin treatment plant out of its own control and put it out to contract to Saltbush.

Mr ELFERINK: Treatment plant; I am still thinking we are on sewerage. Do you mean treatment facility? Sorry, are we back on sewerage? No, I know what you are talking about. Yes, you are talking about – it is like that at the old LSU.

Mr WOOD: The AMT was moved from Health to a private provider.

Mr ELFERINK: Yes.

Mr WOOD: What were the reasons for that and what was the contract price for that changeover?

Mr ELFERINK: Without breaching any commercial-in-confidence, it is part of the \$24m. I would have to get you a number in relation to that. I just have to confirm whether it is commercial-in-confidence or not. Saltbush, of course, is Karen Sheldon. If there was ever a finer human being on the face of the planet I have yet to meet them.

Mr WOOD: I have Vegemite sandwiches every day from Karen Sheldon and I am still alive.

Mr ELFERINK: She is a lady who has worked very hard her whole life, and her generosity and sense of social responsibility in terms of how she conducts her business are beyond commendation.

Mr WOOD: I have only heard good reports about it, but I just want to know why there was a changeover. Is it saving money by getting a private provider?

Madam CHAIR: Do you want to put that on notice?

Mr ELFERINK: It is not commercial-in-confidence because it is in the written questions. In total, if you include the mandatory treatment service and the after-care program, it is \$6m. So there is follow-up after these people leave. You will find it in the written questions, apparently, and it is there.

Madam CHAIR: That concludes consideration of Output 13.1.

Output 13.2 – Disability Services

Madam CHAIR: We will now consider Output 13.2, Disability Services. Are there any questions?

Ms WALKER: Minister, I imagine the move towards independence for the Office of the Public Guardian will now occur quite quickly? It comes into place on 1 July.

Mr ELFERINK: Yes.

Ms WALKER: Has the staffing allocation been decided for the office?

Mr ELFERINK: Yes.

Ms WALKER: And it is?

Mr ELFERINK: Essentially it is the transfer of the current office inside the department, with one or two variations, but it is essentially the same people. They remain on the public payroll; they are public servants. They just operate under an independent office in the same way as the Ombudsman's staff or, for that matter, the Health Complaints Commission's.

Ms WALKER: And the appointment of the Independent Statutory Officer, who will be heading that up?

Mr ELFERINK: We are advertising. I might put my hand up. I have had experience in the job; I have the job now and seeing I might be looking for a job ...

Ms WALKER: Will that position be filled by 1 July ready to go if you are still advertising?

Mr ELFERINK: We are being careful. We are making a temporary appointment in the meantime. There will be somebody acting in the role until we land somebody.

Ms WALKER: Within Health?

Mr ELFERINK: I presume so. I would like to introduce, Ms Janet Anderson. She can explain.

Ms ANDERSON: Janet Anderson, Deputy Chief Executive, Department of Health. As the minister started to say, we want to ensure this is stood up in the right way. We are conscious that there probably is not enough time available between the passage of the legislation and the commencement of the act to go out and do the full competitive selection process that is appropriate for a position of this responsibility. We are putting forward – indeed, the minister's uncertainty about this is because I think it may be coming to him rather than with him at the moment – a proposal that there be a temporary appointment. We will be seeking expressions of interest from people who would consider themselves eligible on a temporary basis to take on this role while we do the necessary establishment and then undertake competitive selection.

Mr ELFERINK: A small *mea culpa* on my part. The process of introducing the legislation was caught up in the Cabinet process, which extended it out by about six months. I will not go into details about what happened in the Cabinet room, suffice to say it did not pass the first time I brought it in. It did the second time. You are then on the horns of a dilemma. Do you still press on with it as you reach the end of your tenure or do you wait for somebody else to pick up and cause further delays? The truth is, I made the decision to bring it back into Cabinet and Cabinet approved the passage of legislation. In terms of it being timely, it could have been more timely. It is better that it is there and ready to go. I have inflicted this on the department rather than the other way around.

Ms WALKER: With the full roll-out of the NDIS occurring from 1 July 2016, is there any planned allocation of resources to advocacy and/or education roles?

Mr ELFERINK: I am so glad you asked that question because one of the reasons it took me such a long time to get to the point where I was prepared to sign off with minister Porter at the Commonwealth level

was that I had repeatedly said, both in front of the Senate and other organisations, that I was deeply concerned about how the model would operate in the Northern Territory, particularly in terms of equitable outcomes and service delivery in remote and regional areas.

There is a sector development fund, of which we have already secured \$3.8m. I have it from the federal minister, presuming he is returned to office, that indications at officer level are very strong that we will get a larger bite of that cherry. I chose not to make it condition-precedent on signing up to the NDIS. The reason being is that if we went into caretaker mode and there was a change of government we would be pretty much back to square one in the negotiation process and I did not want to delay it. The fact we already have \$3.8m is the bare bones of what we need for exactly the sorts of services you describe in terms of the sector development fund.

I have made it abundantly clear to minister Porter that my expectation is much closer to \$15m, and should the coalition be returned to government one of the last things I will do as a minister of the Crown in the Northern Territory is make sure we secure the funding in accordance with the understanding I have with the Commonwealth minister.

Ms WALKER: Minister, I provided you with a written question, and I trust you have answered it in the global questions that were returned, to provide an update on the development of the NT Disability Strategy.

Mr ELFERINK: Affirmative.

Ms WALKER: Thank you. Can you please advise the number of clients accessing community support services in 2014-15? That was a written question, has that been answered?

Mr ELFERINK: That has been answered.

Ms WALKER: Thank you very much. The member for Casuarina recently met with Carpentaria Disability Services to talk about the Community 360 project. Could you please outline the process by which the project was selected for funding?

Mr ELFERINK: You are talking about the \$28m commitment. The process itself was a pitch essentially by Carpentaria Disability Services. I met with them almost immediately upon becoming the Minister for Disability Services and they described to me what I considered a very strong model. They described to me the hub, if you like – the shopping centre for disability services, for a lack of better descriptions – and said they had \$10m put aside.

We have decided, as a government, to back them. The Commonwealth has come in also with another \$8.5m or thereabouts, which gets them very close to their \$30m, and then they can go ahead. It was their initiative that drove it on.

Ms WALKER: I am going to curtail my questions on Disability Services in the interest of time.

Answer to Question on Notice No 4.8

Mr ELFERINK: I have an answer in relation to completions, July 2015, in relation to AMT, to March 2016, for question 4.8: residential treatment, 127; and community treatment, 89. A total of 216.

Ms LAWRIE: My question in relation to Disability Services you have somewhat gone to in your previous answer to the member for Nhulunbuy. It was in regard to Carpentaria Disability Services. What consultation occurred more broadly with the disability sector before a decision was made to go with the initiative of Carpentaria?

Mr ELFERINK: Carpentaria started in a position of putting \$10m on the table. We were invited to match it, and the business model, I presume, has gone through all the appropriate checks and balances in the department. The advice government received was that the business model was sound and worth pursuing, particularly with the roll-out of the NDIS now that people will be shopping for services.

I think their model is very timely, so the fact there was already \$10m on the table was very attractive.

Ms LAWRIE: To that question of consultation more broadly, with disability service providers or with the Disability Advisory Committee, did consultation occur prior to that decision?

Mr ELFERINK: I will leave it to prof. I do not think there was any great secret about what Carpentaria was attempting to do. We were seeing the signals at the time – we liked the fact they put \$10m on the table.

Professor NOTARAS: My understanding is there was a fairly extensive consultation and that others were involved at the time. My further understanding is the amount that Carpentaria was bringing forward and the links with the federal governments helped to persuade that was the right thing to do.

Ms LAWRIE: Would you be able to provide any specific information in regard to the consultation process, meetings and dates? Take it on notice?

Mr ELFERINK: Yes, we will take it on notice.

Question on Notice No 4.11

Madam CHAIR: Could you please restate the question for the record, member for Karama?

Ms LAWRIE: Could you provide specific details of consultation in regard to the government contribution to Community 360 at Carpentaria Disability Services with disability service providers, disability clients, their carers and the Disability Advisory Committee prior to the decision being taken to grant the \$10m.

Madam CHAIR: Minister, do you accept the question?

Mr ELFERINK: Sure.

Madam CHAIR: The question is 4.11

Ms LAWRIE: In follow-up to that, having a disability sector background as I do, it is a very welcome commitment in funding to service provision in the sector. I guess it has taken many people by surprise that there was not a competitive process around it in terms of other service providers.

Mr ELFERINK: I have heard as much.

Ms LAWRIE: Hence, obviously, the questions I am asking. Was there consideration at the time to being more competitive? One of the things confronting clients with the NDIS is the ability to access services, and decisions they make. A bulk-up of funding to one provider rather than additional funding to a series of providers perhaps could be seen as giving the clients and their carers less opportunity than they would have otherwise liked to have seen.

Mr ELFERINK: That is a fair question. Bearing in mind the 360 model is about capital expenditure – building buildings and then rolling out services, nobody else that I am aware of was in the marketplace saying, 'We are looking at spending \$30m on building buildings'. If it was recurrent expenditure or expenditure on non-capital expenditure-type items and we were going into the marketplace – there is no shortage of providers in the disability sector even now, and I suspect the NDIS will change that substantially – then we would have much more readily gone to a broader approach of speaking to the whole sector.

Reading between the lines you could say, 'What happens if Carpentaria has management issues, falls in a heap?', whatever. There is nothing to suggest they will; what I am saying is if that is what people are concerned about then the buildings will still be there. I am less concerned about that than somebody who is providing services with that money, because that would be something another organisation could successfully take over and there would be no substantive impact on the roll-out of disability services.

When somebody is sitting in front of you at the table saying they have \$10m to start off with – nobody else is in the marketplace close to that and suggesting that type of model. Negotiations were held and Carpentaria made no secret of what they were hoping to achieve in that space. You make a decision and you go for it. If that turns out to be wrong, then so be it, but I suspect it will not be. As you said, it is a welcome injection, which is \$20m more in the sector than otherwise would have been available.

Ms LAWRIE: Where do you see the opportunities for growth in disability services in the Territory? We have significant unmet needs, so what are the priorities of government spending in meeting unmet need?

Mr ELFERINK: None. The NDIS is in that space. However, having made that observation, the process of the NDIS is that the states would essentially step away from it completely; it would have nothing to do with the states. Clearly that would never eventuate, and it has not eventuated. The states have to become involved beyond merely being a premium provider. The role of the state now will largely be oversight and policing.

I wanted to make sure, in the sector development fund and the fund money that was available, that the money would find its way into the Northern Territory so we can make damn sure that when somebody living in Lajamanu, Yuendumu or, for that matter, Docker River, gets their allocated package for their disability, some provider does not drive up in a 200 series LandCruiser and say, 'Here is your bandaid because that is all that is left of the money from your package'. It is that sort of thing I was very conscious of.

The NDIS in Darwin, Alice Springs and, to a lesser degree, Katherine and even Tennant Creek, is fine for those people who are close to services and have the capacity to manage the packages they receive, as has been welcomed by many people in other jurisdictions. My concern was about equitable service delivery and certainty of service delivery in remote and regional areas. My secondary concern was the tranche three definition of what a recipient would be.

In the Barkly trial area we had 106 people we provided disability services to. The trial site then applied tranche three as it was going to be applied at that stage, and knocked out 56 of the recipients. So out of the 106, half were going to get really excellent services and the other half were going to miss out completely. Those things are why the Territory government has delayed in signing up to this thing.

In terms of the future, as long as the policing arrangements are there and the services are going to regional and remote areas, it is up to the industry itself to develop business models. Where do I think it is going to go? I think you are going to find that those people who come with much more business-oriented plans to servicing customers are going to be the ones that succeed. I suspect there are going to be economies of scale so that the larger organisations will survive and smaller organisations will probably contract out to the larger organisations for boutique-type services.

Ms LAWRIE: What about the existing services such as the TIME Scheme and the SEAT scheme where people access aids, equipment and specialist assessments at the Royal Darwin Hospital campus? What is going to happen in terms of those?

Mr ELFERINK: One of the things I would anticipate - and I have certainly had discussions at a superficial level with both health boards - is them looking at themselves becoming NDIS providers, being competitive in that marketplace and even making a quid on the deal in the process, like any other provider would.

Madam CHAIR: Any other questions on Output 13.2, Disability Services? That concludes consideration of that output.

Output 13.3 – Mental Health

Madam CHAIR: We will now take questions on Output 13.3, Mental Health. Are there any questions?

Ms WALKER: As previously raised, there is a decrease in budget for mental health services overall of approximately \$1.77m. Can you please outline this decrease and what the impact will be?

Mr ELFERINK: Largely Commonwealth. The Commonwealth has once again, through its ERC process, found places to make cuts, and there is a national partnership agreement that is coming to an end. What we will endeavour to do is, through efficiencies, make sure there is not a diminution of services. We will continue to run the subacute beds for juveniles attached to the Cowdy Ward. We will keep, as far as I know, all the services we have in all of our acute and subacute facilities across the Northern Territory operational, and I have asked the department to find efficiencies within to make certain that occurs.

If the department comes back to me and says, 'We cannot do it', then we will cross that bridge when we get there and I will look for other places in the department, but I was frustrated, of course, like anybody else.

We are also in the process of extracting \$263 000 from Health to the Department of the Attorney-General and Justice because of the Community Visitor Program. That is another component of the reduction, but it will not lead to a reduction in services, certainly not while I am minister.

Ms WALKER: Is the cessation of the child and adolescent mental health service to East Arnhem Land a result of that? That visiting service ceased in February. Is that associated with these cuts?

Mr ELFERINK: It is news to me. Mr Kalimnios, can you shine a light on this for me please?

Mr KALIMNIOS: There have been some issues with provision of service in child and youth mental health. The model has been revised, so it is still provided as an outreach service. There are some issues we are working through from an East Arnhem perspective with Top End Mental Health Services to make sure that service is delivered in an efficient way. The actual carriage of mental health services in East Arnhem will be transferring to East Arnhem locally on 1 July, so that is part of the resolution of that process. There is some action in that space, both youth mental health and adult mental health. We are well aware that the withdrawal of the service at the time ...

Ms WALKER: The sudden withdrawal.

Mr KALIMNIOS: That was to do with a whole series of issues around available skills, etcetera. It was not a resourcing thing. It was really an inability to deliver the service effectively, but that is part of the whole redesign of the mental health service and giving control of it to the general manager of East Arnhem directly to deliver that. Hopefully we will end up with a much more focused local service as a result of that.

Ms WALKER: Let us hope so, because it is desperately missed out in that region.

Mr ELFERINK: I would love to be all things to all people.

Ms WALKER: Minister, in estimates last year you referred to new positions that are now operational. Can you please advise how many people have accessed the services of the CAT court liaison officers and the mental health housing officers?

Mr ELFERINK: Did that come through the Health or A-G's budget? It is Health. We do not have the throughput numbers but the bodies are on the ground and doing the work. Certainly when I spoke to the Chief Judge he indicated to me that the people are there.

Ms WALKER: Would you be prepared to take that question on notice?

Mr ELFERINK: Yes.

Question on Notice No 4.12

Madam CHAIR: Could you repeat the question please, member for Nhulunbuy?

Ms WALKER: Minister, in estimates last year you referred to new positions that are now operational. Can you please advise how many people have accessed the services year to date of the CAT court liaison officers and the mental health housing officers?

Mr ELFERINK: We will accept that question on notice.

Madam CHAIR: The question asked by the member for Nhulunbuy of the minister has been allocated the number 4.12.

Ms WALKER: Minister, in October last year you announced \$150 000 for youth mental health services in Katherine, and advocacy for a headspace centre there. Please can you provide an update on how these discussions are going?

Mr ELFERINK: Was that a written question? Legislative Assembly question 512.

Ms WALKER: Sorry. You have already answered that.

Mr ELFERINK: I remember reading it somewhere and it was in answer to the question.

Ms WALKER: Minister, the department undertook consultation after the release of the mental health services strategy. What was the feedback and are any changes anticipated as a result?

Mr ELFERINK: I am not sure about the feedback per se. I think that would largely be anecdotal, but I think the strategy remains largely unchanged and on foot. I did not notice any change in strategy when I last looked at it. Unchanged and on foot is the short answer. Nothing is happening to my immediate left, which gives me more comfort that I am correct.

Madam CHAIR: Are there any other questions under Output 13.3, Mental Health?

Mr WOOD: One question, Madam Chair. I raised this with the Anti-Discrimination Commissioner. She mentioned in her report the state of the Joan Ridley Unit. Was there anything in this year's budget to address those concerns?

Mr ELFERINK: Mr Kalimnios?

Mr KALIMNIOS: There is no specific allocation to address Joan Ridley in a specific sense but there is a whole series of issues the commissioner has identified that we are working through locally from our own repairs and maintenance/capital works perspective. We are taking on board all the recommendations that have come through that process. We have already started a number of works in the centre to make it more effective and to deal with some of the issues that have been dealt with there. In terms of specific allocation, unless I am corrected I do not think there is specific allocation. We obviously have general allocations in Top End Health Service around R&M, capital works and minor new works, and we are prioritising those to meet those needs.

Ms LAWRIE: Minister, the staff at Cowdy Ward have initiated a fantastic project in terms of the gardening project there. I commend them for that. I think it is getting some really good outcomes.

Mr ELFERINK: And some nice gardens.

Ms LAWRIE: Yes. I am aware that they have been fundraising to purchase massage chairs, one at least, ideally two as part of the therapeutic services to be provided to patients.

Mr ELFERINK: Are these the electric ones that you plug in?

Ms LAWRIE: Yes. They retail I think between \$2500 and \$5000 per chair, so it is not an inexpensive piece of equipment. I think so far they have raised about \$1000. Would you consider providing funding for one chair and working with me to seek corporate sponsorship to provide for the second chair?

Mr ELFERINK: The Northern Territory government commits to matching dollar for dollar every dollar raised up to \$5000 for the purchase of these chairs.

Ms LAWRIE: Fantastic, and we work together seeking philanthropic funding from corporates, because I am sure the CEO of the Department of Health has some knowledge in that area. I have some background in seeking philanthropic donations and ...

Mr ELFERINK: It is \$1.5bn. If they cannot shake down my CEO for \$5000 worth of dollar-for-dollar matching – well done, member for Karama.

Ms LAWRIE: I want to say well done to you and your department, particularly to the staff of the Cowdy Ward, who have their heart and soul in the therapeutic care of these patients.

Mr ELFERINK: There you go – on-the-spot decision. We did not go to any higher process or anything, just made a decision.

Ms LAWRIE: Things can happen. That concludes consideration of Output 13.3 and Output Group 13.0.

OUTPUT GROUP 14.0 – CORPORATE AND GOVERNANCE

Output 14.1 – Corporate and Governance

Madam CHAIR: The committee will now proceed to Output Group 14.0, Corporate and Governance, Output 14.1, Corporate and Governance. Are there any questions? That concludes consideration of Output 14.1.

Output 14.2 – Shared Services Provided

Madam CHAIR: Output 14.2, Shared Services Provided. Are there any questions? That concludes consideration of Output 14.2 and Output Group 14.0.

OUTPUT GROUP 15.0 – NATIONAL CRITICAL CARE AND TRAUMA RESPONSE

Output 15.1 – National Critical Care and Trauma Response

Madam CHAIR: The committee will now proceed to Output Group 15.0, National Critical Care and Trauma Response, Output 15.1, National Critical Care and Trauma Response. Are there any questions? That concludes consideration of Output 15.1 and Output Group 15.0.

OUTPUT GROUP 16.0 – HEALTH SERVICES

Output 16.1 – Top End and Central Australia Health Services

Madam CHAIR: The committee will now proceed to Output Group 16.0, Health Services, Output 16.1, Top End and Central Australia Health Services. Are there any questions?

Madam CHAIR: I have a question, my one and only question.

A few years ago in Queensland 12 senior doctors were accused of inappropriately treating and billing private patients in Queensland public hospitals, effectively double dipping as they were paid both by the public and the private sector for the same procedure. Others were accused of operating on private patients in public hospitals on their own time and pocketing the extra income without paying back the public sector for its facilities.

In the Queensland case, the Queensland Crime and Corruption Commission found insufficient evidence of official misconduct to warrant an investigation into these 12 senior doctors. An allegation has been made to me that this could be occurring in NT hospitals. I am simply repeating this allegation made to me. Is this practice of double dipping occurring in the Northern Territory and what do you do, as a government department, to ensure that double dipping by doctors does not occur?

Mr ELFERINK: I suspect what may have gotten lost in translation somewhere is that there are arrangements with certain doctors, which are quite official and quite open, and it has been done for many years, as I understand it. It is one of the ways we keep specialists in the Northern Territory where there is use of shared services between public hospitals and private practitioners.

That is government policy and has been for 20 years, and it is how we keep specialists in Darwin and that sort of thing. I am guessing what you may have heard is a variation or misunderstanding of those arrangements. However, if you have a specific instance where you believe some inappropriate conduct is occurring then I welcome you to raise that with me directly outside of this room, just in case someone gets named. We do not want to embarrass them in case they are operating perfectly legitimately and we will treat any such matter with great care until we establish the truth of it one way or another.

Madam CHAIR: Are you saying that double dipping cannot occur in the Northern Territory?

Mr ELFERINK: What I am saying is if you are talking about some sort of fraudulent conduct, once again, they would have to be acting in some sort of fraudulent way. If, however, there is an approved arrangement in place that has reflected policy for the last 20 years and somebody says it is double dipping, then that would be perfectly legitimate.

That is just an interpretation a person may apply to it, but it is an arrangement that has been around since I think Jesus was playing for the Jerusalem First Fifteen; they had an excellent season that year, by the way.

Mr Kalimnios can shine a light I understand.

Mr KALIMNIOS: To support what the minister and the Chief Executive are saying, there are very close working relationships, particularly between Royal Darwin and Darwin Private Hospital. There have been issues constantly raised around double dipping; they are almost daily. We take a lot of care and effort to investigate those. We have had challenges, because of the enmeshed nature of the services provided across the two campuses, about making sure our rostering reflects when people are working for the public and when they are working for the private. We have made significant improvements over that over the last 12 months or so.

It is an issue we are very vigilant about. As the minister said, if there are specific instances where people want to raise those issues we are more than happy to look at them. We are going through a major process at the moment of sorting out the arrangements and being very transparent between us, Darwin Private and other commercial providers. It certainly is on our radar.

Madam CHAIR: Are there any other questions? Are there any non-output specific budget-related questions.

That concludes consideration of outputs relating to the Department of Health. On behalf of the committee I thank the Department of Health officers who assisted the minister today. Thank you very much.

TOP END HEALTH SERVICE

Madam CHAIR: The committee will now consider the Top End Health Service businesses line. I invite you, minister, to introduce the officials accompanying you, and if you wish to make an opening statement regarding the business line Top End Health Service, please do.

Mr ELFERINK: I have already done my opening statements, and I will not take up the committee's time. I know that we are running preciously short.

Madam CHAIR: I will just throw it open. Are there are questions pertaining to the Top End Health Service?

Ms WALKER: Yes, thanks, Madam Chair. Minister, are you able to explain what the \$36m over two years outlined in the Department of Health's budget highlights will purchase for Palmerston Regional Hospital?

Mr ELFERINK: In my opening statement I referred to the \$186m spend on the core clinical system. I am going to be quite frank about the state of our IT in the Health department; it is pretty crook. CareSys is essentially a database that tracks back to about the 1980s, which was when it had life breathed into it. There is a lot of software at the moment where you can have various databases. I think we have about 32 separate and discrete databases in the Northern Territory Health system alone. There is a lot of software you can buy off the shelf at the moment which reads multiple databases and brings all that stuff together, which is great if the databases are sound.

CareSys is not sound. I am deeply concerned that, as time passes, it will become harder to service. Indeed, the organisation which oversights and services it is about to withdraw its services from Australia. Frankly, as I have said in a number of places, the system is written in the computer equivalent of Sanskrit, and if we wanted to talk to the original system designer we would probably need a ouija board. We have a choice. We either keep trying to bolt things on to the side of it, patch it, plug it, mend it, stick bandaids all over it, or ultimately we have to take the decision that has to be taken sooner or later, which is to go back to square one and rebuild the system. We are not the only jurisdiction in this country to be exposed in this fashion. I suspect that other jurisdictions may even be weaker than we are.

But if CareSys fails we are back to a paper-based system. Unfortunately we have to spend a bucket load of dough on building a computer system. You do not even get to stand in front of a building afterwards, but it is a necessary part to make sure – this decision implementing the changes to the information technology means that rather than retrofit it into the Palmerston hospital, we have to design it into the hospital before we build it.

That was not part of the initial plans, so part of our renegotiation with the Commonwealth government about the milestones and those sorts of things is making sure our core clinical systems in Palmerston hospital will be built to the expectations of the hospital. It was not part of the original design, but it is – I will not even say a retrofit, because we are fitting it whilst it is being built. But that means a commitment of \$36m going forward.

Ms WALKER: So that \$36m over two years ...

Mr ELFERINK: And it is also furniture and fittings as well.

Ms WALKER: Yes. Of that \$36m over two years, how much is this ICT system upgrade costing?

Mr ELFERINK: As a fraction of it, it is about \$20m for the furniture and fittings, so the rest of it would be the ICT and a few other things, but Mr Kalimnios, your finger goes up and I will defer to the wisdom of smarter people than I.

Mr KALIMNIOS: There are two sources of funding in terms of IT for Palmerston. Of the \$36m the minister was talking about, there is about \$10.5m, but that is not for the CCSRP. That is for basic IT infrastructure to be able to run – CCSRP is the software applications. There is a separate allocation in the CCSRP budget, which is that \$186m, and that is around, from memory – and this money does not sit in the Department of Health, of course; it sits under DCIS - \$30m or so. I stand to be corrected on that, for the actual CCSRP component for Palmerston, but the bits that is in the figure the minister is talking about is to enable CCSRP to operate. So it is all your wiring, switches, all that IT infrastructure kind of stuff.

Ms WALKER: And that is about \$16m out of the \$36m.

Mr KALIMNIOS: No, \$10.5m.

Ms WALKER: Sorry, \$10.5m, and the remainder is for furniture, fittings ...

Mr KALIMNIOS: The remainder is basically FF&E, and there is a small component for the commissioning team, for the project team.

Ms WALKER: Minister, in available documents there is a staged activation process for the opening of the Palmerston Regional Hospital: Stage 1 in May; Stage 2 in July; and Stage 3 in October 2018. Can you explain what each of those activation stages mean? What happens?

Mr ELFERINK: Pretty much May means that we will be making the hospital operational and I am pretty certain that is almost full operation in May. We will take possession of the hospital effective in March 2018. By May the doors are open; we are open for business. The subsequent stages are not substantial, as I understand it, but I could stand to be corrected on that.

Ms WALKER: What happens in Stage 2 in July?

Mr ELFERINK: I have Ms Anderson raising her eyebrows.

Ms ANDERSON: My understanding of the situation is that the commissioning team is working through this. We are talking about something which is going to happen in two years' time. There is a great deal that needs to be done between now and then. Absolutely the minister is spot-on; May is the date on which we have identified that there will be commencement of services at the hospital. The staging beyond that is really a work in progress.

We are being deliberately cautious about what we say and when, because it has to be part of a larger communication strategy. Quite clearly, for the community of Palmerston and the surrounding areas, this is critical. We have got to get it, particularly in terms of the quality and safety of the services delivered there and the workforce that is going to have the expertise and the numbers we require to stand up the necessary services.

We are being cautious in what we can say at this point. It would be fair to say the commissioning team absolutely has this squarely in their sights. There has been an enormous amount of consultation, particularly with clinicians, but not exclusively by any stretch. There will be further conversations between now and the next 12 months, and we will then be more confident of being able to say exactly what the staging will be and how we stand up the services in sequence.

Mr ELFERINK: May I be permitted, by the way, just to table a document which will give you a measure of what has changed in the last few years. This is the comparison of the original site, back four or five years ago of 14 000m², compared to the 42 ha site that is available now, and you can see that what was initially envisaged by the former government and what is actually being constructed and reserved for the hospital site shows a substantial change since that originally occurred. I seek leave to table that.

Mr KALIMNIOS: Just on the staging bit, to support what the Deputy CE was saying, it is important to note that there should be no expectation that in May the hospital will be fully operational. Part of the commissioning process is about testing systems and processes, so ramping up slowly. I think we put on record before, at things like Public Accounts Committee hearings that it will take us at least six months to get the hospital to that first stage of operation. Again, as the Deputy CE said, we are working through that process. Just to be clear, part of our commissioning process is making sure we can deliver safe services. We need to be cautious about how we ramp up services over that period of time. There certainly will be services opening in May 2018. Let us be clear about that process.

Ms WALKER: That might answer my next question, which was going to seek some clarification – in April, at the Public Accounts Committee you stated that patients will be seen from May 2018, but yesterday, before the Estimates Committee, the Chief Minister stated this would occur in September 2018.

Mr ELFERINK: We will be seeing patients in May.

Ms WALKER: So it is definitely May 2018?

Mr ELFERINK: Yes.

Ms WALKER: The Chief Minister must have got the wrong ...

Mr ELFERINK: I suspect he was briefed on the staged opening process, but as part of the process the doors will be open to receive patients in May 2018.

Ms WALKER: Do you have any questions about Palmerston Regional Hospital because I was going to move off that?

Mr WOOD: I keep an interest in it because it is in my area. I just wondered whether you might put it in your little book of possibilities for a new name: the Doctor John Hargreaves Hospital.

Mr ELFERINK: That is the fellow that was at the leprosarium, was it not?

Mr WOOD: Yes. He spent many years helping people with leprosy and also went to East Timor to help people with facial deformities. I think it would get away from me worrying whether it is ever going to be the Palmerston and Regional, Litchfield or the Holtze hospital. It would be a good name for someone that I think worked most of his life in the Territory for people of the Territory.

Mr ELFERINK: Without pre-empting anything, and I certainly do not know if this is for sure, you are probably looking at some sort of competition or public process.

Mr WOOD: We probably are. While the Professor is here, I thought I would give him a hint.

Mr ELFERINK: I am hearing the plug, but you have blokes like Alan Bromwich as well, who recently passed on, whom, goodness gracious me, has been around since the 1950s in the Northern Territory.

Mr WOOD: I am not putting anyone down, by the way.

Mr ELFERINK: I was quite attracted to the Royal Prince Harry, but my Cabinet colleagues could not come around to that at all, which I think is a great tragedy, but anyway, there you go. Thank you for the suggestion. He was a fine physician, as I understand it, who served with great passion and dedication.

Madam CHAIR: Are there any more questions on the Top End Health Services?

Ms WALKER: My next questions will be under community treatment and extended care, under Top End health services.

Mr ELFERINK: I am seeing that under, 17.0

Mr WOOD: 17 covers the lot, does it not?

Mr ELFERINK: You have a number of line items. Community treatment and extended care is on page 175 of Budget Paper No 3. It is broken into three line items: mental health; aged care; alcohol and other drugs.

Madam CHAIR: Can I just throw it open? We have 13 minutes left for this entire session. Ask whatever questions you have under the Top End Health Services.

Mr ELFERINK: And I will endeavour to be as flexible as I can, member for Nhulunbuy.

Ms WALKER: Thank you very much, minister. This is really a question that goes to your federal counterparts but those of us who live in northeast Arnhem Land, and in Nhulunbuy's surrounding communities in particular, are endlessly frustrated by the fact it is the only region in the Northern Territory that does not have a flexible care service for aged and disability. The EOI went out in November last year and closed in January of this year.

Mr ELFERINK: From the feds, I presume?

Ms WALKER: From the feds to design, construct and build a facility. It has gone dead quiet. I know we are in caretaker mode federally but it has just disappeared off the face of the earth.

Mr ELFERINK: Can I give you this commitment that whomsoever should be the next federal Health minister, the moment that is established I promise to write to them as the Northern Territory Health Minister and say WTF? Where is this thing?

Ms WALKER: Thank you, minister. Any help would be appreciated. People are really frustrated by it. There is clearly a need for it.

Mr ELFERINK: I understand, and I am happy to write that letter. In fact, I have the federal minister's mobile number in my phone. I will see if I can raise her and see if she can answer the question even while they are in caretaker mode. I am not sure if she can or not.

Ms WALKER: I have a file about this thick in my office, which goes back years to the previous local member.

Mr ELFERINK: I get it, and I go into bat because it is good for the true welfare of the people of the Northern Territory.

Ms WALKER: Absolutely. Thank you. On the question of alcohol and other drugs under Top End Health Service, you would be very aware that Nhulunbuy Special Care Centre, the residential rehab facility that started operating in 2007 or 2008, was relocated almost two years ago to make way for, essentially, the Datjala Work Camp to become a corrections centre. That service was relocated to temporary premises on the campus of Charles Darwin University in Nhulunbuy. It continues to operate out of there. How long is temporary? From what I am advised it is not an ideal clinical environment. What plans are there to permanently locate the AOD service for Nhulunbuy?

Mr KALIMNIOS: We are in current negotiations to move the service into a permanent space. There are some issues with suitability which we are looking at in relation to doing some adjustments to make the premises suitable. We hope to have a resolution within the next month or so.

It is very high on our agenda. We know the current space is not appropriate and we are trying to co-locate it more appropriately with other services. It is being dealt with and, as I say, the advice I have is that resolution is reasonably close. But, again, we want to make sure the space we move them into is appropriate for staff as well as appropriate for the clients they will be seeing.

Ms WALKER: Thank you. I look forward to hearing news on that. Forgive me, but Madam Chair has given us permission to go back. Under Top End hospitals, when can we expect to see the tender go out for Gove District Hospital's major upgrade and long overdue new ED department?

Mr ELFERINK: It has already gone out.

Ms WALKER: Oh, it has gone out. Has it been awarded?

Mr ELFERINK: No, not yet, but it is July.

Professor NOTARAS: We expect work will be finished by the latter part of this year.

Mr ELFERINK: January next year.

Ms WALKER: What was the final funding commitment?

Mr ELFERINK: About \$10.5m all up.

Ms WALKER: It was seven-point-something. The original \$13m was split because five-point-something went to Alice Springs and the remainder ...

Mr ELFERINK: There was a fire system that had to be brought up to speed that added to the cost, which brought it back up to the ten-and-a-bit – \$10.7m I am hearing.

Ms WALKER: The only other question in this section I wanted to ask, and I flagged with you at the beginning, was about prison health services. I am not sure I will get to the Health Complaints Commissioner today.

Following the tabling of this report in parliament earlier this year ...

Mr ELFERINK: Oh yes. That was the one with the lady who ...

Ms WALKER: ... on the basis of systemic issues in the prison health system, a woman who had complained that she had all the symptoms of pregnancy – she was eight weeks pregnant when she was actually admitted to prison – but she was not formally diagnosed until she was eight months pregnant. That was one issue explored in this investigation, amongst others.

Another woman complained of a sore wrist and it took four months before she was finally provided X-ray and treatment, and she had a broken wrist. The Health Complaints Commissioner dealt with those issues. I understand all the recommendations have been adopted, but people are critical of systemic issues in the prison health system.

Mr ELFERINK: That is right. I cannot say I blame them; we missed a pregnancy that even the lady apparently was not aware of.

I understand that as a matter of protocol blood tests are taken when a prisoner comes in. For a female prisoner one of the tests is a pregnancy test, but I understand in this incident – if memory serves me, as it has been a couple of months since I have turned my attention to this – the blood test, for whatever reason, was corrupted, and the secondary blood test was never followed up, so there is a systemic problem.

Clearly the message has gone out to my Commissioners of Corrections as well as the CE of the Health department that we make sure we have attended to the matters raised by the Health Complaints Commissioner, because they are concerning. I will leave it at that point. Mr Kalimnios, have you anything to add to that?

Mr KALIMNIOS: That report identified a number of system issues, as the minister has flagged. We have been working very closely with Corrections to address the issues raised. The commissioner has fed back to both Corrections and us that he is very pleased with the progress. It has resulted in a number of systemic issues being addressed in a very proactive and positive way. We are very confident – and Corrections would support this as well – that we are meeting the expectations of the commissioner. That is not to say there are no more issues; there are. We acknowledge there were problems. There are many reasons behind certain things that are occurring. There were challenges but they are being addressed in a very positive and proactive way.

Ms WALKER: That is good to hear. Minister, you are also the Corrections minister, so you ...

Mr ELFERINK: Yes I know. I was overjoyed when I read the report, I can tell you.

Ms WALKER: I am sure you were. Exactly as the commissioner said, under the *Correctional Services Act* prisoners are entitled to the same standard of healthcare in prison as they would expect in the general community.

Mr ELFERINK: I agree. I just wish I could convince the federal government to allow us to bulkbill in prisons as well.

Ms WALKER: Are these systemic issues contained to the adult prison in Darwin at Holtze, or have we seen other systemic issues at Don Dale, Datjala Work Camp or in the Alice Springs Correctional Facility?

Mr ELFERINK: Not systemic, not that I am aware of. One of the reasons we have a Health Complaints Commissioner is it is a fresh set of eyes to look at systems from the outside looking in. In this case you could argue that the Health Complaints Commissioner has more than justified his existence. If I am aware of systemic issues the first thing I do is ask my department, no matter which department it is, to attend to them. From time to time these things become apparent, as has happened in Corrections and Health. I am grateful to the Health Complaints Commissioner for pointing this out. Is it embarrassing? Yes, I suspect it is embarrassing, particularly for Corrections.

Fortunately, nobody was permanently incapacitated as a result of all of this and I am grateful to report back to the people of the Northern Territory, through this Assembly, that the systems have been improved to try to avoid this happening again. With the people who are involved, I am damned sure that if the blood test is corrupted they will take a second one now.

Mr WOOD: Minister, on the Darwin hospital car park, Wilson Security had the contract. Has the contract now been terminated ...

Mr ELFERINK: A decree absolute!

Mr WOOD: ... and what was the cost of terminating the contract?

Mr ELFERINK: It was \$400 000. In this case I was quite prepared to have an acrimonious divorce from Wilson. It turned out that when I suggested divorce they were more than happy to have what we would call an amicable arrangement, which meant a lot less lawyers got rich in the process, which is why we defaulted that system.

We get out of it the equipment they leave behind. It is not worth \$400 000, but we got the equipment. We now run it the same way as Darwin city council runs its parking meters down the street here.

I had the experience the other day of parking my motorcycle at the hospital. I got the ticket in the way I am supposed to and I was approached by one of the staff. I have to say they were polite and kind, and were able to deal with the issue. They could not find the ticket because I left it jammed on the seat, not on the dashboard. Because a motorcycle does not have a dashboard he could not immediately see it. The experience was a whole lot more positive than having to stand in the rain and dial a registration number into a machine only to get a breach notice on a civil contract that would cost you \$60 to settle out of court.

Mr WOOD: Thank you.

Madam CHAIR: Last question.

Ms WALKER: I am sorry; I am going back to the prison health system. I could not find the piece of paper I was looking for. I will not have time for the Health Complaints Commissioner.

I noted in the annual report that was tabled by the Health Complaints Commissioner that 77% of the complaints the office dealt with are to do with the public health system, and the remainder are complaints that come through about private practitioners or whatever. Out of those complaints from the public system, 38% of them related to prison health services, which is more than a third. Would we expect to see in the next annual report a turnaround in those results, minister?

Mr ELFERINK: I do not know. It depends on how many prisoners complain, but what I do know is that many of our prisoners are literate and they like writing letters. I receive many of them. I suspect that this is to a degree, but not always, people with time on their hands finding things to occupy themselves.

The question which I think would be more appropriate - and perhaps we can even take it on notice - is how many of those complaints are substantiated, and I think that very few of them actually are.

Ms WALKER: That figure is inquiries; they are not followed through to complaint.

Mr ELFERINK: Yes. Once again, people can complain until the cows come home, but is there actually a problem is the question? I do not want to paraphrase your question, but from my perspective, if I was getting a whole bunch of complaints from one source, then the question I have is, are they legitimate? I do not know if the Health Complaints Commissioner has reported on that. I suspect he has not, but Mr Kalimnios seems to think he can shed a light in this space.

Mr KALIMNIOS: Sorry, minister, it is not really about the legitimacy of them, but just perhaps to infer the number. One of the issues with the prison is there is a direct phone line in the prison to the complaints commissioner, so it is easy for people to complain.

Mr ELFERINK: Okay. I stand by what I said.

Mr KALIMNIOS: That obviously is not an excuse for the complaints, but it is different in the prison - there is a captive audience, literally - who can actually just pick up a phone and make a complaint.

Mr WOOD: Very good.

Madam CHAIR: That concludes consideration of this business. On behalf of the committee, I would like to thank officers who provided advice to the minister today. Thank you, Health Minister.

Mr ELFERINK: Thank you, Madam Chair. Before we close, there has been a certain amount of anxiety amongst staff about references to the great American philosopher T Swift, who got a run last time. Can I say, to honourable members, after Monday week, 'We are never, ever, ever getting back together'. Thank you.

Madam CHAIR: For the interest of the public, we have run out of time. We have not got to the Central Australian Health Service, the Health and Community Services Complaints Commission or the Department of Correctional Services. Thank you, minister, and thank you, officers, for joining us this afternoon.

Mr ELFERINK: Thank you to my staff.

The committee suspended.

MINISTER HIGGINS' PORTFOLIOS

DEPARTMENT OF PRIMARY INDUSTRY AND FISHERIES

Madam CHAIR: Good afternoon, everyone. I welcome minister Higgins, and I invite you to introduce the officials accompanying you from the Department of Primary Industry and Fisheries.

Mr HIGGINS: Thank you, Madam Chair. On my left I have the Chief Executive, Alister Trier; on my right I have the Deputy Chief Executive, Ian Curnow; and further on the left I have Karen Simpson.

Madam CHAIR: Thank you very much. I invite you to make an opening statement of no more than five minutes, and then I will call for questions relating to the statement.

Mr HIGGINS: Madam Chair, I am pleased to make an opening statement regarding my portfolio of Primary Industry and Fisheries. The role of the department is to work with our industry partners to stimulate and sustain economic development throughout the Territory. This is driven by the Industry Development Plan 2013-17, which has four key objectives: profitable and productive primary industries; optimal sustainable use of the Territory's natural resources; biosecurity; and Indigenous participation.

In the 2015-16 financial year the department has focused on continuing our strong research agenda on plant and livestock with a focus on diversification opportunities; maintaining positive relationships with our markets to ensure ongoing growth and sustainability through a range of activities that focus on maintaining existing markets and developing new ones; maintaining our strong commitment to biodiversity through providing quality assurance for our agricultural produce; monitoring and implementing biosecurity responses for a range of disease incursions to reduce the threat of new diseases; facilitating investment inquiries across a range of strategic and operational agriculture and aquaculture activities; maintaining the sustainability of our aquatic resource base for the long-term benefit of Territorians; developing business and job opportunities with Indigenous Territorians; and continued work on the legislative agenda to ensure contemporary and practical legislation to support industry development while maintaining appropriate protection measures for the broader community and environment.

The combined value of the Territory primary production and fisheries in 2014-15 was \$572.8m, an increase of 15% over the previous year. The value of livestock production totalled \$360.8m, followed by horticulture at \$108.7m, commercial fisheries and aquaculture at \$79.2m and field crops at \$24m. Cattle production

accounted for \$333.5m, or 58%, of the Territory's primary production value. This was \$43.m higher than the year before and reflects an increase in exports. The past two years have seen an increase in confidence in the Territory cattle industry as demonstrated by record prices for export steers and increased interest in properties from both Australian and overseas investors.

In 2014-15 the buffalo industry contributed \$4.1m in production value, which was double that of 2013-14, reflecting the increase in numbers sold in the expanding industry.

Mangoes continue to be the largest horticultural crop by value in the Territory, accounting for \$36.1m. This was closely followed by melons, with a production value of \$35.1m. Field crops contributed \$24m, which was an 80% increase on the year before, resulting primarily from a substantial increase in the amount of hay and fodder production for the cattle trade, together with improved prices. The nursery and cut flower industry contributed \$17.9m whilst vegetables including cucumbers, pumpkins and Asian vegetables contributed \$16.1m.

For the commercial fisheries and aquaculture industries, fish represented the largest product by value at \$26.2m. This was closely followed by aquaculture at \$24.1m, which was an increase of almost \$9m on the year before. In 2014-15 the northern prawn fishery contributed \$24m in production value, with other crustaceans and shellfish a further \$4.8m.

The new budget initiative for the 2015-16 financial year includes \$600 000 over two years for the Central Australian Horticultural Development program; \$6.5m infrastructure upgrades to improve access and amenities for our recreational fishers; \$750 000 over three years for our fisheries' enforcement program to improve commercial productivity and for the benefit of recreational anglers, the fishing industry and the fishing tourism business; and \$250 000 in 2015-16 and \$200 000 ongoing for the Indigenous Marine Training Program in Nhulunbuy to provide Indigenous Territorians with opportunities to build their skills in marine resource management and the maritime and seafood industries.

The program to advance horticultural development in Central Australia aims to apply strategic agribusiness planning to identify where natural resource potential and market opportunities coincide to create maximum opportunity for development. Horticulture already makes a strong economic contribution, socially and economically, to the region through table grape, melon, date and vegetable production. The program works with local stakeholders to enhance the economic and social wellbeing of communities in the region and also works closely with other government agencies to ensure opportunities are maximised for Indigenous employment.

Fifteen new seedless table grape varieties, both red and white, all exhibiting harvest dates earlier than current commercial varieties, were established at the Arid Zone Research Institute in Alice Springs during January 2016. The aim of this trial is to find varieties which will extend the success of the table grape industry in Central Australia.

Extending similar success into the central districts of the Territory from Tennant Creek south to the South Australian border is dependent on some fundamental criteria, including available land with appropriate soil and topography to facilitate horticultural development; water in suitable quantities and of suitable quality for irrigation; proximity to or strategic development of transport corridors to cost effectively connect land to market and services; suitable infrastructure to allow production to establish and escalate; and a capable and engaged workforce.

Success is also contingent on identifying the right output opportunities via careful market analysis, so that ventures are based on niche markets or windows of opportunity in existing markets rather than a historic approach of growing crops suited to the area, irrespective of market demand.

The Indigenous Marine Training Program in Nhulunbuy is designed to deliver a wide range of training, including fisheries compliances, seafood handling, commercial fishing practices and marine safety to improve the skills and capacity of marine rangers and support Aboriginal people to become more involved in the seafood industry.

Prior to the establishment of the program, training delivery was limited to one course per year, usually with a maximum capacity of 12 to 14 students at a time. An Indigenous training coordinator was employed in November 2015, and since then two courses have already been delivered through the program, a Certificate II in Fisheries Compliance and a Certificate II in Seafood Operations. Another course in seafood operations is planned for late June 2016.

More than 40 people will receive training this financial year. The development of the Indigenous Marine Training Program brings the benefits of training delivered on country, as well as direct economic benefits to East Arnhem and other remote regions of the Northern Territory.

With the support from partners such as the Commonwealth states, Indigenous organisations and registered training providers, the program could quickly build to one of national significance. The 2016-17 budget is a balance between fiscal discipline and strategic investment in activities that will benefit Territorians. It contains initiatives that will improve infrastructure and assets, create jobs and create broader market opportunities that will assist in increasing the economic development of the Northern Territory to the benefit of our community.

The Northern Territory government's budget contains initiatives that will benefit our fishers and farmers, pastoralists and public servants, and rural and regional Territorians. The Northern Territory government is committed to further developing our primary industry and fisheries in order to realise their potential. Thank you.

Madam CHAIR: Thank you, Minister. Are there any questions on the statement?

Mr VOWLES: Yes, Madam Chair.

Mr WOOD: I will just ask for clarification of one thing. You mentioned cattle. Were you talking about numbers or value of the cattle?

Mr HIGGINS: Value.

Mr VOWLES: You were provided with written questions in advance. Will you table those or do you want me to ask them ...

Mr HIGGINS: No, what I am quite willing to do is - I have asked the department to just write a couple of paragraphs and group those questions together, so I am happy just to read those out and then table all of the full detailed responses, if that is all right.

Mr VOWLES: That would be fantastic. Thanks, minister.

Mr HIGGINS: Question one is on its own, and then I have two to five as one answer, and six to nine. I will go through them from there.

Government advertising and communication strategies are essential and required for a variety of reasons, including the need to advertise for job vacancies in specialist areas; and the need to ensure community awareness around various legislation and rules administered by the department, such as changes in fishing rules, biosecurity incidents, assistance or grant programs and opportunities to make submissions on policy position papers. The need to keep community and industry up to date in relation to long-term operations that impact on them also requires continual communication through a range of media and other targeted mechanisms.

This year there has also been an enormous across-government effort to bring Internet and Intranet information up to a new standard of accessibility - requiring coordination, restructuring and rewriting of all web-based materials. The Department of Primary Industry and Fisheries' staff involved in media marketing and communications activities also provide services to the Department of Mines and Energy under a shared service delivery model and biosecurity incursion programs.

So, that was question one. Now, tenders and consultancies, which are questions two to five ...

Ms FYLES: Just to clarify, will you provide us with the campaigns – the break down?

Mr HIGGINS: Yes. Tenders and consultancies, questions two to five – in the course of the department's work, the use of consultants and tenders is required to provide expertise and services that are not available within government. In using public funds, it is important that the process undertaken to determine the best provider for a particular service is transparent and fair. It is also important that we support local business where possible, as outlined in procurement guidelines. These activities are undertaken in accordance with the NTG processes and guidelines and are reported under the department's annual report.

Questions six to nine – staffing. Government staff are the department's single most important asset. The Department of Primary Industry and Fisheries has a diverse workforce that includes a mix, such as professional, technical, administrative and executive staff, who are engaged, capable and passionate about the responsibilities and development opportunities in primary industries for the NT and northern Australia. Science obviously plays a critical role in our work; however, skills are also required for investigation in biosecurity and animal welfare, education across all our industry portfolios, administration as an essential component to enable the department to function, and management.

Given the diversity of industries that we support, we also require expertise across a broad spectrum of technical experience from commercial fisheries through to managing bees, with a wide skill set in between. Question 10 and 11 – agency travel; as part of the normal operations, departmental staff are required to undertake a range of travel. Travel within the Territory is undertaken by staff to undertake various activities, including undertaking on ground research projects, monitoring animal and plant movements for biosecurity, monitoring the health of fisheries, providing certification for the domestic and international export of produce, and a range of administrative functions.

Interstate travel is required primarily to represent the Northern Territory's interest in a range of national or bilateral meetings. These can range from engagement between scientific collaborators on a specific cross-jurisdictional project; strategic planning and management of cross-jurisdictional interests, such as approaches to biosecurity; and areas of interest for market access. Importantly, the department staff also travel to international jurisdictions primarily to participate in international research or development programs that provide benefits for the Northern Territory, or for market development and maintenance. This is an important component of meeting the government's priority of north Australian development and specifically the development of our primary industries. All international travel requires the approval of the minister and all interstate travel requires the approval of the chief executive officer.

Question 12 is about hospitality. Hospitality is offered by the department for the provision of food during field days, extended meetings or functions that the department hosts or for delegations or persons of significance where it is appropriate to do so. Appropriate hospitality allows staff and clients to get a better understanding of each other's strategic interest and drivers in a non-formal setting that would not be possible otherwise. This is an important component of being able to be responsive and understand client's needs. Often it is culturally appropriate to discuss business matters in conjunction with a meal and it would be rude or offensive not to participate. However, the giving or receiving of hospitality also requires appropriate balances to ensure probity and to manage any potential conflict of interest. This is a judgement call and any hospitality offered by the department over \$300 requires chief executive or CFO approval. Hospitality offered to staff by an external party must also be approved in order to avoid conflicts of interest or adverse public perception.

Questions 13 to 17 – boards and advisory committees have an important role in providing independent advice to the minister, government and the department. We have a range of advisory committees and boards through our industry sector that act as a useful sounding board for government initiatives, provision of industry advice on a range of matters and for stakeholder consultation on matters affecting the broader community.

Boards quite often have independent statutory functions where it is appropriate that advice is given and decisions are made independent of government, for example when reviewing a decision made by government.

Fees and charges – a principle of government is that the beneficiary of a government service or program should pay for the benefit received. A program that is for the broader public good and not to the benefit of an individual person, business or industry would generally be resourced from entirely public funds and the service provided to an individual person, business or industry would generally be provided on a fee-for-service or cost-recovery basis. Those in between need be considered appropriately.

Consideration needs to be given to a range of factors when considering fees and services, including the cost of delivering on overheads; equitability, that is, a person should not be disadvantaged by their location or other mitigating factors; in relation to industry to what extent the services critical; and the estimated return on investment in service delivery by government.

The department provides a range of diagnostic testing services to industry and is also the primary provider of water testing services for the Power and Water Corporation to ensure the safety of community drinking water, amongst other services. All of these services are cost recovered.

Internal audits – questions 19 to 21. Public trust in government is vital in being able to administer and deliver the functions of a department. The department's internal audit program assists with monitoring, evaluates risks to its performance and evaluates programs and projects where public money is being used. Providing accountability through an internal audit program overseen by a risk and audit committee is a cost in itself; however, it is important to be able to identify areas of highest risk to the government to monitor and manage these in order to achieve objectives and performance improvement.

Key areas of focus include employee work health and safety; critical analysis of its ability to provide appropriate and factual advice to government; and employing contemporary management practices in staff and organisational development.

There are many layers of risks that must be dealt with on a daily basis from the overall strategic risks, which relate to the department's ability to fulfil its industry development plans through to operational research and project risks. All the risks are regularly and actively renewed at the executive levels through committees by individual directors, managers and staff.

Legal costs – the department requires a range of legal services to support its activities. These include support for prosecution actions, litigation taken against the department, and general legal services regarding advice and contract management to reduce risks to government.

NGO Funding – question 23. The department provides funding to NGOs through the Animal Welfare and Community Marine Ranger grants programs.

I think that was all so I will table the full answers to the questions. I think they are in a variety of breakdowns.

Madam CHAIR: Thank you. Are there any questions?

Mr VOWLES: Yes, Madam Chair. Can I just ask about your staffing in regard to those questions?

Mr HIGGINS: Which question was that?

Mr VOWLES: Just around your staffing levels, with those written questions that you have provided answers to. I asked this question last year because I am very interested in it, but how many scientific researchers do you have in the department and are they working in the field? Also, how many Indigenous employees are in the department and where are they situated? I heard in your statement about Indigenous training coordinators; is that by the department?

Mr TRIER: Alister Trier, Chief Executive, Department of Primary Industry and Fisheries. In relation to scientific staff, there is an FTE figure of 127 in the Food Industry Development Group, which is primarily research focused, although there is an economic and labelling component of that. There is an FTE figure of 125 in our resource and product integrity area, which would predominantly be scientific based, but also has some enabling services in there.

In relation to Indigenous employment, I do not have the exact figure in front of me. I know we have targets set by government. We are well beyond it in that we are meeting our target for Indigenous employment.

The department is seeing a significant increase in Indigenous engagement within the organisation. That is through a range of things, including apprenticeship programs and other related things. We have some key points here. I will hand back to you, minister.

Mr HIGGINS: The Department of Primary Industry and Fisheries continues to support the Northern Territory Public Sector's Indigenous Employment and Career Development Strategy. The key departments' actions include implementing a special measure plan and Indigenous mentoring, cross-cultural awareness training and entry level employment programs.

Mr VOWLES: Are you able to provide those Indigenous employees by region or where they are based? Are they just in Darwin or throughout the regions?

Mr TRIER: I cannot give you the exact figures, but we have two or three Indigenous employees identifying in Alice Springs. In Katherine I think we have two or three. In Darwin we have significantly more than that. We have a dedicated unit within the Fisheries branch that works on developing Indigenous fisheries and

the Marine Rangers. A number of those people – I think the majority – are Indigenous. Eight is the number.

I have an apprentice working in the executive area. From memory, there are two or three other people as well.

Mr HIGGINS: Would you like us to get exact answers on that?

Mr VOWLES: Yes, that would be great, minister.

Ms FYLES: And maybe any program areas that are strengthening the opportunities, particularly in the regions outside urban centres.

Mr HIGGINS: Yes.

Mr TRIER: To clarify, programs strengthening employment in the agency, which is ...

Ms FYLES: No, sorry, programs offering opportunities for Indigenous employees, particularly outside the urban areas.

Mr TRIER: We have two or three programs. First, the Indigenous Pastoral Program, which is a long-running program that started in 2002 – it has two key objectives. One is about increasing pastoral business on Aboriginal land, and the other is encouraging Aboriginal people into jobs within the pastoral industry. It is quite a unique program in that it works with the Northern and Central Land Councils, the Northern Territory Cattlemen's Association and the Indigenous Land Corporation. It is a very collaborative approach. I cannot give you the exact figures, but well over 100 people have been put into employment. I say it is significantly more. I will ask Ian Curnow to speak to the Marine Ranger Program ...

Ms FYLES: Can I ask a question on that program? It is obviously long running and is a similar strength – it has not dropped off?

Mr TRIER: That is correct. To date, the program has been continued and has had the engagement and continued support from all the agencies involved.

Ms FYLES: And that will continue for the foreseeable future?

Mr TRIER: I cannot speak on behalf of other agencies; various agencies or organisations review their programs from time to time. We are very hopeful that they will continue to support the program because of its success, but it is up to each individual external agency from that point of view.

Ms FYLES: Thank you.

Mr WOOD: Is CDU Katherine involved in that as well?

Mr TRIER: We use a range of outside organisations. The short answer is yes. From time to time there will be bespoke programs, aimed at a set of skills for a particular group of people. I cannot remember the name of the course that is run, but it is something like Indigenous stockman's course, which is generally put on at least once a year, if not more. That uses outsourced training providers, of which CDU has been a part.

Mr WOOD: Do you have any use of Mataranka Station in the courses you do?

Mr TRIER: Not that I am aware of, no. I think we have used the CDU campus and I am not sure that that has actually happened in the last 12 months, so I cannot give you an absolutely guarantee on that, but a lot of it is done on some of our research facilities or with industry.

Mr CURNOW: In addition to Mr Trier's comments, with specific regard to training of Indigenous people in the fisheries area, over 100 rangers have completed certificate training in Fisheries Compliance, and that is part of the program which is also linked to the Blue Mud Bay settlement. That has seen rangers doing joint patrols with fisheries police, with the ultimate aim for them - with the new act amendments that were passed by parliament quite recently - to undertake compliance and actually have enforcement powers in that space.

As the minister mentioned in his open remarks, just recently with the new Nhulunbuy College, I think, the first course had 14 students go through a Certificate II in Fishing Operations.

Mr VOWLES: Thanks very much for those answers. If you want to move onto the output group, if there are no other questions ...

Madam CHAIR: Are there no other questions on the statement?

Mr TRIER: Can I just confirm that our Indigenous Employment is at 8%, and at the end of March we had 29 Indigenous employees within the agency.

Madam CHAIR: Okay, so the committee will now proceed to consider the estimates and proposed expenditure contained in the Appropriation (2016-2017) Bill, as they relate to the Department of Primary Industry and Fisheries. Are there any agency-related whole-of-government questions on budget and fiscal strategies?

Mr WOOD: I was just going to ask. I just did not want it to roll past me. When Kenny gets going it is hard to stop him.

Madam CHAIR: Yes, there are a number of them. So, are there any agency related whole-of-government questions on budget and fiscal strategies? No.

OUTPUT GROUP 1.0 – FOOD INDUSTRY DEVELOPMENT

Output 1.1 – Market and Enterprise development

Madam CHAIR: We will move onto Output Group 1.0, Food Industry Development, Output 1.1, Market and Enterprise Development. Are there any questions?

Mr VOWLES: Yes, Madam Chair. Minister, both the mango industry representative group and the NT Farmers Association have expressed surprise at the proposed \$2m for a vapour heat treatment plant for the mango industry. Without making any comment on the facility, I want to ask you this: why were people surprised? Who did you consult with in regards to preparing to make this announcement?

Mr HIGGINS: I think the announcement was basically a budget announcement. Government makes those decisions made on submissions that are given to us from the department in the budget process; they were part of the budget process. I was also present at a meeting with the Chief Minister and the Farmers Association, where the actual issue of vapour heat treatment was specifically discussed.

Mr VOWLES: So, it was not a request from the Farmers Association or the mango industry?

Mr HIGGINS: I am not too sure on the exact part of that. I became minister in February and I think this was there prior to that. The vapour heat treatment plant - for Australian mangoes to get access to China, Korea and Japan they require that vapour heat treatment under the export protocols. It treats fruit with temperature that kills the fruit fly eggs and larva, with limited damage to the fruit. Other markets such as New Zealand and the United States export protocol require radiation and I know that is the other method of treating mangoes.

Establishing export protocols is a lengthy and costly process, negotiated between the Australian government and the import country, and once in place does not generally change for five to 10 years. Currently the NT mango producers access treatment facilities for both VHT and radiation in Queensland. NT mangoes are subsequently subject to significant additional travel, handling and time within the supply chain prior to export, which impacts fruit quality and increases costs.

The department has been fielding inquiries with respect to importing NT mangoes and mango products, and included discussions with local producers regarding the export requirements and infrastructure. Establishing a VHT facility in the NT will enable mangoes to be exported in a timely manner and in better condition, creating a marketed advantage. The \$2m is a strategic investment by this government to provide an incentive to the private sector to build and operate a facility and leverage greater export opportunities for the Territory mangoes.

Mr VOWLES: Thank you, minister. In layman's terms, for anybody listening or interested in this, which a lot of growers are, what would be the impact on price, having a vapour heat treatment to not having one?

Mr HIGGINS: The price would be quite significant because without one you cannot export into China or Korea. You would not be able to buy it.

Mr VOWLES: But currently it goes through Cairns or ...

Mr HIGGINS: You have your freight going across to Cairns. I know from when I was shipping mangoes that cost per tray was getting up near \$4 a tray. That is one direction.

Mr VOWLES: So, this would be a welcomed announcement to open the export market up and have cheaper mangoes to get them out there to compete in that market?

Mr HIGGINS: Yes.

Mr VOWLES: It is almost a Dorothy Dixier there, mate. I know this is not on your portfolio, but I just want to ask this question around beef roads with primary industries. We are obviously very disappointed about the north Australian development package of \$100m, and we only got \$3m out of that. Did you provide any support for that funding application and have you made any inquiries into how we get more funding in that area? Obviously it is very pivotal for our cattle industry.

Mr HIGGINS: From my point of view, it is an infrastructure question, but I speak to the Infrastructure and Transport minister and say, 'If you want to develop industry in this area you will have to push this'. I have been to Canberra – and my whole career in politics has been around the three Rs: roads, roads, roads.

Mr VOWLES: So, you obviously support more funding into our beef roads?

Mr HIGGINS: Yes, I certainly do. I will get the CEO to give you some more information.

Mr TRIER: Just in terms of the Northern Territory position for the north Australian beef roads, that, quite appropriately, was headed by the Department of Transport, but Andrew Kirkman and Louise McCormick were very good in both consulting and working with us as well as industry and, as you would expect, the Northern Territory Cattlemen's Association. It was an across-government approach to developing the package.

Mr VOWLES: Thank you Mr Trier. We will keep going.

I just want to turn to dragon fruit – very topical, especially with your predecessor. Four months after expressing interest in investing in a mega mall in Vietnam, a media release issued by your predecessor on 10 July 2015 said:

Minister Westra van Holthe will also hold discussions with ... the CT Group in Ho Chi Minh City, to demonstrate the Northern Territory Government's ongoing support of his investment in dragon fruit in the NT.

Could you provide me and the committee with a copy of the facilitation agreement between the government and the CT Group, and would you provide an update on ongoing discussions, or any discussions, with the CT Group?

Mr TRIER: We will have to take the facilitation agreement question on notice but it can be provided.

Mr HIGGINS: Yes, thank you. I would take that there is nothing confidential in it. I think when we talk about things that have happened since that agreement – my involvement was that I went to Vietnam soon after ...

Mr VOWLES: Have you travelled to Vietnam to repair relationships?

Mr HIGGINS: I travelled to Vietnam to insure the CT Group that they had our ongoing support in this project. It was around the time that they showed an interest in some land and that sale had fallen through. It is my understanding that they still have an interest and have been inquiring about access to land and water.

Mr VOWLES: Can I just go back to the question on notice, Madam Chair?

Question on Notice No 5.1

Madam CHAIR: Restate the question please, member for Johnston.

Mr VOWLES: Would the minister please provide a copy of the facilitation agreement between the government and the CT Group and any update on ongoing discussions?

Madam CHAIR: Do you accept the question, minister?

Mr HIGGINS: Yes, I do, Madam Chair.

Madam CHAIR: The question asked by the member for Johnston of the minister has been allocated the number 5.1.

Mr VOWLES: Thank you, minister and Madam Chair. You just mentioned land being identified; has land been identified?

Mr HIGGINS: Specifically for the CT Group?

Mr VOWLES: Yes.

Mr HIGGINS: No. The Department of Land Resource Management is identifying land and water resources, so I can come to that in the next portfolio if you like.

Mr VOWLES: Have there been discussions around the total volume of water required?

Mr HIGGINS: No, not with me. I think that would be with Land Resource Management as well. The chief executive will add to that if you like?

Mr TRIER: Our role in facilitating investment is to provide flat and factual advice in conjunction with the Department of Land Resource Management. Ours is more about the specifics of temperature requirements like ours, for want of a better word. I think there is a scientific term.

Our experience of what can grow where, depending how far north or south you are in the Northern Territory, and other technical specifics around growing individual crops – our counterparts in the Department of Land Resource Management, who will speak for themselves, I am sure, have been providing known information on soil, water and those sorts of things.

Sorry, back to us; we would provide our understanding of known water usage for crops in a particular area, so it is a combination of technical advice, if you like.

Mr VOWLES: I will just break it down. Those at CT Group say, 'We want to do dragon fruit, so here is some land'. They go to you directly and ask, 'Can you identify some land areas?' You would get all the relevant information, such as, there is an aquifer with this much water – I know you are talking about the climatic regions where you need to give that information. Would they then have to go to Land Resource Management and say they need however much water or ...

Mr TRIER: There is a commercial component of it that the government does not get involved in, so when it comes to CT Group identifying land that meets their needs, we give scientific facts of what we understand. I should leave Land Resource Management to speak for itself. It will give the known, broader understandings of soil and water, but in terms of individual properties and that sort of thing, it is a commercial decision and not for government to get involved in.

Mr HIGGINS: Land Resource Management has about \$2.4m a year, which it is using to do soil and water analysis. That is mapping sections of the Territory – they have another \$500 000 and they are looking at Indigenous land that maps suitable soils and water resources for agriculture.

Mr VOWLES: That leads on to my next question; has your agency spoken with any landlords or potential clients for the CT Group? You identified land areas where this possibly could be, so do you then speak to those land owners?

Mr TRIER: No. That is not a role for government.

Mr VOWLES: Thank you. On page 236 of Budget Paper No 3, \$1.2m is allocated for support research farms, which we are fully supportive of, and the development of a strategic plan for future operations. Can you give me any indication where you think that review is headed, or if you are focusing on a particular area?

Mr HIGGINS: The department operates nine research farm facilities across various climatic zones of the Territory, including facilities of national significance. These facilities provide research and extension programs for development, and improve agricultural systems and products to stimulate regional development and employment through diversification activities.

Research facilities provide a secure research environment that supports innovation and develops new products and production systems to optimise commercial outcomes and meet market demands. In order for the department's research farm facilities to conduct innovative and contemporary research, and attract new investment partners, substantial upgrades are required to some equipment and infrastructure. Research farms are essential to expanding agricultural production and to develop north Australia.

By agricultural standards, agricultural in the Northern Territory, valued at around \$600m per year, is in the early stage of development. The \$1.2m farms initiative will provide operational funding support to the research farms and establish a new advisory expertise to work with the department to set strategic directions for future operations, increase commercial focus, develop mechanisms to increase private investment, and utilise spare capacity of the farms through leasing and share farming when not required for research.

It is anticipated that as a result of this investment the department will secure funding through a mixture of research agreements with industry bodies and other collaborations. This will ensure the department's agricultural research facilities continue to develop contemporary and innovative diversified farming systems and products to capitalise on identified key market opportunities and maintain the NT's well-earned reputation for clean and quality produce.

I went to a management meeting or board – I have forgotten the name of it – where the department was talking about some of the new initiatives they could introduce in collaboration with the private sector. Alister might expand on that a bit if you want him to.

Mr TRIER: Thanks for that. I need to correct what I said before about properties. A number of years ago when the facilitation agreement was first signed, there were a number of property owners who rang government and expressed an interest. We made the CT Group aware of those interests, but said that was a commercial decision for CT Group to take it further. We were not in the position of promoting any area, it was more that a number of properties said they were interested and asked how to get in touch with them, and we told them we would make the company aware. It was for them to take it further.

To come back to the question now – our research farms are never utilised for research 100% of the time, so there are opportunities to generate some income and remove some of the demand on public resources. More importantly, we are looking to better engage with industry at a strategic level in having research that is economically driven. Also, from the reverse angle, we can identify and promote the economics of the research that we undertake and turn it into investment by industry into that research. It is taking a more strategic approach in what we are doing. For example, traditionally the Northern Territory produces two or three commodities, being cows, melons and mangoes, and they go to two or three markets, which is all fine until something goes wrong. Then you have an industry sector that has been totally reliant on one produce into one market.

How do we diversify that? As a research organisation with our research farms, we have to bring that into our thinking. How do we build and integrate systems that work between plants and animals, or between a range of plants that sit under a single set of infrastructure with complementary aspects such as the way they work with soil, assist weed control and those types of things? It is taking a more systems approach to what we do.

Mr VOWLES: I have a question on the Ord. Do you have something ...

Mr WOOD: The Ord comes under Major Economic Projects further down.

Madam CHAIR: Do we have any other questions on Market and Enterprise Development?

Mr VOWLES: At the last estimates the previous minister was targeting new and innovative crops of native plants in climatic zones as potential horticulture development. Is there an update on that? You guys allocated \$600 000 over two years. How did that turn out?

Mr HIGGINS: In February 2015 Cabinet approved an additional \$600 000 per year, from July 2015 to June 2017, to advanced horticultural development in Central Australia. The proposal aims to apply strategic agribusiness planning to identify where natural resource potential and market opportunities coincide to create maximum opportunity for the development. This strategic approach will develop contemporary knowledge on Central Australian production systems, facilitate investment, leverage funding through targeted and collaborated partnership, and work with local stakeholders to enhance the economic and social wellbeing of community in the region. The program works closely with other government agencies to ensure opportunities are maximised for Indigenous employment.

Horticulture already makes a strong economic contribution socially and economically to the region through table grape, melon, date and vegetable production. Fifteen new seedless grape varieties - both red and white, and are all exhibiting harvest dates earlier than current commercial varieties - were established at the Arid Zone Research Institute in Alice Springs during January 2016.

The aim of this trial is to find varieties that will extend the success of the table grape industry in Central Australia. Extending similar successes into the central district of the Territory from Tennant Creek south to the South Australian border is dependent upon some fundamental criteria.

Research priorities across the major Northern Territory plant industries are being identified in collaboration with individual commodities. An example of the department's recent research and extension activities include developing a strategic plan for mango research in collaboration with the NT industry stakeholders; investigating mango crop manipulation to enable the expansion of the mango production window in the NT; evaluating new mango root stock and hybrids; evaluation of fruit fly population dynamics to enable the potential elimination of post-harvest disinfection treatments of mangoes destined for domestic or export markets; conducting research into nitrous oxide emissions from Territory horticulture and foraging crop systems; translation of the NT vegetable manual into Vietnamese; evaluation of international and Australian rice varieties under both lowland paddy systems and upland rain-fed - in this case centre pivot irrigation systems; research into fusarium wilt affecting watermelons; exploring new termite management options for agriculture and horticultural uses; developing techniques to overcome passionfruit vine death in the Territory; improving nursery production systems for tropical ornamental gingers as potted and cut flowers; and developing intensive agricultural cropping options, including poppies, to support pastoral diversification.

Plant industries, has also provided, diagnostic and some management expertise for the banana freckle exotic disease response, and the cucumber green mottle mosaic virus.

Mr WOOD: I have some questions. I hope you can tell me if I have gone off the rails there, because we seem to have gone into the next section.

Madam CHAIR: We are still on Output 1.1, Market and Enterprise Development.

Mr WOOD: We might be, but we are not talking to that. That next one is research into plant industries.

Madam CHAIR: Okay, so we need to ...

Mr WOOD: I will go back to where I was trying to get in before. I will drift into the next one. Just in relation to an announcement today about mangoes being possibly a new market for Indonesia. Do you have anything about that possible market, and would that be Northern Territory mangoes?

Mr HIGGINS: I have not heard anything, but I will see if Alister has.

Mr TRIER: The short answer is no. One of things I think VHT is – actually, I am not 100% sure if VHT or radiation is a requirement of mangoes into Indonesia. But no, I am not aware of that.

Mr WOOD: It was on the *Country Hour* today; that is why – I did not know whether they were using Northern Territory mangoes or maybe mangoes from other parts of Australia.

Mr TRIER: I do not think they are Northern Territory mangoes, but I could be wrong.

Mr WOOD: Okay.

Mr HIGGINS: We will get an answer, member for Nelson, on whether it is VHT or other requirements going into Indonesia.

Mr WOOD: They are talking about other markets as well. That has been around for a while; looking at markets in the off season – you mentioned some research there. I suppose I have to ask questions about banana freckle. Can you give us details about the cost of the banana freckle program from when it started until now? That is, the Territory's portion of that cost.

Ms SIMPSON: The total cost-sharing from the time the response began is \$21 857 567. The NT's portion of that in the response period was \$12 000. In the ongoing period, up to the end of the response, it will be approximately another \$85 000.

Mr WOOD: Could you please give us an update on where the program is at this point?

Mr HIGGINS: I bought two bananas and got them planted at my property, so I think it is phase three.

Mr WOOD: Should I ask them the question?

Mr HIGGINS: I will just work this out from memory, and I hope these people tell me if I am wrong, but we are at phase three, which I think goes for another 12 months; there will be sentinel bananas planted. Most of those people who had bananas destroyed were given a certificate. They can collect those bananas from some of the places, and those people who want to purchase some can apply online.

Mr WOOD: My understanding is that you had to apply to be a sentinel grower. The question I wanted to ask – originally, when I was one of those, anyone who had their bananas destroyed, especially in the first round, were promised one banana or a fruit tree. So, has that original promise been overtaken by another version, which is that anyone who had their bananas destroyed could put their name down for sentinel bananas?

Mr TRIER: I guess the way it is transpired is, as we go to the sentinel phase, not everybody who had a banana wants one. I guess there is a strategic element in how the sentinels were placed out in that we need to put out a range of varieties to make sure we are capturing all possibilities, and they need to go into a range of places. I guess that has come into play with where the sentinels are going. I understand there was a process that went out, where anyone who wanted to participate in the sentinel program was encouraged to provide their details to the department. I am not 100% sure, but I think most people who said they want to be a part of it have been made a part of it.

Mr WOOD: What I was getting at was that, originally, anyone who lost bananas was going to get a replacement banana; that was the original promise. I do not know whether somewhere along the line that promise might have dropped of the promise list.

Mr TRIER: Yes, the way that has transpired is that those who want to be part of the sentinel program are certainly encouraged to do so.

Mr WOOD: What is the next phase now?

Mr HIGGINS: If I can just adding to that for you, Gerry. If people had the bananas before, and had them destroyed and wanted to be part of the sentinel program, when they apply they are not paying for those. If you go out to Allora Gardens, where I did an announcement on it, you can actually get Cavendish – you could take your certificate be given the Cavendish and not charged. People who did not have bananas but wanted to actually be involved in the sentinel program, at this stage, could buy bananas. I think it was at nearly \$15 each, but you also had to get a certificate. You had to actually apply online and go out there, produce the certificate and pay for the bananas, and the certificate enabled you to just take them straight home.

Mr WOOD: So what is the next stage from now?

Mr CURNOW: We are still in the sentinel phase at the moment, as has been stated, so I guess there is the official part of the sentinel stuff where we are picking sites based on a scientific basis to get plants in the right areas to categorically work out that banana freckle is no longer present.

At the same time, as the minister said, some nurseries have bought in their own plants from interstate that they are selling. Because it is the sentinel phase, if people choose to buy their own plants and plant them, it still must be done under a permit. That gives the department the opportunity to keep a check on those plants, and they will be readily checked to make sure they are disease-free. That will go through until early next year, at which stage, if all the sentinel plants and those other plants which have been planted under permit are banana freckle free, we will then apply nationally for certification that the disease has been eradicated and it will be back to normal, in which case anyone can plant a banana plant with no permit.

Mr WOOD: Thank you. Were there any legal costs associated with the banana freckle program? I suppose one aspect would be anyone who challenged the validity of the program or went to court – were any legal costs involved?

Mr HIGGINS: I think in the tabled answers there were some legal costs outlined – in one of the tabled questions.

Mr WOOD: They are the opposition's private tables and questions.

Mr HIGGINS: What questions are the legal ones?

Mr TRIER: The tabled costs represent legal costs over a range of things.

Mr HIGGINS: A total of \$77 780, excluding GST, was the amount spent on legal services provided by eight private legal firms for the period July 2015 to March 2016. Now you will ask for a breakdown of which ones were banana freckle.

Ms FYLES: He knows you too well.

Mr WOOD: Now I will move on. Can you give us an update on the cucumber mosaic virus? I will use the shorter name. Where is that at?

Mr HIGGINS: We are actually in output ...

Madam CHAIR: Can we just reflect on the output groups for a moment. We are still in Output 1.1. Have we finished with Market and Enterprise Development? That concludes Output 1.1.

Output 1.2 – Plant Industries Development

Madam CHAIR: We will move on to Output 1.2, Plant Industries Development. Are there any questions?

Mr WOOD: Yes, there a bit of blurring of lines. What is the latest on the cucumber mosaic virus?

Mr HIGGINS: That is in the next one.

Madam CHAIR: Okay. Are there any questions in Plant Industries Development? We will conclude that output, then we will go on to Output 1.3, Livestock Industries Development.

Mr WOOD: No, something has happened here. No, I just got told I was in the wrong area, but I cannot be in livestock for mosaic virus, unless they have it.

Madam CHAIR: Output 2.1 is Biosecurity and Animal Welfare.

Mr WOOD: I am in 1.2.

Madam CHAIR: We just finished Output 1.2, Plant Industries Development.

Mr WOOD: No, that is why I was talking about mosaic virus. I do not know how it got switched there.

Madam CHAIR: The minister suggested that it should be discussed in Biosecurity. No?

Mr WOOD: No, I am not asking how to keep it out of the Territory. I will give you the whole question. I will start again.

Madam CHAIR: We are back in Output 1.2.

Mr WOOD: Yes. Minister, can you give us details on the cost of Territory production caused by the cucumber mosaic virus? I note there was a 50% drop in the value of horticulture production. What is the latest in relation to the cucumber mosaic virus?

Mr HIGGINS: I do not mind just giving you an update on that one and then we will get the figures for you on the actual cost.

It moved from eradication and management in April 2015. It is a new virus in the Northern Territory and it was confirmed on 26 properties in the Territory, including most recently a horticultural block on the Berrimah Research Farm.

The CGMMV is a Northern Territory management program. It was detected in a commercial watermelon crop in Katherine in September 2014 and was the first detection in Australia. It was declared as a pest under the *Plant Health Act*. Host plants for the declared pest include cucurbits such as melons, cucumbers, pumpkins and zucchinis, many of which occur naturally in Australia. It is highly contagious and can live for up to two years in soil. It has also been found in beehives, suggesting that it is transmittable in pollen.

Twenty-six properties in the Northern Territory have been infected, including 10 commercial properties. Infested areas were quarantined and host plants could not be grown for up to two years on quarantined properties. The cucurbit properties not quarantined were able to grow and sell cucurbits interstate following intensive surveillance, plant diagnostics and a health certificate issued by the Chief Inspector of Plant Health.

Significant effort was put into defining the management of CGMMV in the Territory through extensive surveillance, sampling and testing. The risk of spreading to another jurisdiction was regulated through interstate entry conditions and the cooperation and compliance of cucurbit growers in the Territory. Industry contained the virus at property level by complying with directions to destroy affected crops, treat cropping areas, restrict planting of host crops and apply contamination and other biosecurity measures.

In March 2015 the national management group of CGMMV deemed that it was not technically feasible to eradicate it from the Territory. This was due to the extent of the detections including those in crops, weeds and beehives. A national working group was formed to develop a national management strategy for CGMMV. National agreement on management controls for CGMMV was reached on 14 December 2015.

Quarantine arrangements were lifted on 28 February 2016, enabling cucurbit growers to replant and freely sell produce to interstate markets without restrictions. Regulations preventing the movement of seeds, seedlings, soil, machinery and beehives out of the Territory were introduced on 9 March 2016. These regulations also require growers to have an auditable farm biosecurity plan if growing cucurbits.

The national agreement means certainty for the industry and restoring this valuable Territory horticultural industry. The agreement was welcomed by all industry stakeholders, local growers, the Australian Melon Association, AUSVEG, NT farmers and the Nursery and Garden Industry Australia. The department is continuing to work with growers and the NTFA to enable auditable farm biosecurity plans being developed in accordance with the national requirements.

In August 2015 the Northern Territory government funded a soil project to investigate the persistence and viability of the virus in infected NT soils. Four CGMMV infected properties – Darwin, Katherine with two and Ti Tree – were selected for research and trials based upon their differing soil composition and temperature locations.

Preliminary results indicate that after eight to 12 months of no cucurbit host, three out of the four infested properties had live and infective viruses. Results were presented to the NT growers in Katherine in December 2015.

The national management group, including representatives from all states, territories and industries formed a scientific working group to summarise current knowledge on CGMMV worldwide. In January 2016 the Department of Primary Industry and Fisheries was awarded a \$1.2m research project by Horticulture

Innovation Australia to address these critical CGMMV acknowledged gaps. DPIF will lead this national CGMMV project with collaborators from the NT Farmers Association, Victoria, Queensland, New South Wales, Western Australia and Israel, thereby recognising the department as the leading CGMMV expert in Australia. The infected CGMMV site at Berrimah Research Farm will enable valuable research to be conducted on-site and add value to this HIA project – a positive out of a negative.

Mr WOOD: Minister, that answer should have gone in the biosecurity section. I was not asking a biosecurity question. The question was what was the cost of the Territory's production?

How do we move on from here, from the point of view of cucurbit production? You are saying the growers can now grow, as long as they do not send their seed and plants interstate. Is that right? Are you saying that this mosaic virus will not affect new crops?

Mr TRIER: There are a couple of things there, first in relation to the economic impact; it is very hard to completely quantify that because our figures are more global. I guess seasonal effects on mangoes will interplay in the total figures, so we would not be able to get a complete answer on that.

In relation to how industry can participate going forward, I think one of the key things for us was to ensure, where we could, that industry had a level playing field in being able to compete in the interstate domestic markets. We were worried that there could be seen to be some competitive advantages for other parts of Australia as a result of the virus in the Northern Territory. I think it is more generally understood now that it is very likely the virus will eventually make its way around Australia, hence this national approach to the research happening in CGMMV, so that we can get a head of the game in learning how to manage it.

Industry has been very supportive, and I have to congratulate some members of the Katherine melon industry, but also Darwin, where they have really been proactive in understanding that this will not go away. How we do we work with it? It is all about increasing strong and rigorous biosecurity practices in an adaptive management-type program on individual melon farms. So, without going into more specifics on that, industry is able to export fruit interstate now with a certification. That is a test to say the fruit is free of CGMMV. I think the understanding is that fruit going to market and into someone's house – and the remains of the fruit being disposed through a normal garbage refuse and to a tip - presents a low risk pathway of actually spreading the disease into other producing areas, so on that basis industry has been able to proceed.

Mr WOOD: Sorry, about the first part of the question; that was the bit that I was after. Anyway, just quickly, I have a couple of other questions. The issue of banana freckle, of course, did affect our research into the Panama disease. Could you give us an update on where research is into finding new varieties that might be resistant to Panama diseases - and the GM program, if that is still going?

I would have thought you would have a big pile of information on bananas.

Mr TRIER: No, I think we have to take that one on notice, if that is okay.

Mr WOOD: Can I put that question on notice please, Madam Chair?

Question on Notice No 5.2

Madam CHAIR: Could you restate the question please, member for Nelson.

Mr WOOD: Minister, could you give us an update on where the department is at in relation to researching new banana varieties that are resistant to Panama disease, and also the GM program for bananas?

Madam CHAIR: Do you accept the question, minister?

Mr HIGGINS: Yes, I do.

Madam CHAIR: The question asked by the member for Nelson of the minister has been allocated the number 5.2.

Mr WOOD: I have some more technical questions. Minister, noted in your annual report there have been trials of watermelon, root stock varieties. I cry that you have to have root stock to grow watermelons these days, but could you give us an update where those trials are, and are there any promising results from those trials? Once upon a time you just had to plant a seed.

Mr HIGGINS: While I find the answer on that - while it was not a question on notice, I said I would get some information about the mangoes into Indonesia.

The mangoes into Indonesia do require treatment by vapour heat treatment, methyl bromide or a radiation to gain access, and none of those treatments are available in the Northern Territory. The CT Group most recently held discussions with the department around three months ago, as with other potential investors interested in Territory land. The department provides advice in relation to land suitable for particular crops. In the case of the CT Group this specific interest is in dragon fruit. The department has been working with the office of Asian Engagement and Trade to facilitate this investment interest.

The CT Group signed a project facilitation agreement with the NT government, represented by DPIF, on 9 May 2014 and a copy is provided. The agreement commits the NT to providing all reasonable and appropriate assistance to support CT Group's investigations through the licencing and regulatory approvals phase to investment. I can table that document, if you like.

Madam CHAIR: Thank you very much, minister.

Mr WOOD: Are you looking up that other question on route stock? I will go to another question while you are doing that?

Mr TRIER: I do not have detailed information. Perhaps, if the minister is willing, we can organise a briefing.

Mr WOOD: Okay, that will be all right. Minister, this might relate to the question that Ken asked before when I think he was looking at bush tucker, I noticed again on the *Country Hour* that recently a crop of bush tomatoes in Central Australia was almost totally wiped out, but one of your research areas is looking for an elite selection of bush tomato varieties. Do you know much about that program that is occurring?

Mr HIGGINS: Probably not to the level that you have been asking. The only comment we have here is that there is a number of small-scale bush foods and other bush product operations established in Central Australia, including bush tomatoes and beauty and cosmetic products derived from native flora.

Mr WOOD: In your annual report it talks about you looking at other varieties of bush tomatoes which might improve the chances of the crop advancing. I gather bush tomatoes are pretty popular, and to find out that one crop has been just about wiped out this year ...

Mr HIGGINS: We can either supply more information later or you could organise a brief.

Mr WOOD: I will get a brief later. You have a research program looking at the potential of stingless bees, which I would have called native bees, for mango production. I am interested in that because there are plenty of them around, but whether they have a role to play in mango pollination, I am interested in.

Mr HIGGINS: We can also give you that in a briefing, but I actually used flies to pollinate the mangoes. I suppose the stingless bees, or the native bees as you and I might call them, are probably very similar.

Mr WOOD: I will ask a question then on the plant industries. You have a mention in your annual report about the growNORTH Cooperative Research Centre proposal? Where is that presently at? It is a CRC.

Mr TRIER: The Australian government announced the \$75m for a Northern CRC, and that is focused on three main areas: agriculture; food production; and tropical health. There has been in interim chair appointed, Mr John Wharton from Queensland. He has been working with the three northern jurisdictions, being Western Australia, Queensland and us, in framing up a potential governance model. There have been a couple of meetings that have involved him, the department of Industry and the three jurisdictions. Now the Australian government, during caretaker, has probably put things in abeyance but I am not 100% sure about that.

They have announced that the headquarters will be in Townsville. That is a central office, but it has always expected that there will be a number of nodes to the CRC and that detail has yet to be provided.

Mr WOOD: That is a bit sad, but anyway. That is all my questions on plant production.

Madam CHAIR: Thank you very much. That concludes consideration of Output 1.2.

Output 1.3 – Livestock Industries Development

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

Mr WOOD: Can you give us an update on the quotas for cattle into Indonesia this year compared with last year, and are there still difficulties with getting quotas out on time?

Mr TRIER: There is no brief on that, I am happy to speak to it. Quotas, I think, at the moment are reasonably comparable to last year, albeit it is the way they have been announced. There have been some difficulties in timing and that has presented some frustrations, especially for the live export industry in terms of timing around their ships and some of the risks associated with that. When you have a ship on a long-term charter and do not have a quota, and it is sitting in the harbour on an anchor at however many thousand dollars a day, it can be quite difficult.

I understand there has been a lot of work between industry associations so that the live exporters – the Cattlemen's Association along with the Indonesian Consul General in Darwin, with relevant agencies in Jakarta – work through some of these issues, but they have not been completely resolved yet. I think it is pretty clear that this year's quota looks on track to be similar to last year's, in a relative sense.

I think the focus now is getting some better understanding around the timing of the issuing of quotas, trying to move from a quarterly quota system into something that is a bit longer term. I think, ideally, people will be looking for an annual quota so that live exporters and producers have much more ability to plan. I think with that reduces risk – or with increased risk you get increased prices because people have to put contingencies in place for the possibility that they might have a ship with no quota and have to still pay for it, which obviously increases prices.

Mr WOOD: All right. Minister, you would have known there has been a banning of Australian cattle being sent to an abattoir in Haiphong because of alleged animal cruelty. Will that effect cattle shipments to Vietnam?

Mr TRIER: There is an investigation ongoing so we need to be very careful not to pre-empt the investigation. I think, strategically, Vietnam has been an excellent opportunity for Australia in that it presents a second market for Australian cattle.

There have been some issues; I would say they are teething issues with developing the market in Vietnam. I think it is very important and very clear that no one condones bad animal welfare practice, so where individuals, be they companies or people, undertake practices that are not appropriate, they should be called to account.

In terms of broader effect on industry, I do not think that will have a significant effect, at least not in the short term for Northern Territory producers. I think we should await the outcome of the investigation.

Mr WOOD: Will most of the cattle go to Vietnam from Northern Territory producers and, if so, does your department send anyone over there to work with the people looking at these allegations?

Mr TRIER: I think a good percentage of cattle – I do not have the exact figure but we are a significant supplier into the Vietnamese market. Our role in developing the market into Vietnam was clearly focused on technical expertise around feed lot management and nutrition, and two to four-plus years ago we put a lot of work into that. I think technically, from a feed lot point of view, the skills now in Vietnam have improved dramatically and they are now commercial, for want of a better word.

Do we have direct input into the animal welfare side of things? The short answer is no, in that the industry's associations – Meat and Livestock Australia, the Australian Livestock Exporters Council and LiveCorp – undertake that skills development themselves. When ESCAS was introduced in 2011 or 2012, industry put the effort into developing the understanding of ESCAS, specifically in Indonesia. That is what is happening with the Vietnam industry taking responsibility for that, with the Australian government being the independent auditor.

Mr WOOD: My last question then on the buffalo industry. Is it an industry that at the present time is consistent? Are we still getting buffalo from the wild or are we starting programs which would enable buffalo to be domesticated so we can supply buffalo on a consistent basis to countries in Asia?

Mr HIGGINS: I can give you some of the information that is here, as I think it answers the question.

A survey of the feral buffalo in Arnhem Land in 2014 estimated the population in excess of 100 000. This size of population represents an environmental threat if unchecked and a potential source of employment and income for remote Indigenous communities when harvested. After many years with few market options, there has been a surge of interest in buffalo, particularly for export to Vietnam. There are also possible opportunities at Northern Territory abattoirs. However, considerable work is needed to develop the industry to a stage where it can take full advantage of these opportunities.

Buffalo exports from the Port of Darwin totalled 5097 in 2015, compared to 5055 in 2014. These numbers represent a major increase from the preceding years, such as 2013 when only 800 were exported. However, there is still potential for further significant increases. Over the next two years a target of 12 000 is realistic and up to 20 000 subsequently.

Indonesia has not taken slaughtered buffalo since the live export suspension and introduction of the ESCAS regulations because of the difficulties of stunning buffalo and the halal conditions. It is, however, still considered a potential valuable market so the Department of Primary Industry and Fisheries and CSIRO have commenced a project assessing different methods of stunning.

DPIF has been assisting the Northern Land Council with protocols for improved welfare and compliance, as well as selection of appropriate contractors and operational planning. Permits for harvesting in some parts of Arnhem Land have been issued and harvesting commenced. The NLC is continuing the complex task of negotiating section 19 agreements with traditional owners. To fully develop the supply chain will require the development of more facilities for holding, quietening and growing out buffalo.

The number of farmed buffalo in the NT is estimated at 10 000. The NT has Australia's only buffalo research herd and is the acknowledged leader in buffalo research. Much of the recent research has focused on the Riverine breed, which is more productive than the swamp buffalo for both meat and milk. There is an increased interest in buffalo for dairy, particularly specialised cheese products. The NT's only buffalo dairy closed last year, but that was thought to be due to management problems rather than technical or market issues. So, there is scope for a successful venture of this type.

DPIF has recently sold 22 purebred Riverine buffalo heifers to a dairy in South Australia. This was able to be done as the target purebred herd size has been reached, and more sales should be possible in future years.

Mr WOOD: Okay. That is all my questions, Madam Chair.

Madam CHAIR: That concludes Output Group 1.3, Livestock Industries Development.

Output 1.4 – Major Economic Projects

Madam CHAIR: We will go to Output Group 1.4, Major Economic Projects. Do you have any questions?

Mr WOOD: What involvement do you have in the Ord River, especially in relation to negotiation with traditional owners?

Mr HIGGINS: Native title negotiations commenced in 2012 through the Northern Land Council. A delegation of senior men spoke to the NT government ministers to advise them of their concerns regarding sacred sites in the Ord Stage 3 area. The NT government respected this advice and commenced negotiations on Ord Stage 3A, which is a smaller area of land, which is some 1800 ha on the Knox Plain, where sacred sites could be included in the farming buffer zone.

It was hoped that a successful agreement for Ord Stage 3A may allow for further areas to be discussed with the native title holders. In mid-2016 it became clear to the NT government that proponent-led native title negotiations would deliver a better result for both the developer and the native title holders. Proponents were in a better place to discuss the planned agricultural development, the likely impact on the environment, and the opportunities for jobs and businesses.

The Northern Land Council was advised of the NT government's intention to move to a request for proposal for Ord Stage 3 on 2 March 2016. The NLC requested the NT government allow some time to advise the native title holders of the new direction and this was agreed. On 11 March 2016 the NLC advised that key stakeholders had been consulted and that they had no objection in the NT government making an announcement regarding the request for a proposal process.

The closing date for the request for a proposal process was 27 May 2016, with an expected announcement at the end of July.

Mr WOOD: I am not sure whether this would be covered under Major Economic Projects, but you have done a study on industrial hemp, which is an area that has been discussed for many years. Is that study leading anywhere or is it just a study?

Mr HIGGINS: Is that the one in Katherine?

Mr WOOD: Not sure.

Mr HIGGINS: It is currently investigating the phenology - I read this today and I have to find the meaning of that.

Agronomy and post-harvest outcomes of several selected industrial hemp varieties to ascertain the suitability for farming in the NT – hemp is a crop that has a long history of utilisation by mankind for textiles and food. Hemp grain has been documented as the source of food throughout recorded history and hemp seed oil has been used as both a food and a medicine in China for a least 3000 years. The grain, both crushed and whole, remains important in traditional Asiatic foods and medicines. Currently hemp grain is illegal for human consumption in Australia and New Zealand, although governments are considering research and policy moves to potentially change this position in the future.

The NT Department of Health has issued authorisations for DPIF to conduct collaborative research with Ecofibre Industries Operations, an interstate commercial operator in the hemp business, and this work is being carried out at Katherine Research Station under the supervision of Dr Cameron McConchie and Dr Ian Biggs. The crop and variety performance around a range of planting times during the 2016 Dry Season is being assessed. All varieties of hemp to be tested in these trials contain low levels, less than 1%, of THC.

Its performance under Top End growing conditions is unknown. DPIF will access the grain production performance of selected calibres, draw conclusions as to industrial hemp's suitability and viability as a crop for the NT, and if further research or legislative reforms effort is required. The hemp trial was sown at the end of April within the bird enclosure cage at Katherine Research Station, and if the performance under tropical conditions is unsuccessful a valuation in Central Australia maybe considered.

Mr WOOD: Okay, thanks. I had other questions but I will let it go at that.

Madam CHAIR: Okay, so that concludes consideration of Output 1.4 and Output Group 1.0.

OUTPUT GROUP 2.0 – RESOURCE AND PRODUCT INTEGRITY

Output 2.1 – Biosecurity and Animal Welfare

Madam CHAIR: We will now move onto Output Group 2.0, Resource and Product Integrity, Output 2.1, Biosecurity and Animal Welfare. Are there any questions?

Mr WOOD: I just have one general question in relation to resource and product integrity. I do not know whether it fits here, but what are the plans for the major upgrade of buildings and new plans for the Berrimah Farm?

Mr HIGGINS: I think that is probably a question for ...

Mr WOOD: It is your laboratories.

Mr HIGGINS: Yes, but I think it is more with Infrastructure. I am sure the CEO can give you a brief update.

Mr WOOD: It is in your annual report. You are passing the buck here.

Mr TRIER: The opportunity in front of us is that it gives us an ability to refocus and plan for the future, and we are doing that. There is a strategic planning process going on right now around what we think our needs will be in the future, specifically from a laboratory of diagnostic review, and that will be put to government.

Mr WOOD: Will the proposed residential development have any negative effects on the laboratories or their possible future expansion of that facility?

Mr TRIER: I guess the development is in the department of Lands and Planning, but my understanding is that the implications for the Department of Primary Industry and Fisheries will be that there is no negative effect on our current diagnostic abilities.

Mr WOOD: The only ones that will suffer are those nice Brahmans that graze out at the front there in the front paddock?

Mr TRIER: Technically you are correct in that our sentinel program, which are the nice Droughtmasters, Senepols and other animals predominantly from Central Australia, will remain as a part of the ongoing operations of the department, whereas the Brahmans which come in are generally – it is just a logical thing prior to them being sold if we are finished with them for research purposes. So, we will retain the sentinel herd capabilities, but we will lose the ability to house livestock there from a logistical point of view. We have facilities at Beatrice and other areas close by that will be able to accommodate that.

Madam CHAIR: That concludes consideration of Output 2.1.

Output 2.2 – Fisheries

Madam CHAIR: We will now consider Output 2.2, Fisheries.

Mr VOWLES: Minister, I understand there is currently a trial permit for the trawl component of the Timor Reef Fishery. Are you able to provide the details of this permit?

Mr HIGGINS: We are supportive of innovation that encourages efficiency, gains and development opportunities within the bounds of sustainability. The trawl trial process is a permitted activity within the established Timor reef fisheries to seek harvest efficiencies for ready-set quotas of key species, being gold band, red snappers and other group quota.

The Timor reef shares resource with the established demersal trawl fishery, which is predominantly a trawl fishery. The trial is to test how adopting the methods from the demersal fishery would work in the Timor grounds that are suitable for operation of that ground. The gears used are semi-pelagic gears that are designed to fly over the seabed, not to be dragged across it.

The trial has been a matter of extensive consultation and it is a topic of regular update and review at the offshore snapper fishery advisory group that includes all stakeholders, so AFANT and NTGFIA are at the table. Pre-emptive management is in place by way of permit conditions to proactively control how the trial is conducted and OSFAC is also aware of these controls. The controls include upfront closure of large areas to provide scientific reference and to protect more sensitive environments, such as reef systems, from the risk of impact. The controls also include moves on provisions under certain circumstances such as catches of key species, such mangrove jack, golden snapper, jewfish or juvenile fish of any species, are encountered and prevent them from being targeted.

A detailed scientific assessment of viability of the gear is a focus of the trial and the research team is working with the operator to gain a wide range of information about catch composition, any interactions with protected species or the seabed.

Prior to any decision being made about the gear entering the fishery in the long term, a comprehensive review of all available information will be prepared and the OSFAC will be involved in an open and transparent process, via which to consolidate advice and evidence.

The Commonwealth Environment department has also reviewed the activities for the trial under the EPBC Act process and has supported its continuance as long as any interactions with threatened species are accurately reported, which is a legal obligation put on the operator and reviewed by observers sent out on the trips.

Mr VOWLES: Who is conducting the trial?

Mr CURNOW: The trial has been undertaken by one of the operators in the fishery. I guess the department's role is to place observers and monitor the catch data coming back, as well as video data and other information to look at those environmental impacts and make sure it is being successful. The aim of the whole thing is to more effectively target red snappers that are being underutilised in that particular fishery, and to make sure they are being caught in such a way that there are no detrimental effects to either habitat or by-catch.

Mr VOWLES: Thank you, Ian. When was the permit granted, and when is it up for renewal?

Mr CURNOW: I am pretty sure the permit was original granted for 12 months and it has been renewed for this year, so it will be up for renewal at the end of this year. That decision will then be taken based on the information that has been gathered as to the issues the minister covered in his answer in terms of the environmental and other impacts to show it is meeting the aims of the issue.

Mr VOWLES: Thanks for that. We understand the permit is for mid-water trawl. Is that correct?

Mr CURNOW: That is correct. The aim of this trawl is not to run through the bottom like a historic notion of an old-style prawn trawler, but it is to keep the nets above the bottom to minimise any environmental impact and more effectively target the red snappers.

Mr VOWLES: Thanks, Ian. You may have mentioned this already, minister. What monitoring regime is currently in place to ensure compliance with a permit?

Mr HIGGINS: I think in my answer I said we were putting observers out there.

Mr VOWLES: Are they from the department?

Mr CURNOW: Sometimes they are departmental staff. Other times in the past we have used observers who work for AFMA. Obviously, placing observers on vessels can be quite expensive and we are discussing with the industry the options of using video technology to get some of that footage as well, which has been used in a lot of fisheries around the world. You can end up with 24/7 coverage without the cost of having staff and individuals out on boats for an extended periods.

Mr VOWLES: Thank you, Ian. You mentioned, minister, the identified at-risk species, such as mangrove jack, black jewfish or golden snapper. What level of by-catch is currently occurring for those fish?

Mr CURNOW: We will need to take that on notice. As an observation, though, occasionally there have been some complaints or concerns lodged that there may be large catches when people see fish in a market and they are assuming that is where it came from.

I think the important thing is that people tend to mix up the concerns about golden snapper in the Darwin area, where the stocks are undoubtedly under threat, whilst the catches that have been taken of golden snapper for a long period of time in the commercial fishery are actually coming from more remote parts of the Northern Territory. The key aim of this development process is looking at how to open up those new areas and have commercial fisheries operating in some of those areas in a much more cost-effective manner by using trawl gear and other things, while ensuring some of the impacts on some of the at-risk stocks around here and in a high-use recreational area are minimised.

Mr VOWLES: You have that information – is that being collated, the by-catch of those species?

Mr CURNOW: We will have that information. At the time that question got raised, from memory, at the AFANT AGM, we presented that issue coming from one operator. It comes into commercial-in-confidence stuff, but in regard to the by-catch stuff, certainly in relation to mangrove jack, my recollection is that was a one-off catch. The operator then made a commitment at the OSFAC meeting to both AFANT and the NTGFA that they would take steps to avoid that happening. As I mentioned, there were some concerns mentioned earlier this year that there had been another large catch of golden snapper when, in fact, the catch was of gold band snapper, which is one of the key target species of that fishery.

Madam CHAIR: Do you want to put that question on notice?

Mr VOWLES: Yes, will you have that information?

Mr CURNOW: We will have that information. As I said, the only concern will be whether it comes under the confidentiality provisions of the fisheries legislation. The question could be subject to – anyone who releases the answer will be put in gaol for five years. But within the constraints of confidentiality ...

Mr WOOD: See you, Ken. I will visit you.

Question on Notice No 5.3

Madam CHAIR: Could you restate the question, member for Johnston?

Mr VOWLES: Can you please provide the levels of by-catch that is occurring in regard to identified risk species, such as mangrove jack, black jewfish or golden snapper?

Madam CHAIR: Do you accept the question, minister?

Mr HIGGINS: I do on the basis that it does not breach any confidentiality. If it does not we will provide the answer.

Madam CHAIR: Okay. The question asked by the member for Johnston of the minister has been allocated the number 5.3.

Mr VOWLES: Are you able to rule out that demersal trawling has taken place in this fishery? Have you received any reports that this is occurring?

Mr CURNOW: I do not understand the question.

Mr VOWLES: Do you have any reports of any bottom trawling or demersal trawling taking place in the Timor Reef Fishery area?

Mr CURNOW: Trawling is permitted gear in the demersal fishery. The trial is under way in the Timor Reef Fishery, where trawl gear is not currently a permitted means. The whole purpose of the trial, through looking at the by-catch and those other issues, is to ensure that the trawl gear remains the same as it is in the demersal fishery, and is deployed in such a way that it does not run over the bottom so it is not damaging habitat and is actually catching fish.

Mr VOWLES: Have you received any reports that this is happening?

Mr HIGGINS: Illegally?

Mr VOWLES: Or just any reports?

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

Mr VOWLES: Have you received any reports of large amounts of soft coral and sponge being removed as a result of bottom trawling?

Mr CURNOW: I am not aware of that. That would be a question where we would need to go through the catch records and talk to some of the observers to get a detailed answer on.

Mr VOWLES: I would like that to be taken on notice, thanks.

Question on Notice No 5.4

Madam CHAIR: Could you repeat the question, member for Johnston?

Mr VOWLES: Has the minister received any reports of large amounts of soft coral and sponge being removed as a result of bottom trawling?

Madam CHAIR: Do you accept the question?

Mr HIGGINS: Yes I do.

Madam CHAIR: The question asked by the member for Johnston of the minister has been allocated the number 5.4.

Mr VOWLES: Minister, can you confirm that if bottom trawling, if it was occurring, would be in breach of the permit and would be causing serious damage to the reef and threaten the sustainability of both commercial and recreational fishing in the Territory?

Mr HIGGINS: Pretty board question – I presume it would be in breach of the permit. As for the rest of the answer, you would have to know what damage is being caused. It is a bit far-fetched to then say it is threatening the fishery in any way. There would be some threat, but not extensive.

Mr CURNOW: The whole reason this is being done under a permit with monitoring in place is to monitor those impacts. The alternative would be just to amend the management plan and allow that activity to happen through whichever operator wanted to do it. The reason we have gone down the permit path is to do it under a limited scale using one operator, carefully monitor what is going on, and any informed decision will be made at the end of the 12 months of whether that activity is suitable for wider incorporation into that fishery management plan or not.

Mr VOWLES: Thank you, Ian. Thank you, minister. When was the Timor Reef Fishery last reviewed?

Mr CURNOW: I would be guessing for the year, but quota management, from my recollection, came into that fishery two or three years ago. Most of our fisheries generally have a five-year review of the overall management. The permit trial is part of that process in looking at alternative gear types. That is part of an ongoing review, I guess.

The other issue that is being looked at in both those fisheries we are moving to is the development of a harvest strategy policy, specifically for both the demersal fishery and the Timor Reef Fishery. A harvest strategy policy – rather than having general management conditions and a lot more explicit stipulations around if a particular event happens, there is usually a predetermined management action already agreed up front. So we know that if a certain harvest trigger level is met, it might invoke more research or more management costs that need to go in to find out what that means – or, alternatively, if a catch level was exceeded you actually know what steps would be taken, for example whether quota would get reduced or if there are other restrictions that might come into place.

Mr VOWLES: Thank you, Ian. Since 2011 has there been an increase in the number of licences for this fishery?

Mr CURNOW: Can I just clarify; are you talking the Timor Reef Fishery or the demersal fishery?

Mr VOWLES: Timor Reef.

Mr CURNOW: I would have to check numbers; however, my guess is that probably since quota moved into the demersal fishery there would have been a reduction in licences because originally there were quite a high number of licences, and the moving to quota meant that some people chose to sell up. So, there has actually been an amalgamation of licences. I think the actual number of licences, as of now in the demersal fishery, is 19. Going back five years that was probably in the 40s, from memory. In the Timor Reef Fishery, the current number of licences is 16.

Mr VOWLES: Thank you, Ian. What consultation has occurred with recreational, commercial fishers and the wider Territory community about the current and future management plans for this fishery?

Mr CURNOW: I think the minister mentioned in his response that an offshore snapper working group has been set up. That has representation from AFANT, the Guided Fishing Industry Association as well as the commercial industry. That is the forum by which management changes, and all those issues are being done. All groups are fully consulted by that process and, in terms of changes in regulations that have been put through over the last 12 months, it has been done by that group and with that group's assent.

Mr VOWLES: Thank you, Ian. Minister, can you please outline specifically the year-by-year and itemised level of expenditure on management of the trawl and non-trawl sectors of the Northern Territory demersal

fishery, including observer verifications, scientific studies and forming management, studies on impacts to benthic - or sea floor – habitats, and impacts on the threatened, endangered and protected species, and management review including risk assessments.

Mr HIGGINS: We will take that one-month's worth of work on notice, if you do not mind, member for Johnston.

Mr WOOD: He did not even stop to breathe.

Mr VOWLES: We are running out of time. So, will you take that on notice?

Question on Notice No 5.5

Madam CHAIR: Could you restate the question please, member for Johnston.

Mr VOWLES: Minister, can you please outline specifically the year-by-year and itemised level of expenditure on management of the trawl and non-trawl sectors of the Northern Territory demersal fishery, including observer verifications, scientific studies and forming management, studies on impacts to benthic - or sea floor – habitats, and impacts on the threatened, endangered and protected species, and management review including risk assessments.

Madam CHAIR: Do you accept the question, minister?

Mr HIGGINS: I do, Madam Chair, but I just need to clarify a bit there. It will depend a lot on the amount of work that is required when we talk about year by year. How many years do we want to look at?

Mr VOWLES: Since 2011. How does the expenditure compare to other trawl fisheries in Australia, including the South East Trawl fishery?

Madam CHAIR: Do you think that might be a bit of a stretch for a soon-to-be caretaker mode government?

Mr VOWLES: The department is very capable of providing this information.

Madam CHAIR: From 2011, did you say?

Mr VOWLES: Yes.

Madam CHAIR: What about trimming it back a bit?

Mr HIGGINS: We are be happy to provide whatever we can, within a reasonable amount of work, and go back as far as we can.

Mr VOWLES: I am happy to get a briefing.

Madam CHAIR: The question asked by the member for Johnston of the minister has been allocated the number 5.5.

Mr VOWLES: How does this expenditure compare to other trawl fisheries in Australia including the South East Trawl Fishery?

Mr HIGGINS: I think we will take that one on notice as well and we will do it at the same time.

Mr VOWLES: We will just add that in.

Question on Notice No 5.6

Madam CHAIR: Could you restate the question.

Mr VOWLES: Minister, how does this expenditure compare to other trawl fisheries in Australia, including the South East Trawl Fishery?

Madam CHAIR: That sounds like a university paper.

Mr HIGGINS: It may be easier – if the member wanted to get a brief on both of those I would be happy to give him that.

Madam CHAIR: A verbal briefing?

Mr HIGGINS: A verbal briefing on both of those questions.

Madam CHAIR: You want it in writing?

Mr VOWLES: Yes, thanks.

Madam CHAIR: That question is number 5.6.

Mr WOOD: You are closer. You can just spend all your time filling in the reports.

Mr VOWLES: Minister, is it true there is no regulation on the size of boats that can be used in an NT commercial fishery, leaving the door open for large, industrial factor freezer trawlers – known as super trawlers – to enter the fishery?

Mr CURNOW: There is no prescription on size; however, the economic realities of the size of the fisheries in the Northern Territory means that a vessel like the *Geelong Star*, which created a bit of a media frenzy down south – a couple of things to note; that particular vessel is operating in a fishery that has a catching capacity of about 35 000 tonne, from memory. I think if you added up every single Northern Territory fishery altogether you would be lucky to get to a third of that total. The other issue with that vessel is it generally deploys its gear in about 200 m of water, so I am not quite sure where in the Northern Territory it would actually be able to fish very well. It needs a minimum of 100 m, I think, to actually deploy its gear.

The other more important issue is that it is the scale of the fisheries in the Northern Territory, and with the quota management arrangements in place the vessels need to be of a size where they can operate efficiently for the size of the catch they can possibly take. Some of them are operating in 2500 to 3000 tonne fisheries. I think you will find that the size of the trawlers we have now is the maximum size of trawlers we will probably have.

That said, if a miraculous new fishery developed, I think the key with that trawler in the southern waters is it is essentially a freezing facility rather than a trawler, so it can actually only use the same sized nets and gear to catch those fish that any other boat much smaller than that in the southern fisheries can use. The advantage is it is basically a floating freezer, so all the processing is actually done on board the boat to optimise the quality of product, avoiding fuel costs returning to and from port, but I guess that is an issue for the Australian fishery management authorities of Commonwealth managed fisheries.

Mr VOWLES: Thanks, Ian. Minister, is it true that since the merging of a single operator finfish trawl fishery with the NT demersal fishery there has been a 900% increase in the number of boats able to use trawl gear? They were issued, but currently unused licences could double this gain? There has been a 900% increase – yes or no?

Mr CURNOW: My recollection of numbers in the demersal trawl fishery is that it went from one vessel to three, four, five or maybe six trawlers all up. But again, I point to the fact that the fisheries are now managed by quota so it actually does not matter how many vessels are in the fishery; each licence has a certain number of kilograms of fish that they can catch.

Obviously the trawl vessels have accumulated a number of licences prior to becoming quota fisheries, so they have numbers of quota. The reality is you could not have a much larger increase in the number of trawlers because the quota is not big enough to support any more boats fishing at that level.

Mr VOWLES: Thanks, Ian. And when was the NT commercial fishery last reviewed?

Mr CURNOW: As per the answer to the previous question, I guess it is under ongoing review at the moment in terms of some of those trials and potentially looking at new trawl areas. Again, I think that the fishery when it first went under quota underwent major review in terms of putting the new management structures in place. The review of the harbour strategy policies will continue that process.

Mr VOWLES: Thank you.

Madam CHAIR: Okay, are there any more questions on fisheries?

Mr WOOD: Yes, Madam Chair. Minister, you might have heard the recent comments from AFANT about the mud crab industry being on the brink of collapse, and calls by AFANT to close Bynoe Harbour to commercial crabbing. Could you tell us what the mud crab advisory board has said about that issue?

Mr HIGGINS: Okay. Mud crabs are highly prized by recreational and Indigenous fishers in the Northern Territory and form the base of an important commercial fishery worth around \$4m to \$5m at the first point of sale. Recent media speculation has drawn attention to the mud crab fishery and despite concerns that the fishery is overfished, the science shows that, in general, the fishery is sustainable with some decline in stocks in the Gulf of Carpentaria due to poor Wet Seasons interrupting successful spawning. The gulf is not regarded as overfished at this stage but the scientists have classified it ...

Mr WOOD: Can I interrupt you there minister. I was just asking about Bynoe, not the gulf. The claims by AFANT were that Bynoe should be shut down and that the industry was in risk of collapsing.

Mr HIGGINS: If I can just get to the bit here – I did ask that the Mud Crab Fishery Management Advisory Committee meet, and it met in May 2016 to look carefully at the issue and reached general consensus regarding the science determination of resource conditions across the NT.

Despite reaching the agreement at the meeting, AFANT later retreated from that position and is again of the view that the Gulf of Carpentaria should be closed as a matter of priority, given the poor quality of fishing occurring on the popular crabbing grounds in that region.

I am just getting to the bit about Bynoe. The bottom line that came out of the advisory committee was that they – the concerns that the recreational fishers in Bynoe Harbour have is that commercial operators will transfer their fishing effort from the gulf and, with the strong El Nino cycle we have experienced, expects to result in late catches again in 2016.

Out of that meeting, which included AFANT, it was agreed that the commercial fishers would not go into Shoal Bay, where they are allowed to go at the moment, and I think the catch rates in Bynoe have gradually decreased, according to anecdotal stuff. But I can get Ian to give you some more information out of that meeting.

Mr CURNOW: The mud crab MAC looked at a lot of data. While there are some concerns in the gulf, it is not an overfishing issue; it is a rainfall related issue. There are a few protections in the crab fishery that the minimum size for crabs for the commercial sector are of a 140 mm and 150 mm, and 10 cm less for the recreational sector, still actually protects a high proportion of the breeding stock because crabs can breed from about 100 mm onwards. There are always crabs being returned as undersized that are still breeding stock.

The issue is that when you are not getting inundation through good Wet Seasons you are not getting good recruitment. Despite some fears that the number of commercial fishers there had increased, when the MAC looked at this issue only a couple of weeks ago there were still three commercial fisherman in Bynoe, which has been historic – numbers of two to three. Even going back a couple of years when there was a spike through similar concerns in the gulf or catch rates, there was a spike of operators. I think there were a total of eight or nine that operated in the one year, but they did not operate all at once. That is the cyclical nature; if they gave it a try, interestingly enough, it did not change the overall commercial catch.

I think that because of those higher size limits the commercial sector has compared to the recreational sector. What you actually saw was the commercial guys competing with each other for the available size limit of commercial crabs. They were probably making themselves unviable rather than changing the shares between the fisheries or the sectors.

At the same time we have picked up through recreational surveys that there has been about a 5% decrease in recreational fishing effort in the Darwin Harbour region, but that 5% has actually transferred through to the Bynoe/Dundee area, which has meant a 25% increase in effort down there. I think factors such as the improvement of the roads, the culverts and getting transport back through that area has made it more appealing for recreational fishers as well. This is also a lot more competition within recreational fishers.

Going back to the MAC meeting, what it undertook based on those facts was that it would continue to keep a close eye – I think that there is a mud crab MAC meeting in August to review the latest data, just to see what has happened with commercial on recreational catches in that interim period. Ultimately, the key thing we need to do is pray for a very good Wet Season this year, and all concerns about crabs will be gone again in 12 months' time and catches will be back up to their peaks again.

Mr WOOD: I hope so. One question on golden snapper – have you any trouble policing the areas that are reserved? Have you had people fishing in areas they are not supposed to?

Mr CURNOW: Fisheries compliance is undertaken by the Water Police. I do not have the full details. However, when the closures first came in we did a fair amount of education. The Fishing Mate app, which the department has put together, has the maps on it and a buzzing feature on the phones which will alert the people who have downloaded the app when they are coming into those areas. That is a useful tip.

In the first few months, I am aware of three or four instances of people fishing in those zones. Most of them were just given a warning and they were convincing that they genuinely did not understand. I am not aware of any recent concerns. One of the pleasing things, when fishers have been seen fishing very close to the boundaries of those zones, is we have seen a very good peer enforcement issue. Fellow recreational fishers are telling people where they should be and where they should not be, reminding them about the closure zones. But I am not aware of any concerns being lodged.

Mr WOOD: Minister, is that a good reason why you should have some identification on a boat?

Mr HIGGINS: That is a policy issue, as you know, member for Nelson.

Answer to Question on Notice No 5.2

Mr HIGGINS: Madam Chair, I have a long answer to question 5.2. If I just read the first two paragraphs and then table the rest of that – if that is all right?

Madam CHAIR: Sure, yes.

Mr HIGGINS: Just so we have it on the record. It is the issue about new bananas resistant to the panama disease, brought up by the member for Nelson.

The department has recommended the planned evaluation of 27 imported banana cultivars with various levels of tropical race for panama disease. These plants were moved into the NT as tissue cultured material in February 2016 to the Katherine Research Station, which is located outside the banana freckle red zone for growing up.

Last week on 8 June 648 plants were planted on the Coastal Plains Research Farm for evaluation against the tropical race for pathogen. This work will continue for approximately 24 months.

The rest of the answer, I am quite willing to table. It gives a bit more detail.

Mr WOOD: One last question on oysters. You did oyster trials on the Tiwi Islands and Goulburn Island. Have they been successful? Do you believe there is a future market for oysters, especially in Indigenous communities, besides eating them?

Mr HIGGINS: We will get you an answer on that one.

Mr WOOD: I can take a briefing, if you wish.

Mr HIGGINS: It is just in another area. I will just find some information. We can arrange a detailed briefing, but there is one paragraph here that says rock oysters and giant clam farming may provide modest economic development opportunities, as well as providing locally-grown grown, fresh and affordable seafood to improve nutrition and food security. That is talking about the fisheries Indigenous economic development.

I am quite happy to give you a further update on that.

Mr WOOD: All right. I will get an update.

Madam CHAIR: Do you want to register that in any way?

Mr WOOD: They have so many briefings coming up for me. I will take it all as one big briefing.

Madam CHAIR: That concludes questions on Output 2.2, Fisheries.

OUTPUT GROUP 3.0 – WATER TESTING SERVICES
Output 3.1 – Water Testing Services

Madam CHAIR: We will move now to Output Group 3.0, Water Testing Services, Output 3.1, Water Testing Services. Are there any questions?

Mr VOWLES: I have no further questions.

Mr WOOD: No questions on water testing.

Madam CHAIR: Okay. That concludes Output Group 3.0 and Output 3.1.

OUTPUT GROUP 4.0 – CORPORATE AND GOVERNANCE
Output 4.1 – Corporate and Governance

Madam CHAIR: Are there any questions for Output 4.0, Corporate and Governance, Output 4.1, Corporate and Governance? No? That concludes Output 4.1.

Output 4.2 – Shared Services Provided

Madam CHAIR: We will now move to Output 4.2, Shared Services Provided. Are there any questions?

Mr VOWLES: No more questions.

Madam CHAIR: Do you have any other questions, member for Nelson?

Mr WOOD: I had lots, but I do not have any more.

Madam CHAIR: That concludes considerations and outputs relating to the Department of Primary Industry and Fisheries. On behalf of the committee, I would like to thank departmental officers who have attended today. Thank you very much.

Mr VOWLES: Thank you very much, everybody.

Madam CHAIR: We will move on to consider the Department of Land Resource Management.

Mr HIGGINS: Can we get a five-minute break?

Madam CHAIR: Yes, we will have a five-minute break.

The committee suspended.

LAND RESOURCE MANAGEMENT

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

Mr HIGGINS: Thank you, Madam Chair. They are all on my left. We have the Chief Executive Officer, Alastair Shields; Executive Director Corporate Services, Susan Kirkman; and Executive Director Water Resources, Jo Townsend.

I have a brief opening statement – it is shorter than the last one – regarding my portfolio responsibilities for Land Resource Management. Territorians value the economic opportunity arising from our natural environment. Many of us earn a living from the land, whether through farming, tourism, working in the large resource or Defence sectors, or providing services to the growing number of businesses in the Northern Territory. Territorians also recognise the importance of our environment; we value what we have and we understand that it is our responsibility to protect our way of life and our natural environment.

This department plays a critical role in supporting and facilitating economic development right across the Northern Territory, primarily by identifying new areas where land and water resources are suitable for economic expansion in job-creating industries, such as agriculture and tourism.

As well, my department works with landholders to manage and protect the Territory's precious land, water and natural resources now and for the benefit of future Territorians. The department is made up of the following output groups including:

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

That is all the same, risk and the media. The Northern Territory government is continuing to develop and adopt policies that support economic growth in northern development while also protecting and enhancing our unique and envied lifestyle. Workers continue to deliver high-quality land and water suitability information and mapping essential for underpinning successful agricultural developments. Undertaking detailed land sustainable assessment includes planning, field surveys, analysis of data and developing high-quality spatial data sets, maps, map products and reports.

A total of \$2.4m has been allocated for the third year of a four-year program for the expanding program of land and water resource investigation. This program provides detailed land and water information, which is important precursor to de-risking and attracting investment in agricultural development. A total of \$1.3m will see the continued expansion of the rangeland monitoring program using on-ground assessment, coupled with satellite data. This will improve efficiencies and monitoring, and ensure all 223 pastoral properties are visited in a four-year cycle.

There is \$500 000 for the final year of a two-year program for an additional suitability team to accelerate the investigation of the agricultural potential on regions near Indigenous communities. Managing our water resources underpins everything we do. Again, a further \$2.4m has been allocated to continue river and groundwater resource monitoring and flood forecasting. Weed management extension services across regional areas are continuing to help pastoralists control weed incursions and infestations in compliance with the *Weeds Management Act*. There is \$480 000 allocated to continue delivery of these important services.

The government is proactive in investing in measures to protect and secure waterways. A total of \$850 000 has been allocated to deliver the Cabomba Eradication Program. This program is to negate the potential for a large financial impact to arise into the future from reduced water quality in both Darwin River Dam and Manton Dam.

An additional \$500 000 has been allocated to implement gamba grass mitigation activities. Without these activities taking place, it is likely that gamba grass will spread further and continue to become the dominant

vegetative type, resulting in the likelihood and risk of human fatality due to fire and substantial infrastructure damage.

To ensure the impacts of the development are measured and reported, \$1.2m has been allocated to monitor Darwin Harbour in order to maintain community recreational and tourism values. There is \$1.4m to continue repairs and maintenance to existing barges in the Mary River flood plain, which will continue to mitigate saltwater intrusion and help protect the flood plains from agricultural and tourism use, including recreational fishing. The flood plain has high conservation, social and economic value, supporting vast populations of water birds, such as magpie geese, and fish including barramundi and threadfin salmon.

To support the final year of the two-year program, \$550 000 has been allocated to the network of strategic regional firebreaks and improved bushfire suppression operations.

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

Mr McCARTHY: Yes, Madam Chair. In relation to the statement, minister, I have trawled the budget papers and I still have not been able to find any area that demonstrates an increase in appropriation for the studies of our natural resources that would underpin the new, what I call, frontier industry of onshore oil and gas. Is there a reason for this?

Mr HIGGINS: That sort of funding and exploration would be part of Mines and Energy. It is not covered by this portfolio.

Mr McCARTHY: Thank you, minister. As I said, I have trawled the budget papers and we have seen decreases in Mines and Energy appropriations. We have not seen any increases in Environment. I fully expected to see it in natural resource management. Have Cabinet submissions been submitted to look at this? The government, for two years, has been on a serious campaign, telling Territorians we are heading in this direction, but I fail to see any real appropriation to do the scientific studies to support it.

Mr HIGGINS: Member for Barkly, I do not know if the Mines and Energy minister has been through yet, but they would be questions for him. There have been no submissions from my department and it is not covered by my portfolios, as far as I am aware.

Mr McCARTHY: Thank you, minister, and it is important to work through this because, in terms of any alternative government, it is now clear there have not been any submissions from the current department. Mines and Energy, I looked at that and I listened to the minister. There have been no increases – we will talk about Environment in a minute. Just getting that straight out – that is my immediate point in relation to your opening statement.

Madam CHAIR: Are there any other questions relating to the statement? We will proceed to consider the estimates of proposed expenditure contained in the Appropriation (2016-2017) Bill as they relate to the Department of Land Resource Management.

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

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

Mr McCARTHY: Yes, Madam Chair. We will go through and ask each one, minister. The minister has a combination of answer and tabling, so we will do our best.

Minister, in regard to government advertising and communications in 2015-16, can you provide a name and description of the advertising campaign run by your agencies and authorities, and the costs associated with each campaign, please?

Mr HIGGINS: If you want to read all of the questions, member for Barkly, I will give a brief answer in the same format. I will do question (a) for you.

The Department of Land Resource Management had the following advertising campaigns in 2015-16 to 31 March. In general terms there were 35 228 community awareness campaigns, and 31 336 for promotion of gamba grass assistance programs. There is a breakdown of those, which I can table.

Mr McCARTHY: Yes, thank you, minister. Have there been increases to the level of staff responsibility for communication and advertising, and, if so, are there any additional costs across 2013-14 to 2015-16?

Mr HIGGINS: The answer details the number and level of staff responsible. The Department of Land Resource Management provides marketing, communication, web and media support through a shared service arrangement to multiple departments. I will table the numbers.

There has been an increase of three staff from 2013-14 to 2015-16. There is no advertising that contained either the image or voice of the minister – that was the next question you were going to ask. I am quite happy to table all those details.

Mr McCARTHY: Thank you, minister. Regarding tenders and consultancies for each agency and authority, please provide the cost and the number of all consultancies undertaken by the agency in relation to consultancies over \$100 000. Please provide details on consultancies that were conducted by interstate companies, and which consultants were not selected through competitive tendering and why.

Mr HIGGINS: The Department of Land Resource Management incurred \$313 312 in consultancy costs in 2015-16 from 10 consultants. No consultancies were associated with communications; one consultancy was over \$100 000, which was Charles Darwin University; and none of the consultancies were conducted by an interstate company. There is other information there that I will table as well.

Mr McCARTHY: Thank you, minister. For each agency and authority, how many certificates of exemption were issues in 2015-16; what is the description of the goods and services contracted; what is the value of the goods and services contracted; and why was the certificate of exemption required?

Mr HIGGINS: I can give you the whole answer to this one. One certificate of exemption was issued in 2015-16 to 31 March for the supply, delivery, installation and commissioning of a truck-mounted drill rig. The value was \$1 626 897. The certificate of exemption was required due to the specialist nature of the equipment being purchased.

Mr McCARTHY: Thank you, minister. How many staff are in each agency or authority, detailed by full-time equivalent, permanent part-time contract, temporary contract, frontline staff as FTE and as a percentage of the agency? I am especially interested in full-time equivalent and percentage of identified Aboriginal and Torres Strait Islander staff in the agency.

Mr HIGGINS: As at pay 20, which was 24 March, the department had 273.8 full-time equivalent, 13.1 full-time equivalent permanent part-time contract officers, and 50.5 full-time equivalent temporary contract officers. I am advised here that (d) and (e), the frontline staff as a percentage of the agency, probably should go to the Minister for Public Employment. Sorry, I do not have those figures here.

Mr McCARTHY: Is there a breakdown of Aboriginal and Torres Strait Islander staff employed as full-time equivalents?

Mr HIGGINS: It is 6.6% of staff overall. I can actually table a breakdown. I know the member for Nightcliff asked the previous department by region. I have a breakdown of that by region as well.

Mr McCARTHY: Thank you, minister. How many staff are ECO1 level and above, detailed by classification level?

Mr HIGGINS: Again, at pay period 20, the following FTE Executive Contract Officers – ECO1, we had three; ECO2, we had five; ECO3, there is one; and ECO5, we have one.

Mr McCARTHY: Minister, how many staff resigned in 2015-16 to date, and what is that as a percentage of the agency's total staff?

Mr HIGGINS: The department was advised that those questions should be referred to the Minister for Public Employment.

Mr McCARTHY: Minister, does that mean the same - how many staff were made redundant in 2015 and how many were terminated?

Mr HIGGINS: There were no terminations in 2015-16. The Department of Land Resource Management had no forced redundancies in 2015-16.

Mr McCARTHY: Can you please provide the total cost of travel in each agency and authority, broken down into international, interstate and intrastate. In the case of international travel, please provide the itinerary, persons and costs involved in each international trip. Please provide details and costs of all travel undertaken by the minister that was paid for by the agency or authority, including travel on charters.

Mr HIGGINS: International travel was nil; interstate travel was \$92 745; and intrastate travel was \$610 153; and there was no travel undertaken by the minister that was paid for by the department.

Mr McCARTHY: Thank you, minister.

Mr HIGGINS: When we spoke about the international travel - we did pay for one conference fee for a staff member who was already overseas, and the total cost of that was \$2500.

Mr McCARTHY: Thank you, minister. Of course, in the public interest – hospitality. Please provide details and costs of hospitality expenditure in the agency or authority undertaken. Please indicate which events were held on behalf of the minister or at events which the minister attended.

Mr HIGGINS: To 31 March, hospitality expenses of the Department of Land Resource Management totalled \$10 499. I have a detailed answer here giving a breakdown of those which I will detail, pointing out that the minister attended four events. That was the previous minister.

Mr McCARTHY: Thank you, minister. Can you please detail all boards and advisory bodies in your agencies?

Mr HIGGINS: It is an extensive list, so I will actually table that, if that is all right. We have all of the bushfire committees and so forth.

Mr McCARTHY: Thank you, minister. In terms of that answer, can you please indicate boards and advisory bodies where the chair and/or members attract remuneration? Is that in that information?

Mr HIGGINS: Yes, I have detail of 13. I have a detailed list of where the chair and members attract remuneration; that, again, is about 12. I can read those if you want me to, but other than the Pastoral Land Board, the Weed Advisory Committee, and the Northern Territory Catchment Advisory Committee – the rest are water advisory committees or bushfire regional committees. I will table a list of those as well.

Mr McCARTHY: Thank you, minister. Does that include the meetings, the detail of each board and advisory board that met and the membership of those boards and amounts paid to members? Will that be included in that information?

Mr HIGGINS: Yes, I have also – question 15 – the list of the total cost for each board and advisory bodies. I have detailed list of all of those. I have a list of how often each of those people met, and I have a list of the membership of the boards and the total remuneration that was paid to each of those boards.

Mr McCARTHY: Thank you, minister. Minister, can you detail the statutory or legislative fees and charges levied by your agency or authority, the revenue raised and whether any of these fees or charges were increased in Budget 2016-17?

Mr HIGGINS: I have a full list of all the fees that we have here, but the only ones that got an adjustment are those that are subject to CPI under legislation.

Mr McCARTHY: And that is tabled?

Mr HIGGINS: Yes.

Mr McCARTHY: Thank you, minister. Minister, how many internal audits and financial investigations were conducted in each agency in 2015-16?

Mr HIGGINS: There were five internal audits completed. If I just go through those – there are some other explanations that I will table. It was Cabinet information, securities measures, official duty travel, tier two procurement, corporate credit card purchases and a firearms audit. I will table the focus and the outcomes of those. There were some recommendations, but no significant issues.

Mr McCARTHY: That is in relation to any fraud or investigations? Thank you.

Mr HIGGINS: Firearms were not used for anything dangerous.

Mr McCARTHY: Do you want to explore that? It brings a lot of questions to mind, but we do not have time, minister. Can you please detail the cost in 2015-16 of legal services provided by private legal firms to each agency and authority for which you are responsible?

Mr HIGGINS: The Department of Land Resource Management used three private legal firms and incurred \$18 153 in legal costs to 31 March 2016.

Mr McCARTHY: Thank you, minister. In terms of non-government organisations, will you please advise what grant program project and operational funding, if any, will be provided to non-government and external organisations, including contractors, this financial year, and what funding will be provided in 2016-17?

Mr HIGGINS: The total for 2015-16 is \$2.89m and the budget allocation for 2016-17 is \$4.194m. I have a document here that I can table on that one.

Mr McCARTHY: Thank you, minister and Madam Chair.

Madam CHAIR: Are there any more questions relating to the statement and whole-of-government questions on budget and fiscal strategies? That concludes that part of proceedings.

OUTPUT GROUP 5.0 – LAND RESOURCE MANAGEMENT Output 5.1 – Flora and Fauna

Madam CHAIR: We will now move onto Output Group 5, Land Resource Management, Output 5.1, Flora and Fauna. Are there any questions?

Mr McCARTHY: Yes, Madam Chair. Minister, I would like to ask questions around the land suitability assessment teams. First of all, how much of the \$2.4m allocated for this work last year was spent in 2015-16?

Mr HIGGINS: That is actually in the Rangelands output. The actual expenditure was \$2m out of the \$2.4m, as at 31 March.

Mr McCARTHY: Thank you. Have any of these funds been carried over into the coming financial year?

Mr HIGGINS: We are expecting to expend all of it by the end of this financial year.

Mr McCARTHY: Thank you, minister. What was the cost of the work on the Tiwi Islands?

Mr HIGGINS: That was in the previous financial years.

Mr McCARTHY: So, you are saying \$2m has been spent and there will be nothing left by the end of this financial year?

Mr HIGGINS: Yes. That was the answer I gave before.

Mr McCARTHY: Sure. Can you tell me how much was spent on the Tiwi Islands?

Mr HIGGINS: None in this financial year. It was under the previous financial year.

Mr McCARTHY: Sure. Nothing in the current financial year spent on the Tiwi Islands?

Mr HIGGINS: No.

Mr McCARTHY: In relation to that, there were obviously no consultants employed if there was no expenditure?

Mr HIGGINS: No. Not by us.

Mr McCARTHY: There were no local opportunities made to the Tiwi people either because there was no expenditure?

Mr HIGGINS: All the work was done in the previous financial year. I am advised that we have even published the report.

Mr McCARTHY: Is that report concluded and is it publicly available?

Mr HIGGINS: It is on the department's website.

Mr McCARTHY: Thank you, minister. What were the key conclusions of the recent land assessment work at Ali Curung, and is further work proposed?

Mr HIGGINS: The studies are currently being finalised, so they are still in progress. As soon as they are available they will be made publicly available.

Mr McCARTHY: Minister, what arrangements have been made for any local employment opportunities as part of the upcoming Thamarrurr land assessment project?

Mr HIGGINS: I am advised that the majority of the work was carried by the departmental staff on specialised equipment.

Mr McCARTHY: Thank you, minister. Is your program timetable for land assessment work in the Ngukurr region – can you tell us about that and what local employment opportunities are expected in terms of that region and the work?

Mr HIGGINS: That is actually planned in the next financial year.

Mr McCARTHY: Any innovations about including local Indigenous people?

Mr HIGGINS: I think a lot of the assessment is specialised work. I think the whole purpose of doing these surveys on land and water is to look at what economic development might be available for those people into the future.

Mr McCARTHY: Absolutely. And specialised work – you mentioned the purpose of the drill rig, for instance, that appeared in the budget appropriation. No plans to try to include people in those operations?

Mr HIGGINS: Other than the Indigenous employment strategy that is in place across the whole of the public service, no there is not.

Mr McCARTHY: The Clontarf Academy in Tennant Creek has students working with Emmerson Resources on drill rigs, minister. We have 17 and 18-year-olds who are on-site, being trained to operate this highly-specialised equipment. I throw that out because that is an area we are particularly interested in. Labor's position is about on-country jobs. That is what we are focusing on.

Thank you for that, minister. That concludes my questions.

Mr WOOD: When can we expect to see the online resource Flora NT completed and released? I would like to know the answer to that question because I am interested in ...

Mr HIGGINS: I will have to take that one on notice. Is that the one that runs on your phone?

Madam CHAIR: Please explain. You have us all mystified.

Mr WOOD: Flora NT is either a publication or a resource that can identify flora in the Northern Territory. I presume it is an identification manual of some sort. I have not seen it. It said in the annual report it was nearly completed and should be released soon. I am wondering if I can get an update of where it is.

Mr HIGGINS: We will try to get you an update on that before we finish.

Madam CHAIR: Can we take that question on notice?

Mr WOOD: If he will give it to us before we finish that will fix that.

Mr McCARTHY: May I just jump in? I am sorry if I have confused the panel, but I have questions on Flora and Fauna, Rangelands and Water Resources outputs. I did not realise ...

Madam CHAIR: We have been in Flora and Fauna for quite some time, member for Barkly.

Mr McCARTHY: Can I come back to Flora and Fauna?

Madam CHAIR: Absolutely.

Mr WOOD: Can I come back to Rangelands?

Madam CHAIR: Yes.

Mr McCARTHY: I have more Rangelands questions as well.

Madam CHAIR: It is going to be one heck of a night! We have not moved from Fauna and Flora and we have not gotten to Rangelands, so it is all fine.

Mr WOOD: What is the present status on proposals to hunt crocodiles, which I believe Senator Scullion announced but then withdrew? Can you give us an update of where we are at with any proposals to hunt crocodiles commercially?

Mr HIGGINS: Okay. Saltwater crocodiles are one of the iconic animals of the Territory's Top End and contribute significantly to the Territory's economy and Indigenous culture. The Territory government supports the sustainable commercial use of wildlife as it provides a positive incentive for the conservation of utilised species and their habitats.

The Wildlife Trade Management plan for the Saltwater Crocodile in the Northern Territory of Australia 2016-2020 allows for the harvest of up to 90 000 viable eggs and 1200 adult animals from the wild. The Territory crocodile industry, which relies on this wild harvest, is worth approximately \$25m per annum. This is forecast to double during the next decade.

The majority of wild harvest is from Aboriginal lands and an estimated \$1m per annum is paid in royalties to Indigenous landowners under Indigenous Land Use Agreements.

Systematic annual monitoring of crocodile populations by the Department of Land Resource Management clearly demonstrates that the current wild harvest of crocodile eggs and animals is sustainable. Under the management program for the saltwater crocodile in the Northern Territory of Australia – I got confused with this, so I will just clarify that the first one I referred to was the Wildlife Trade Management Plan, but this is the Management Program for the Saltwater Crocodile in the Northern Territory of Australia. The Parks and Wildlife Commission of the NT manages problem crocodiles and implements the Be Crocwise public education plan.

The rate of crocodile attacks has increased between 1971 and 2016, but there have been no fatal attacks since August 2014. Fatal crocodile attacks inevitably prompt public debate about the management of wild crocodile populations, including calls for culls. However, even major reductions in the size of the crocodile population would not guarantee public safety, as even small crocodiles may be responsible for fatal attacks.

The Northern Territory government supports the safari hunting of crocodiles, but safari hunting is currently not permitted under the Australian government approval of the Wildlife Trade Management Plan for the Saltwater Crocodile in the Northern Territory of Australia 2016-2020. The federal Minister for the Environment is currently unlikely to approve safari hunting as part of the *Environment Protection and Biodiversity Conservation Act* for international export of crocodile products.

Provision for safari hunting was not included in the Wildlife Trade Management Plan for the Saltwater Crocodile in the Northern Territory of Australia 2016-2020, which was recently approved by the Australian government. The next revision of the Management Program for the Saltwater Crocodile in the Northern Territory of Australia 2016-2020 will include a model for safari hunting operations that may be implemented should the Australian government approvals be secured in the future.

The Australian government approval of the saltwater crocodile Wildlife Trade Management Plan is required for the continued operation of the Territory crocodile industry, and the Northern Territory government considers that safari hunting is a legitimate form of sustainable use. However, successive Australian governments have declined to approve provisions for safari hunting, while approving previous wildlife trade management plans. The 2016-20 Wildlife Trade Management Plan was approved by the Australian

government and came into force on 1 January 2016 and it does not include provisions for safari hunting. There are significant risks to the Territory crocodile industry should the Territory government proceed unilaterally with safari hunting.

The Management Program for the Saltwater Crocodile in the Northern Territory of Australia, which covers all aspects of crocodile management in the Territory, is currently being reviewed and the new program developed for 2016.

A bilateral agreement is being negotiated between the Australian and NT governments in relation to accreditation of environmental approvals process – the one-stop shop. If this is successfully completed, it may ultimately allow safari hunting of crocodiles to be approved within the NT.

Madam CHAIR: We will break now for dinner. We will reconvene at 7.30 pm. Thank you.

The committee suspended.

Mr DEPUTY CHAIR: We will continue with Flora and Fauna.

Mr McCARTHY: Thank you, Mr Deputy Chair. Minister, to what extent do you contract or otherwise employ Indigenous ranger groups to assist your department with work relating to monitoring and research for biodiversity conservation?

Mr HIGGINS: I am advised there are two FTEs, plus we indirectly do through the Marine Ranger Programs.

Mr McCARTHY: Thank you, minister. Can you outline any changes to the status of endangered or threatened species that have been observed in the NT over the past 12 months?

Mr HIGGINS: In regard to management of threatened species, the department is currently reviewing the legislative list of threatened species in the NT and they are being prioritised by DLRM for management actions, and NT action plans have been produced for the highest priority species outlined and what we can do.

DLRM is involved in significant projects, managing threats to our vulnerable species. These include reintroducing northern quoll in Kakadu National Park and supporting the development of Australia's largest feral cat-free sanctuary at Newhaven.

Currently there are 209 species listed as threatened in the NT under the *Territory Parks and Wildlife Conservation Act*, and 78 species listed as nationally threatened under the EPBC Act. DLRM is currently conducting a formal review of the threatened species list based on current information. The last review was undertaken in 2011.

The NT is also cooperating with the Australian government and other jurisdictions to develop a single Australian threatened species list based on a common assessment methodology. DLRM has recently prioritised threatened species in the NT based on their conservation status, ecological and cultural value and the feasibility to undertake effective management actions for their recovery. NT action plans have been developed and published on the web, outlining management actions to benefit priority species. These plans provide targets for the next 10 years and will assist many NT land managers to determine how best to direct resources.

In April/May 2016, the endangered northern quoll, trained to avoid cane toads, was reintroduced into southern Kakadu National Park, where they have been locally extinct since the cane toad invasion. The reintroduction is a collaboration between DLRM, Kakadu National Park, Territory Wildlife Park and the University of Sydney.

DLRM is supporting Australian wildlife conservation in development of the largest feral cat-free area in Australia at Newhaven Sanctuary. This will create a refuge for wild population of at least 10 nationally threatened mammal species, including the mala, central rock rat and the golden bandicoot.

DLRM scientists are supporting many adaptive management programs by land managers, for example collaborative work on Fish River Station in monitoring how the Indigenous Land Corporation's land management benefits the nationally threatened black-footed tree-rat.

DLRM's research monitoring and management of threatened species gained significant support from external grant funding. This includes \$520 000 between 2015-16 and 2018-19 from the National Environmental Science Program's Northern Australia hub, and \$775 000 between 2015-16 and 2017-18 from the Australian government for three projects under the national Threatened Species Strategy, which included the control of feral cats to protect threatened mammal species in the MacDonnell Ranges with \$220 000; Groote Eylandt biodiversity initiative, \$235 000; and restoring Central Australian water places for biodiversity outcomes, \$320 000.

Mr McCARTHY: Thank you, minister. That question was generated around reptiles. Is there any information about threatened species of reptiles? It was particularly about constituents interested in the goanna and its relationship to the invasion of cane toads.

Mr HIGGINS: Goannas are not a threatened species, which is why the answer avoided that. But about the impacts, we can take that as a question on notice to have a look at that.

I know there was a lot of work being done through the universities in ACT, University of Canberra and the National University, into goannas on the Daly. They also looked at freshwater crocodiles. When the cane toads came they altered that to be every three to five years. I can try to get some information on that if you like.

Question on Notice No 5.7

Mr DEPUTY CHAIR: Member for Barkly, would you like to restate the question, please?

Mr McCARTHY: Can you outline any changes to the status of the goanna species that have been observed in the Northern Territory over the past few years in relation to the invasion of cane toads?

Mr DEPUTY CHAIR: Do you accept the question, minister?

Mr HIGGINS: Yes.

Mr DEPUTY CHAIR: The question asked by the member for Barkly of the minister is number 5.7.

Mr DEPUTY CHAIR: Thank you, Mr Deputy Chair. Minister, what preliminary information is available to you in relation to the impact of the poor Wet Season on Top End wetlands and biodiversity values?

Mr HIGGINS: Again, we will have to take that on notice. We have no information on that here.

Mr McCARTHY: Is that the sort of thing that the department is now looking into?

Mr HIGGINS: It is one that we would look at like when we take into account things like feral animals and cane toads. It would be a similar thing.

Mr McCARTHY: Sure. We do not need to take anything on notice there, but it leads into our thinking. What opportunities were taken to capitalise on the recent poor Wet Season in terms of reducing the impact of cane toads on native fauna?

Mr HIGGINS: That question was about what action was taken?

Mr McCARTHY: If any, yes.

Mr HIGGINS: I think the answer on that would be there was no action. If you are saying action taken – taking advantage of a poor Wet Season.

Mr McCARTHY: Yes.

Mr HIGGINS: The impact of cane toads on biodiversity values across the NT is actually less significant than feral cats, feral herbivores and pigs. I suppose they are our priority areas.

Mr McCARTHY: Minister, just for a bit of a side discussion - that question was generated by people from the southern Gulf Country, because with a poor Wet Season there they were wondering whether there was any chance to get a bit of a take on cane toad populations, because there have been significant dry areas through that southern Gulf Country.

Mr HIGGINS: Because we will not get rid of them you may, in actual fact, be able to kill a few more, but they will still just come back.

Mr McCARTHY: Minister, what work is the agency involved with in relation to environmental flows and fresh water conservation issues along the Daly River?

Mr DEPUTY CHAIR: Can I just ask, member for Barkly, should that be under 5.3 – Water Resources?

Mr McCARTHY: Yes, we can take that.

Mr DEPUTY CHAIR: We have gone back to flora and fauna.

Mr McCARTHY: What work is the agency doing in terms of the biodiversity conservation or other land assessments on the Legune pastoral station?

Mr HIGGINS: I think any of that work would be undertaken by the proponents, and I think some of that would come out of any EIS they would have to undertake.

Mr McCARTHY: This is in relation to the proposed aquaculture project?

Mr HIGGINS: Yes.

Mr McCARTHY: So, other than that, there is no specific work around that?

Mr HIGGINS: No.

Mr McCARTHY: Minister, what work is the agency involved in, in considering issues relating to climate change, and consequent changes and advancing threats to our biodiversity?

Mr HIGGINS: We continually review the impact of climate on any of our biodiversity and species and whether they would be then reclassified as under threat.

Mr McCARTHY: Thank you, minister. Mr Deputy Chair, I believe you wanted to go back to Rangelands?

Mr DEPUTY CHAIR: Yes, I might just go back to Rangelands.

Mr McCARTHY: I will follow the independent member, just to keep it interesting.

Mr DEPUTY CHAIR: Do you have some more questions on Rangelands? All right, I will just do my couple. Minister, how is the Gamba Grass Assistance Program going? How much does it cost and are there any checks to see if it is effective?

Mr HIGGINS: It is assistance to private land holders to mitigate the impacts of gamba grass. The Gamba Grass Assistance Program was initiated in 2010 and has been administered by the department's Weed Management branch for six consecutive control seasons. The participation rates have increased each year. The program provides free herbicide and spray equipment loans to landholders, as well as planning and management advice relevant to weed control on private properties. The program seeks to increase landholder capacity to identify and control gamba grass, reduce the high fuel loads associated with gamba grass, which threatens human safety and infrastructure, and reduce further spread of gamba grass.

The program originally focused on core gamba grass infestation areas surrounding Darwin and Batchelor, where dense infestations mean the risk of fire to lives, property and remnant biodiversity is high. The program has since been expanded to address strategic outlying gamba grass infestations around Dundee and Wagait and in the Katherine, Mataranka and Douglas Daly regions. Distribution points at Adelaide River and Milne have been newly established for this season.

Indigenous ranger groups have also accessed the assistance, enabling gamba grass control around Wadeye, Ramingining and Nhulunbuy. Public interest and uptake continues to increase with approximately 1200 participants accessing more than 21 000 litres of herbicide between 16 November 2015 and 31 March 2016. Additional herbicide purchases are being made to account for anticipated high demand during the closing month of April 2016.

A key aim of the program is to achieve a reduction in density of gamba grass on individual participating land parcels. Each year participants have been required to develop a property management plan. Over the past three years participants have also been asked to complete a program survey and information collected is used to determine the program's success. Initial survey results for 2015-16 show the best rates of gamba grass reduction are achieved on smaller rural properties up to 5 ha in size. This reduction is considered highly beneficial in terms of reducing fire risk.

We talk about participants – if I go to 2010-11 it was 215; 2011-12 was 578; 2012-13 was 900; 2013-14 was 977; 2014-15 was 1561; and so far, up to 31 March 2016, it was 1200.

Budget-wise, \$0.45m was provided for the 2016-17 budget and funding will primarily be used for the reasons I have already outlined. The budget in 2015 – the actual expenditure was \$151 000. The actual expenditure to 31 March 2016 is \$195 000 and the budget for 2016 is \$450 000.

Mr DEPUTY CHAIR: Is there any work on mapping and what has been done? A lot of land in between the small blocks does not belong to private owners. So you have Crown land, council land and blocks that have not been controlled.

Mr HIGGINS: The advice I have is that we only provide guidance and assistance to bodies like Local Government. We do work with other government agencies.

Mr DEPUTY CHAIR: My concern was you spent however many hundreds of thousands of dollars on the program.

Mr HIGGINS: Yep.

Mr DEPUTY CHAIR: I would presume that you would want to know whether it is actually effective, because gamba can reseed quite easily from a neighbouring property. It is a nice program and I think it has value, but it does not have value if it does not last.

Mr HIGGINS: The initial survey results we had showed that the best is on the smaller rural properties up to 5 ha. I know you are probably referring to blocks like the conservation one in behind mine, where the council actually actively go out and do it.

Mr DEPUTY CHAIR: We still have a large amount of gamba close to town. Just go down Amy Johnson Avenue to Tiger Brennan Drive. They spray it, but they are not on top of it. We could have a whole debate on where we are going with gamba.

It says here in your report – I do not know whether you, personally, were involved in the reconstruction of two significant barrages in the Mary River. Is the sea rising still, and how long before the barricades will not be effective? As you go out to Fogg Dam you will see a sign up there – I think the university has a sign there – which gives the height of the sea. It is more or less a sign warning of the potential rising seawaters.

Mr HIGGINS: I think the only information I can give you is that the Mary River one is a losing battle. This is a saltwater intrusion, but in 2004 a cost benefit analysis was published by the Northern Territory and Australian governments in regard to that. Mary River flood plain concluded that salinity mitigation was economically sensible and continuing the program would deliver significant net benefits in the order of \$6m a year, but it will be a losing battle. Does that answer your question?

Mr DEPUTY CHAIR: Yes, I am interested – does the department monitor sea level rises in that area?

Mr HIGGINS: Something that is continually taken into account when they are looking at this program – I know when information was being collated for the budget, there were proposals to do similar things to what has been done at Shady Camp, but it is not economically viable and you cannot stop it in the long run. But it is constantly being monitored.

Mr McCARTHY: Minister, last year the department received \$1.3m to enhance rangeland monitoring so that all pastoral properties are assessed every four years. What progress has been made and how has the work being prioritised?

Mr HIGGINS: I think I covered some of that in a previous answer. It might have been in the opening statement, I cannot recall, but the monitoring and reporting of land condition across the Northern Territory pastoral real estate – the Rangeland Monitoring branch of the Department of Land Resource Management is responsible for mapping, assessment, monitoring and reporting of land conditions across the pastoral estate and implements the Rangeland Monitoring Program on 223 pastoral leases across 11 pastoral districts on behalf of the Pastoral Land Board. It has 11 rangeland monitoring officers based in Darwin, Katherine and Alice Springs, and the monitoring is conducted in the Dry Season to allow access to properties.

The 2015 field season, from 1 October 2014 to 31 September 2015, saw an increase in the number of properties visited, as outlined. Properties visited in 2011 were three; in 2012-13 it was 29; in 2013-14 it was 36; in 2014-15 it was 45; and in 2015-16 it was 55. Properties being inspected were located in Darwin, Victoria River, Stuart Plateau, Roper Gulf, Barkly, Tennant Creek, north Alice Springs, Plenty and southern Alice Springs pastoral districts.

Mr McCARTHY: Thank you, minister.

Mr HIGGINS: I think in my opening statement I referenced using satellite aerial imagery to help that as well.

Mr McCARTHY: Absolutely, using new technologies and innovations. In terms of the assessments that have been done and the government's appropriation towards increasing those assessments, have there been any links to land degradation due to the significant increase in carrying capacity of Territory pastoral properties relating to the pick-up of industry increasing prices?

Mr HIGGINS: The only information I can give you is that we assess the properties in districts in the good, fair and poor. I only have the results for 2015, so I would have to get back and get other figures to compare those. I can give you a couple of examples on how they are rated. In Darwin there are 19 good, nine fair and one poor. In Victoria River there are 50 good, 12 fair, and one poor. In the Gulf there are none rated as good, two fair, and nine poor. In Tennant Creek, your home area, which should be of interest to you, there are 12 good, eight fair, and five poor.

Mr McCARTHY: Would it be fair to say it is on the department's radar that this is a significant concern?

Mr HIGGINS: I would not agree to that without knowing how they do their ratings in good, fair and poor. We are talking about degradation due to overstocking.

Mr McCARTHY: I would not use the word overstocking. I am talking about increasing carrying capacity. For instance, in the Barkly, which is my home Territory, from the Roper River to Barrow Creek – in the areas that are now stocking cattle, we had not seen cattle for 30 years. It is a significant increase in stock. It is now in areas we have not seen grazed for a long time. I wanted to know if it is on your radar. Is there anything being picked up? You are obviously working with industry.

Mr HIGGINS: All I can refer you to is a Pastoral Land Board annual report which does an assessment based on districts, and the impact of various Wet Seasons, fires, etcetera. That would be the only place I could refer you to, to get some other information on it.

The department does keep those ratings of good, fair and poor. But you would have to go back through the four years to see when someone is coming back.

Mr McCARTHY: Sure. Thanks for that opportunity, minister. How is consideration of the impact of non-pastoral use of pastoral leases being included in the assessment reports?

Mr HIGGINS: It is only part of the annual program, but it is not specifically looked at. I presume that is what you asking, whether you are looking at the specific, non-pastoral use land. Is that the question you are asking?

Mr McCARTHY: Two years ago we saw the change in legislation, so the pastoral industry is now looking at diversity. There are some really good examples of that diversity. How will that be incorporated into the

assessments and reporting that is currently conducted, I believe, under a regime that has been operating for a long time?

Mr HIGGINS: I am advised that when the assessment is done, people who have non-pastoral use on the land would still be taken into account as part of the overall assessment.

Mr McCARTHY: One would expect that into the future we would be looking at increased appropriation to survey that diversity?

Mr HIGGINS: The non-pastoral use is more inclined to be undertaken on those parts of the property that are not suitable for pastoral use.

Mr McCARTHY: Sure. That is an interesting comment, minister. That opens a whole new debate.

Mr HIGGINS: Kind of like prawns rather than cattle.

Mr McCARTHY: Not necessarily so. Anyway, we can move on because I have hit on an interesting area there for any government.

What work is the agency involved in, considering the impact of climate change on pastoral properties in the Northern Territory?

Mr HIGGINS: Nothing specific in regard to climate change; they just do the continual pastoral monitoring.

Mr McCARTHY: Sure. What is the status of the review of pastoral rents in the Northern Territory?

Mr HIGGINS: Pastoral leases are a form of tenure of Crown land that allows for the sustainable use of land for pastoral purposes for pastoral lease. Rent is applied annually to the 223 properties that constitute the NT pastoral estate, and the NT government received roughly \$5m in pastoral rental income in 2015-16.

The rent paid is not fee-for-service and there is no relationship with service or infrastructure provisions to the lease holder. The department provides various services to the pastoral industry to administer and manage pastoral land, which includes lease administration, support to the Pastoral Land Board, rangeland condition monitoring, pastoral infrastructure mapping, pastoral lease development, application assessment and associated inspection, and weed and fire management.

The 2015-16 year saw an increase in the pastoral lease rental income by \$1.3m. This was the first significant increase supplied by governments in 10 years. Under the *Pastoral Land Act* the percentage rate is applied to the unimproved capital value of the leased land, which determines the rental amount to be paid. The percentage may be declared before 30 June each year for application in the coming financial year. In 2015-16 the value of the pastoral estate was \$855m and the percentage rate applied was 0.585%.

While the pastoral industry has suffered setbacks in recent years through the livestock export ban in 2011, flow-on effects of the global financial crisis and drought-like seasonal conditions in parts of Central Australia, there are huge waves of positive indicators for the pastoral industry and northern development. These include rising cattle prices, a strong demand for NT cattle from Indonesia and new market developments in other parts. These positive outcomes coupled with the AACo abattoir near Darwin and the ability for pastoralists to generate alternative income streams through the non-pastoral use amendments to the *Pastoral Land Act*. Opportunity and confidence are strong in the NT pastoral industry.

Confidence in the industry is also underlined by the number of pastoral leases changing ownership as cattle producers foresee the demand for cattle and the opportunity for improvements and development on pastoral leases. New valuations are currently being undertaken by the Valuer-General for the 2016-19 period, and these values are determined by the Valuer-General under the *Valuation of Land Act* and are required to carry out these valuations of leases every three years, from the commencement of the act in 1992; notify lessees of the valuation; and process any objections against these.

The percentage applied to the UCVs to determine pastoral lease rents must be declared by the minister before 30 June each year by notice in the *NT Government Gazette* for application in the forthcoming financial year.

In 2004-05 the relevant minister decreased the percentage rate applied to UCVs as the valuation of the entire pastoral estate has increased to keep rental revenue for government at approximately the same level over a period of time.

The historical revenue in UCV values are detailed below:

- In 2004-05 to 2006-07 it was 2%
- In 2007-08 to 2009-10 it was 1.2%
- In 2010-11 to 2012-13 it was 0.248%
- In 2013-14 it was 0.248%
- In 2014-15 it was 0.433%
- In 2015-16 it was 0.585%

The percentage is actually lower than what it was in 2004-05 to 2006-07.

Mr DEPUTY CHAIR: I wish they would do that with my rates.

Mr HIGGINS: I know, that is what I was thinking when I was reading.

Mr McCARTHY: Thank you, minister. That was a good brief. Are you aware of the methodology that the Valuer-General is using to determine the new unimproved capital value of pastoral lands?

Mr HIGGINS: I am not aware of it, but it is probably one for Lands, Planning and the Environment. Has he been through yet?

Mr DEPUTY CHAIR: Yes.

Mr McCARTHY: Thank you, minister. Can you provide a list of the 20 applications for land clearing that were considered last year - including a summary of your assessment of those applications?

Mr HIGGINS: Are you after pastoral or unzoned?

Mr McCARTHY: Under your jurisdiction.

Mr HIGGINS: Well, I have both.

Mr McCARTHY: We are interested in land clearing and your assessment of those applications, minister.

Mr HIGGINS: Well, I did not assess them; the department does that. On pastoral leases, the granted ones were:

- Mount Kepler Station for improved pastures and rice, and the total lease area was 22 500 ha. The amount approved to be cleared was 2881 ha.
- The second one was Western Creek Station for improved pasture. The total lease area is 41 600 ha and approved area to be cleared was 1232 ha.
- Koolpinyah Station for improved pastures with a total area of 76 000 ha and the area approved to be cleared was 1686 ha.
- Elizabeth Downs Station for improved pastures with 205 400 ha, of which 2061 ha was approved to be cleared.
- Bloodwood Downs Station was for improved pastures with a total area of 57 700 ha and there was approval to clear 2372 ha.
- Neutral Junction Station which was for horticultural activities. There are 460 900 hectares under lease, of which 90 ha got approval to be cleared.

- Undoolya Station was established for horticulture for non-pastoral use. The total lease area is 144 400 ha, of which there was 325 ha approved to be cleared.
- Tipperary Station for the establishment of irrigation and agriculture for non-pastoral use. There is 210 000 ha leased, of which 724 ha was approved for clearing.
- Tipperary Station for the establishment of introduced pasture for grazing purposes and hay production. There are 210 000 ha leased, of which 18 126 ha was approved to be cleared.

DEPUTY CHAIR: Could I just butt in there, minister. Has that one been approved?

Mr HIGGINS: These are approved ones.

DEPUTY CHAIR: There is an application for about 12 000 ha or 15 000 ha on Tipperary, which does not close, I think, until the 27th of this month.

Mr HIGGINS: Yes, that would not be in this one. I think a lot of the stuff on Tipperary is actually regrowth area, is it not? I can check that to see if they are regrowth or native clearing. The rest are:

- Larrizona Station for the establishment of pasture for hay production and grazing is 70 000 ha, of which 853 ha has been given approval for clearing.
- Anthony Lagoon Station for hay production and grazing is 623 500 ha leased, of which 500 ha has been approved to be cleared.
- The last one is Aileron Station for the establishment of irrigated pasture cropping block in the north eastern corner of the station for grazing purposes. The total lease area is 407 600 ha, of which 99 ha has approval for clearing.

They are the pastoral lease ones that have been given approval.

Mr McCARTHY: Minister, can I just clarify. Anthony Lagoon at 600-odd thousand hectares and what approval did they get to clear?

Mr HIGGINS: It is 500 ha.

Mr DEPUTY CHAIR: Are there many trees on Anthony Lagoon?

Mr McCARTHY: Yes, parts of it.

Mr HIGGINS: From 1 July 2015 – this is on unzoned land clearing permits. These are just locations; they are not property names, are they?

I could go to lot numbers. If I go through the locality, in Douglas Daly these are areas to be cleared. There was 1324 ha for improved pasture; another one at Douglas Daly was 161 ha; one at Marrakai was 12 ha; one at Sandover was 1.8 ha. The ones at Douglas Daly were improved pasture, the Marrakai one was horticulture, Sandover was infrastructure, and at Douglas Daly there was one for forestry which was 73 ha. Another one at Douglas Daly for improved pasture was 6.2 ha. Maningrida for infrastructure was 4.1 ha. Ramingining for infrastructure was 2.6 ha. Marrakai for improved pasture was 5.3 ha. Ngukurr for infrastructure was 2.1 ha. Batchelor for improved pasture was 452.4 ha, and Mataranka for forestry was 839 ha.

Mr McCARTHY: Thank you, minister. Do those approvals go over a number of years to allow clearing, ripping, burning and stick picking?

Mr HIGGINS: We would have to go back to the conditions when they were granted. So someone could apply to do it all in one go, or do it over a two or three-year period. If you want, we can get clarification on that.

Mr McCARTHY: I would really like to understand that; thank you, minister.

Question on Notice No 5.8

Mr DEPUTY CHAIR: Member for Barkly, would you restate the question?

Mr McCARTHY: In relation to land clearing on pastoral leases, are applicants granted multiple years to complete the clearing of land?

Mr DEPUTY CHAIR: Minister, do you accept that question?

Mr HIGGINS: I accept the question.

Mr DEPUTY CHAIR: That question will be 5.8.

Mr McCARTHY: Thank you, Mr Deputy Chair. Minister, were there incidents of land or vegetation clearing without proper authority? And were any investigated, if that was the case, last year?

Mr HIGGINS: The brief answer is yes. Since August 2012 the department has assessed four retrospective applications for clearing of native vegetation greater than 1 ha on unzoned land. The majority of non-permitted clearing has occurred in Marrakai and a large majority of these landowners are of Asian heritage and English is a second language.

The acceptance of retrospective clearing applications allows for appropriate assessment by the department to understand the potential impact the activity will have on the environment. In cases where the department has identified cleared land as being of ecological value, landowners have been directed to rehabilitate the vegetation back to its natural state. To date, the department has directed two landowners to undertake native vegetation rehabilitation of cleared land.

The cost of native vegetation rehabilitation, depending on the circumstances, can be more expensive for the landowner than the maximum penalty available through prosecution, which is \$30 600 for individuals, and can result in enhanced long-term environmental outcomes. The maximum penalty available through prosecution for development without consent under the *Planning Act* is \$30 600 for individuals, which is 200 penalty points, or \$153 000 for corporations, which is 1000 penalty points.

I am pre-empting some other questions. The department has commenced an information campaign to inform landholders of their obligations. This includes bulk mail-out of printed A6 trilingual English, Vietnamese and Cambodian land clearing information cards to 6278 addresses in Howard Springs, Humpty Doo, Noonamah and Coolalinga, and the establishment of temporary signage in the Marrakai area advising people that permits are required for land clearing.

Mr McCARTHY: Thank you, minister. Have the recent Wet Season conditions in the Top End and increased rain fall in Central Australia affected weed growth and, therefore, the weed management programs?

Mr HIGGINS: We will have to take that one on notice to give you a proper answer.

Question on Notice No 5.9

Mr DEPUTY CHAIR: Could you please restate the question, member for Barkly.

Mr McCARTHY: How have the recent Wet Season conditions in the Top End and increased rain fall in Central Australia affected weed growth and, therefore, the weed management programs?

Mr DEPUTY CHAIR: Do you accept that question, minister?

Mr HIGGINS: I do.

Mr DEPUTY CHAIR: The question asked by the member for Barkly will be 5.9.

Mr DEPUTY CHAIR: That concludes consideration of Output 5.2.

Output 5.3 – Water Resources

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

Mr McCARTHY: Yes, Mr Deputy Chair.

Answer to Question on Notice No 5.7

Mr HIGGINS: Before we go to that, I can give an answer that was asked before, which was 5.7.

There are 16 reptile species listed as threatened in the Northern Territory, including the marine turtle species. There are three goanna species listed as threatened or vulnerable in the NT. They are the floodplain monitor, the Mertens' water monitor and the Mitchell's water monitor. These species declined in the Top End when cane toads invaded us. They preyed on and were poisoned by the toads. This generally occurred from the early 1990s in the gulf region through to the 2000s around Darwin.

However, monitoring shows these goannas persist at lower numbers, and experience from Queensland shows their population partly recovered over time. They are also secure on a number of islands with no cane toads.

Mr McCARTHY: Thank you, minister. To clarify that with a bit Territory yarn, I have old men in the Roper area asking me to bring up floodplain goannas from the Barkly. I will tell you now that I am not doing it. I am offering meat trays instead.

Mr HIGGINS: I have a nice water monitor living in the dam at our place. There are cane toads everywhere, so I am glad he does not eat cane toads.

Mr McCARTHY: He is a lucky monitor. On Water Resources – last year I asked question 4.11 of the minister. It was:

For each NT aquifer please provide details of sustainable yield, total volume of approved water extraction licences, and number of unprocessed water extraction licences including total volume of water applied for.

Can you provide an update on that data provided in the response to last year's estimates question in this output group? If you want to table anything, minister, that would be much appreciated.

Mr HIGGINS: Okay. I have a table here. I was checking to see if any of these points were not relevant. I have an updated table here that I am quite willing to table. It might be one that I gave the member for Johnston when I first got into the portfolio. I think he asked a similar question.

Mr McCARTHY: That is a bit of a moving feast, minister. We would like that up-to-date one. Thank you for that.

In which aquifers has the sustainable yield increased since March 2015?

Mr HIGGINS: The sustainable yield has not changed; it is more our knowledge about the aquifers that has changed.

Mr McCARTHY: That is interesting, minister. What is the scientific basis for the decision on perceived changes?

Mr HIGGINS: The information I have is that the two systems where the figures have changed are the Ooloo and the Katherine, and both of those are comparing to draft figures that were originally published. The figures that we use today are figures that are based on taking the 30-year average, as opposed to what was previously a 100-year average.

Mr McCARTHY: Was that correct, minister? You were saying 30-year?

Mr HIGGINS: Yes.

Mr McCARTHY: So, has that changed from a 40-year assessment to a 30-year assessment?

Mr HIGGINS: No, it was 100 to 30, it has never been 40. Not as far I know.

Mr McCARTHY: Minister, in which aquifers has the total volume approved for extraction increased since March 2015?

Mr HIGGINS: Again, it is the same two. Katherine was increased with the new water allocation plan that was released in April, and more recently the Ooloo one. They are the only two that have increased since March 2015.

Mr McCARTHY: And the total volume in those increases? Would that be contained in the table that you provided minister? Yes?

Mr HIGGINS: The total volume in the increase or the total sustainable yield?

Mr McCARTHY: The total volume approved.

Mr HIGGINS: There is a column which shows total volume approved extraction mega litres per year for each of the aquifers.

Mr McCARTHY: Thank you, minister. In each case how many new licences have been awarded, and what is the increase in the approved extraction?

Mr HIGGINS: What date, member for Barkly?

Mr McCARTHY: Since March 2015.

Mr HIGGINS: I think we would have to get you those figures; we have some from September 2012, but not from March 2015. We do not have those figures here.

Mr McCARTHY: Sure. You are happy to provide us with that, minister? You probably want to hear this, if you are happy to provide that information - the first question was in each case how many new licences have been awarded and what is the increase in improved extraction? In which aquifers does the total volume approved for extraction exceed the sustainable yield?

Mr HIGGINS: I think part of the answer is that none of the sustainable yields have been exceeded. If you take the Katherine aquifer – we allocate an amount each year based on the previous Wet Season. That is announced each year, so it is actually a movable feast; it goes up and down. The same goes with Ooloo; at this point we have not exceeded that sustainable yield either. They are the two critical ones.

In regard to the licences, the question I just need to get some information on is – when we look at new licences we need to split them into completely new licences that are reissued, variations to licences and straight renewals. We can split the licences for you into renewals, increases in existing licences, plus new licences.

Mr McCARTHY: Thank you, minister.

Mr HIGGINS: I think the way you were asking the question was not in those categories. I was just trying to get it into those categories.

Mr McCARTHY: That sounds good for us to understand.

Question on Notice No 5.10

Mr DEPUTY CHAIR: Can you please restate the question, member for Barkly.

Mr McCARTHY: In each case how many new licences have been awarded and what is the increase in approved extraction? The minister will also provide additional information about renewals.

Mr DEPUTY CHAIR: Do you accept the question, minister?

Mr HIGGINS: I do.

Mr DEPUTY CHAIR: The question asked by the member for Barkly is 5.10.

Mr McCARTHY: Minister, in February 2016 the government provided information that the sustainable yield for the Ooloo Dolostone Aquifer was 60 000 ML a year. The total volume approved for extraction is 65 982 ML and there were 11 new licence applications pending for a total volume of 40 534 ML a year.

That was in February 2016. Based on the sustainable yield of 60 000 ML a year, and the existing over-allocation of 5982 ML a year, how is it possible to approve further big allocations from the Ooloo Dolostone aquifer?

Mr HIGGINS: A consumptive pool of 60 000 ML was set in the 2013 draft Ooloo Dolostone Aquifer Water Allocation Plan, and this figure was based on 40% minimum licence reliability over a 100-year time frame. Annual rainfall has shown us a consistent increase in trend over the past 100 years. It has been significantly wetter over the latter 50 years compared to the first 50 years.

We do not plan or allocate water based on a 100-year historical period. Water allocation plans and licence decisions for the next 10 years are based on the immediate past 30-year period. This changes the available allocation because the past 30 years has been wetter than the preceding 70 years or the 100-year average.

The relatively greater level of recharge into the aquifer means that water able to be allocated for consumptive use has also increased. Due to the wetter climate conditions of the past 30 years the Ooloo Dolostone Aquifer is able to support 89 486 ML a year extraction at approximately 40% reliability over the next 10 years. Seasonable variability, or dry years, is managed through the annual announced allocations process, which ensures the minimum environmental flow requirements in the Daly are also preserved.

I think it might be appropriate if the CEO actually explains how these reliability levels are determined. We have two categories; we have reliability and then we have the security levels. I think it is important that everyone understands and we get clearly on the record what those two items are. If I am allowed to get the CEO to issue something on those it may help clarify stuff into the future.

Mr SHIELDS: The minister has mentioned security levels and reliability, and I think there is a lot of misinformation about what those things mean. Security levels work in conjunction with the annual announced allocations and, therefore, only apply in the Top End, which is where the annual allocations arrangements apply. They were first applied in 2009 along with the introduction of annual announced allocations in the Katherine Tindall Water Allocation Plan. We have four types of security levels: total; high; medium; and low. Although, in the Mataranka Tindal Water Allocation Plan there are only three total priority or general – and the security level determines the order in which any reductions in water entitlement are determined through the annual announced allocations process.

It works for us in reverse order, so if you have a low security entitlement you are reduced first, followed by medium, high and then total as necessary to make sure environmental flows are maintained. Total security entitlements have only been issued for public water supply licences, that is, water licences held by the Power and Water Corporation. High-security entitlements have been issued to establish and long-standing enterprises or to the first batch of licences issued in a particular area. Medium-security entitlements have been issued to expanding high-security licence holders and to new licence holders in developing areas. Low-security entitlements are assigned in highly-developed resources, but will usually not be assigned. This would lower the reliability of other low-security entitlements. So that is how the security levels work.

Then there is the percentage reliability. I think much has been made of exactly what that means, and it is probably worth taking a minute to explain a bit about how it works in practice.

Much has been made in the media of some of the recent water licences that are granted, one in particular which has a reliability level of 37%. That means in 37% of the 10 years of the licence would you expect to maintain the whole of the licence application. But it does not mean that in the rest of the years your allocation will necessarily be zero. It means that in the balance of the years you would expect some reduction in your entitlement based on our expectation of the aquifer. In many cases, the reductions I

announced for the annual allocations in the Katherine area on 1 May this year – the reduction is really on a small percentage.

You might find that someone who has a low-security licence will not necessarily lose much of their licence application in a year, or even much reduction over a 10-year period. It is just that they will have a greater number of years where there is some reduction.

Clearly the amount of the reduction depends on how good the preceding Wet Season is and, in the case of right now where we have had about three fairly poor Wet Seasons, the number of Wet Seasons that have been dry. If you head into a really long dry patch, as we have seen in some of the drought conditions in other states in Australia, clearly there is a greater expectation of a greater reduction. But where there has been only one or two years with Wet Season being a bit below average, you would expect the reduction to be lower.

Mr McCARTHY: Thank you, minister. I think we will move forward on this point – would you be able to table the scientific modelling around the decision-making process that the department uses?

Mr SHIELDS: The modelling is more than a document; it is a system. It is set up on computers and has an awful lot of inputs and outputs. It is quite a complex thing and probably not easy to understand as a tabled document. We have a couple of things that might be of assistance, if the minister is happy to table them. One of the things we did prior to the grant of the recent water licences in the two areas we spoke about earlier was an independent review.

We asked for an independent review to be undertaken of our modelling system by the Goyder Institute. That is an independent body, based in South Australia, which had a good look at our modelling. We received a report and, more recently, the Goyder Institute attended Darwin and made some presentations to stakeholders and other government agencies on what the modelling found. It was quite an extensive review of our models. The institute came back and asked us to run a lot more scenarios through the models to test how robust the model was. It has come back after running all these extra permutations through our model, saying we have a robust and fit-for-purpose model system.

I have the review from the Goyder Institute, as well as the PowerPoint presentation that was provided to stakeholders. Currently there is not one on their website, but I have them here and am happy, with the minister's indulgence, to table them.

Again, subject to the minister's indulgence, I found the briefing from Goyder Institute useful. If the minister is comfortable with this, we could arrange to give you a detailed briefing on modelling and how it works, how much the system has continuous improvement, and how we use monitoring data to feed back into the model to make sure we are continually refining it and making it better. The more information we have that can go into the model the better the outcomes will be from the model itself.

Mr McCARTHY: I appreciate that.

Mr HIGGINS: I am quite happy to have the information tabled. To add to what Alastair said, the Goyder Institute did some presentations, and subsequent to that I had some discussions with the media in regard to briefing a few people who are interested in this. I am more than happy for anyone in the opposition to have a briefing with them. I told the media it would not be a media conference; it would be sitting down and talking with the Goyder people. My view is that water is an issue that we all have to care about. The more information we all share the better off we are, irrespective of which side of politics we sit on. I am more than happy to make documents available and for the Goyder Institute to come up and do that briefing.

Mr McCARTHY: Thank you, minister.

Mr HIGGINS: I will table both of these now. There is a copy of the PowerPoint presentation, which, if they come and do a presentation, you will go through again. There is also a copy of the report.

Mr McCARTHY: Thank you, minister. Earlier in regard to Department of Primary Industry and Fisheries, you were talking about the CT Group and the dragon fruit project. Can you tell us what the total volume of water required to support this type of project is?

Mr HIGGINS: We do not have any applications from them in regard to a water licence. All we can do is take a question on notice and say how much water dragon fruit would use in a certain area.

Mr McCARTHY: We are talking 10 000 ha?

Mr HIGGINS: Yes.

Question on Notice No 5.11

Mr DEPUTY CHAIR: Member for Barkly, please restate the question.

Mr McCARTHY: Has the total volume of water required to support the proposed CT Group's 10 000 ha dragon fruit project been identified?

Mr DEPUTY CHAIR: Do you accept that question, minister?

Mr HIGGINS: I will give the answer based on, say, a property at Mataranka. I think that is where they were looking. I know the water usage varies, so I will do based on at Mataranka.

Mr DEPUTY CHAIR: The question asked by the member for Barkly is number 5.11.

Mr McCARTHY: I have heard that dragon fruit is pretty heavy on water, and also labour intensive.

Mr HIGGINS: My wife just planted some so I am about to find out.

Mr McCARTHY: That will be for next year; we could get some personal anecdotes. When the government allocated CLP candidate Tina MacFarlane 5800 ML per annum for 10 years, it promised to review its decision to abolish strategic Indigenous reserves by March 2016. In the three years since the promise was made, has the review commenced and would you update the committee on the outcome of consultation with stakeholders such as AFANT, pastoralists, farmers, land councils, traditional owners, Indigenous communities and tourism operators?

Mr HIGGINS: A review of the strategic Indigenous reserves – I think we said when we got rid of it that we would review it in 2016. We have made some changes in regard to the *Mining Management Act* and the use of water for mining properties. In parliament recently I said we would look at reviewing that.

We already have the water advisory committee, which was set up by the previous minister. It is one of the tasks I have asked them to have a look at – not specifically Indigenous, but a strategic reserve. I recently sent up some advertising for the Daly River water advisory committee under the legislation and, again, that would be a subject to them.

One strategic reserve is allocated at the moment, and that is in Katherine. The Katherine plan contains a strategic reserve. It is actually 680 ML a year.

Mr McCARTHY: Is it a strategic Indigenous reserve?

Mr HIGGINS: I am not too sure whether it is actually an Indigenous reserve – yes, it is. It is a provision for Indigenous economic development in the Katherine Tindall Water Allocation Plan, and it is 680 ML a year.

Mr McCARTHY: Thank you, minister. So we can say that review will be conducted.

Mr HIGGINS: Yes, and that will be done by those water advisory committees.

Mr McCARTHY: Sure. Minister, when the Stylo Station applied for 5 800 ML per annum for 10 years, they stated that the water would be used for primary production including peanuts, sorghum, maize, onions, melons, citrus, pawpaw and other crops. Did the department monitor the volume of water utilised by the MacFarlanes, and was the water used for the purposes set out in the water licence application?

Mr HIGGINS: The original licence was issued under the beneficial use of agriculture, which then includes forestry. They would have been doing their water returns. When that property was sold it was then transferred to the new property owner under the heading 'Agriculture', which includes forestry.

Mr McCARTHY: Minister, how do we manage the issue of inflating property values relating to water licences?

Mr HIGGINS: I am not too sure that a water licence would automatically increase the value of a property. I think the value of the water is more related to if you went into a trading situation, but the government tries to address any of those issues by the 'use it or lose it' type of approach – which is if someone applies for a water licence and they get their water licence – they have to put in a development plan as to what they will be doing over the next 10 years. If they have not used that water in a time frame we review that licence and actually reduce it so we do not have water banking, as such.

Mr McCARTHY: Is there a period in that time frame specifically?

Mr HIGGINS: No, it is only the three-year reviews that are in place at the moment.

Mr DEPUTY CHAIR: Can I ask a question on that, member for Barkly? The MacFarlanes were granted a 550 ML licence at the beginning and did not use it. Surely, if you did not use the small licence, you should not have received a bigger one.

Mr HIGGINS: The 'use it or lose it' policy was actually introduced because of the Stylo incident, but I think you are talking about a different thing, a previous licence that was there.

Mr DEPUTY CHAIR: Which they were granted – and they did not use it. In return for that wonderful use of that water licence, they got it multiplied by 10.

Mr HIGGINS: How the 'use it or lose it' came about was specifically that case. They were only issued the new licence with a condition of 'use it or lose it'. In other words, they have not used their other one so it was basically, 'Use this one or you will lose it'.

Mr DEPUTY CHAIR: I thought they might have said, 'Use what you have first' - bringing in the new philosophy - 'and then we might give you an increase'. But, it is history. It seemed, to me, to be the wrong way round to put it bluntly. Sorry, member for Barkly.

Mr McCARTHY: Thank you Mr Deputy Chair. Minister, on page 248 of Budget Paper No 3 it lists as a key performance indicator for the agency that 80% of the groundwater licences will be covered by water allocation plans. In fact, it is estimated that less than a third conform. A note to the budget paper says this is due to unexpected delays. Minister, what explanation can be given as the cause of those delays?

Mr HIGGINS: I cannot give a full explanation going back. All I can say is at the moment there are currently three declared water allocation plans operating in the Territory; one is Alice Springs, one is Western Devonport, and one is at the Tindal aquifer. The Ti Tree allocation plan lapsed in 2015 and a water advisory committee on the development of a new plan has been advertised since I became a minister. There is drafting of four plans currently under way at various stages, which include advertising for the people to sit on the water advisory committees. They are the NT Great Artesian Basin, the Tindal Limestone Aquifer at Mataranka, the Ooloo Dolostone Aquifer Water Allocation Plan and the Berry Springs Water Allocation Plan. We finished grant modelling on the Howard East plans, so we can look at setting an advisory committee up for that.

Mr McCARTHY: Thank you, minister. Could it be said that water committees operating across the Northern Territory, which dissolved in one way or another, have created these unexpected delays?

Mr HIGGINS: The only explanation I can give is that part of it is getting people who are interested being on these committees. Against this you also have to process water application licences and under the legislation you have time frames around that. You have legislative time frames in which you have to process water licences, which has to be met, so that gets a high priority.

Mr McCARTHY: Minister, I did not get the opinion that people were not interested. When we were in government I saw those committees as being very active.

Mr HIGGINS: Yes.

Mr McCARTHY: We saw the drop off of interest; it looks like that is part of the problem, but you are now reinstating that as good, consultative community participation, yes?

Mr HIGGINS: Yes.

Mr McCARTHY: Yes, thank you.

Mr HIGGINS: We advertised several of them in the last month.

Mr McCARTHY: I congratulate you on that. Minister, which water control districts do not have an approved final water allocation plan?

Mr HIGGINS: I will go through the actual plans we have at the moment:

- Alice Springs; there was a new plan declared in February which will go until 2016.
- Western Devonport was declared in 2011 and will expire in 2021.
- Ti Tree expired in 2015 and that needs to be remodelled with a new plan to be completed in 2017.
- The Tindal Limestone Aquifer; the first five-year review was completed this year and the revised plan was declared in April 2016. That will expire in August 2019.
- The NT Great Artesian Basin; there was a draft plan prepared in 2013 and further revision is required to cover potential mining and petroleum developments, but the plan is expected to be finalised in 2017.
- The Tindal Limestone Aquifer at Mataranka; the draft plan was prepared in late 2011 and further revision is required to cover improved modelling and licences granted since 2012. Again, that plan is not expected to be finalised until 2017.
- The Ooloo Dolostone Aquifer; the original draft plan was prepared in 2013 and further revision is required to cover improved modelling and licences granted since 2012. Again, we would expect that to take about 12 months.
- Berry Springs draft plan was released this month and the final plan should be declared in July 2016.
- Howard East; the groundwater model has been completed and the draft plan is expected to be completed by the end of this year for the final plan in early 2017.

Other than those, any areas outside of those do not have water allocation plans.

Mr McCARTHY: Thank you, minister. In 2013 a previous government minister announced the comprehensive review of the *Water Act*, informed by the principles set out in the COAG agreed National Water Initiative. Can you advise the Estimates Committee which elements of the National Water Initiative will inform the new *Water Act*, and will it make the last day of sittings in the 12th Assembly or has it missed the boat?

Mr HIGGINS: I do not think it will make the last day of sittings. I definitely have not seen it come across my desk. I think I would look at some detailed answers rather than trying to give that to you now, if that is all right.

Mr McCARTHY: Around the principles that are being worked on – it would be great to get that information.

Mr HIGGINS: I will get Alastair to give you some information and then we will see if we need to take some of it on notice.

Mr McCARTHY: Sure.

Mr SHIELDS: As you probably know, the genesis of the National Water Initiative was the 1992 Murray-Darling Basin Agreement and the over-allocation problems that led to that agreement. The Northern Territory signed up to the National Water Initiative in 2006 as part of a COAG agreement.

Some of the key elements of the National Water Initiative that the Territory signed up to, which inform our planning process and review of legislation to date, is a shared commitment to increasing efficiency for water use in Australia, and greater certainty for investment and for the environment. The National Water Initiative contains a water planning framework, which provides for contingent allocations in the absence of science.

In all cases, if we have absolute data and science that say we should or could depart from the contingent liabilities then that is what we do. But in the absence of clear science that enables us to make a different

decision there is a planning framework, which means in the Top End, where there is heavy rainfall and recharge of aquifers, the so-called 80-20 rule applies, which means 80% of river flow and aquifer recharge is allocation to the environment, and 20% can be allocated for beneficial uses.

In the arid zone, where, essentially, there is less frequent recharge of aquifers and less frequent rainfall, it works slightly differently. There, 95% of river flow is allocated to the environment and in aquifers the total extraction is not to exceed 80% of aquifer storage when you start taking water out of it over a 100-year period. So they are the principles that underlie our water planning framework now, but also the review of the *Water Act* and the way we administer it.

Mr McCARTHY: That is ongoing business, minister, at the moment? That is good to hear; thank you for that. Minister, what plans is the department working on in terms of the proposed flood mitigation works in relation to the Katherine River, the Daly River and the Todd River?

Mr HIGGINS: The department does the mapping and monitoring, but the Department of Lands, Planning and the Environment does all the mitigation work. I can give you information on the flood mapping and monitoring.

The Department of Land Resource Management undertakes flood modelling and mapping to assist land planning decisions and disaster management planning on behalf of the Northern Territory government. Flood modelling and mapping includes both riverine flood risk and storm surge flood risk, and the areas prioritised for flood modelling are determined by the Northern Territory Floodplain Management Committee.

The following areas are covered by the riverine flood mapping – they are all available on the Internet site: the Katherine town and rural area has a flood plain map that covers 20, 50 and 100 years; a Beswick flood plain map, which is 50 and 100 years; Borroloola town flood plan, which is 20, 50, 100, 200 and 500; Elizabeth and Blackmore flood plain maps for 100 years; and Alice Springs town and rural area floodplain maps for 100 years.

The following areas in the Darwin region and Gulf of Carpentaria are covered by storm surge inundation mapping and are available at the Internet site. They are for 100-year events, 1000-year, and extreme, which is a 10 000-year category.

These maps are based on predicted sea level rises in the year 2100. They include the Darwin area, Dundee, Bynoe, Cox Peninsula, Weddell, Baniyala, Alyangula, Bing Bong, King Ash Bay, Milyakburra, Numbulwar, Umbakumba and Yirrkala. The following areas are currently being modelled for storm surge: Galiwinku; Milingimbi; Maningrida; Warrawi; Minjilang; Wadeye; Wurrumiyanga; Pirlangimpi; and Milikapiti.

Updated storm surge mapping for the Rapid Creek area was completed in April this year to assist the Department of Lands, Planning and the Environment with flood mitigation assessment measures.

The riverine flood modelling for Katherine has commenced and will be completed as a draft by October this year, and will be released subject to approval by Lands, Planning and the Environment and its flood mitigation management responsibilities.

The department also manages and provides flood reporting for 53 monitoring stations at strategic locations throughout the Northern Territory. If you want me to table those I can, but again they are available on the Internet.

Mr McCARTHY: Thank you, minister. Madam Chair, that is the end of my questions for Water Resources.

Mr WOOD: I have a few. My questions all relate to more local matters, minister. In relation to water levels in the Howard East Borefield, I received your document on aquifers. Are you able to tell us which the Howard East Borefield is on those charts you gave us? Is it the Koolpinyah dolomite aquifer? I cannot see the Howard East Borefield on that list of aquifers. It is a fairly important aquifer. It supplies a lot of water to Darwin.

Mr HIGGINS: Can we please get a copy of that document?

Mr WOOD: I will table it, yes.

Mr HIGGINS: It is in the Darwin Rural Water Control District – and it is the Koolpinyah dolomite.

Mr WOOD: I thought it might be, but it does not have that name. I do not know why it does not have that name. As you know, I have had some concerns about the water levels this year. I think you said that once the department had investigated the levels in Howard East Borefield – I will call it that so local people will know if they are listening – you then may have to readjust the amount of water that Power and Water will be able to pump from that system. Is that happening?

Mr HIGGINS: I think your question is whether their licence amount is reduced based on an annual allocation based on a previous Wet Season.

Mr DEPUTY CHAIR: Yes, so most people know that we had a miserable Wet and the previous year we had a long Dry. You sent out some details of water level heights and I gave that out to all the people in my electorate, so the question now is, if those water levels are lower than an average season, does that mean there will be a reduction in the amount of water that licence holders such as Power and Water will be able to pump?

Mr HIGGINS: If I read this bit out here – the Power and Water Corporation have water extraction licences from the Howard East Borefield for up to a total of 8420 ML a year. The borefield supplies 10% of the Darwin and surrounds public water supply and is also a form of water security as a backup to the Darwin River Dam as needed. The Darwin River is currently at 90% full supply level. There is therefore no immediate risk to reticulate water supplies.

Power and Water Corporation has been subject to criticism for some residents who believe they are accessing water that belongs to the rural area, so they are actually only taking 8420 ML. I think your question is still whether, if it is a dry Wet Season, they are subject to an reduction in their allocation, and the answer to that is yes.

Mr DEPUTY CHAIR: When will that be determined? We are already mid-Dry Season.

Mr HIGGINS: At this point, one of the things that comes up in that area is that to impose that reduction at the moment - where you have the 15 L per second exemption - would make it unfair on the people who are licenced. In other words, some people have applied for licences even though there is an exemption and they are the only people whose allocation you could reduce

While we have a 15 L exemption in place, the people who are pumping less than 15 L per second for a commercial operation, who do not have a licence and do not have to have one at this point in time - you would not be able to reduce them, because you do not know who they are.

Mr DEPUTY CHAIR: But, Power and Water has a licence.

Mr HIGGINS: Yes. Power and Water, at the moment, is not even using its full allocation.

Mr DEPUTY CHAIR: I might talk to you later. I think the best way to handle this is if I can get information from you, even on a monthly basis. I am happy to put it out to the community because there are a lot of issues that people think are problems with the water in the Howard East Borefield area. But, minister, I agree with the member for Barkly that one of the problems has been because the government got rid of the water advisory committees. Some of the matters that could have been handled by the water advisory committee – that did not happen.

I was on the water advisory committee and we spoke to experts from Power and Water and government departments, and we were able to pass that information on to the community. That vacuum in information is partially why we are getting more queries regarding whether there is enough water in the aquifer and whether it will affect my bore. When I say 'my bore' I mean the people who have spoken to me.

Mr HIGGINS: I think part of the problem at the moment is not simply the fact of water allocation planning - running behind. I think it is also the fact we have had a couple of very dry seasons. In the last month or two I have been addressing the 15 L a second exemption. I think I have signed off a proposal to draft some changes to the regulation to remove that, but part of that is timing to ensure those people who currently are not licenced - under that exemption – are not in breach of the law when you remove that regulation. So, we have to ensure they are there, and they are given an opportunity to get their licences. Once you have those licences, you can better monitor and enforce a reduction based on the poor Wet Seasons. You would do an allocation the same as is being done in Katherine and has been done for the last five years. I think that process will be in place everywhere that has a water allocation plan.

The department has also been doing a lot of work around which bores will be at risk of failure at the end of the Dry Season and how we get that information out. I think that has been pretty well developed and I signed off on some of that stuff very recently.

I can give you some information on what will happen. The rural residents are aware of the demand on the water resource and the poor Wet Season; however, there are a number of education and management strategies which are being rolled out to promote the following key message: know your bore. It is important that people are aware of their screen heights and that bores are monitored by property owners for signs of failure. This will allow residents to make alternative supply arrangements for a short term.

People should reduce their water usage. A collective reduction in water use over the Dry Season will limit impact on the resource and extend its supply and diversify your water supply. Augmenting bore supply will allow residents to manage poor Wet Seasons into the future.

We will be publishing ground water levels in rural newspapers on a monthly basis, commencing from the end of June 2016, and we are developing roadside water level signage in two prominent sites close to monitoring bores. It is also developing tailored information on monitoring bore performance and maintenance, and has established a team to respond to queries and share information about the water risk and availability in their area or on their property.

Mr DEPUTY CHAIR: That is excellent. I could only cover part of the Howard East Borefield, and part of my electorate covers it. That will also help people in the southern area, which I think is really good. I think we have to act as a community, regardless of whether we are a high user or a low user.

Mr HIGGINS: We have recently announced that we would not be issuing any more new bore permits for the Berry Springs aquifer.

Mr DEPUTY CHAIR: I was going to ask you about that because on your list you show that the sustainable yield is 8900 ML. You show that 651 ML a year has been approved. That is for the licenced people, I presume. So, you are saying that the rest of the domestic bores take up the rest of that sustainable yield?

Mr HIGGINS: Yes, and a domestic bore should only be used to water – I hope I get this right, otherwise I am sure the staff here will tell me if it is wrong – half a hectare of garden around your house, and you need to be licenced if you want to have a garden bigger than half hectare around your property. The only thing we can do – because people are not licenced and, therefore, it is not metered – is work on an average. We work on 3.5 ML a year. What you can do is work on a projected amount.

Mr DEPUTY CHAIR: This has helped cover some of the questions I had about other aquifers. The only thing I want to ask is are there any other aquifers in the rural area of Darwin that are likely to be in the same boat as the Berry Springs Dolomite Aquifer?

Mr HIGGINS: Yes.

Mr DEPUTY CHAIR: Will you tell me or leave the shock until later?

Mr HIGGINS: I read a lot of these documents every day. The areas of greatest vulnerability include Howard Springs, Girraween, McMinns, Herbert, Lambells Lagoon and Berry Springs.

Mr DEPUTY CHAIR: They are on the Howard East Aquifer. Did you work in with Power and Water? When we had our Howard East Water Advisory Committee, we had hydrologists from Power and Water who were obviously updating the knowledge around that aquifer. In fact, I did not know until the last meeting we ever had that there were compartments, if I can put it that way, to the aquifer. It is not just a bathtub.

Mr HIGGINS: We have identified a bit closer than that. I am actually reading off the ministerial brief here. We predicted the end of the Dry Season groundwater levels and correlated them against bore screen height records to better quantify those households more likely to be affected. This exercise involved matching individual bore records where the top of the bore screen has 10 m or less above the end of Dry Season predicted groundwater surface level, and out of the 3383 bores used in this assessment, 786 bores are identified to be at risk of failing by October 2016.

Mr DEPUTY CHAIR: They are predicting an early Wet Season, and I will be praying.

Just another question, minister – in relation to the new Berry Springs Water Allocation Plan you put on page 30, 'Water Trading'. This is one of the issues I was concerned about in relation to the MacFarlanes' sale of the land. I did not know we had any water trading legislation.

I see two sides to the story about water. One is you get water for nothing from the government, and now you can trade it. This is what you are saying here. It ends up with a value, and the original person who received that water licence got it for nothing, so it seems to me, as a taxpayer, the government has handed over a large quantity of water and someone now has the ability to sell it for profit. I know that happens down south.

The other issue is, as was the issue that we had with the MacFarlanes selling Stylo – was that a form of water trading disguised as the increase in the sale of the land value?

Will there be some more discussion about the issue of water trading or will it be the case, if this plan is approved, that somehow water trading will automatically come part of the Northern Territory water allocation system?

Mr HIGGINS: Water trading has been around for many years. When I sat on the Daly River management group it was around then and there were some rules set at that point in time. From memory, you can only trade up and not down, etcetera. Trading is provided for in the water allocation plan, so when the water advisory committees are established part of their role is to look at what sort of water trading might be available in that plan.

Mr DEPUTY CHAIR: This might be very simplistic, but all these water licences are being given out, basically for nothing. I know people have to put a lot of money into infrastructure, but if you sell a farm you sell the improvements on the farm as well, so you get that money back. But I would say that if you have a water licence it is very hard to believe that you would not get some improved – you would either buy it and get the property, and the water is equal to X number of dollars, or you include it within the value of the property.

I have asked this question in parliament, but it seems that if you have a water trading system, right at the beginning you should have charged people for this water so you have a value for the water at the start, whereas the value here is nothing. It is free.

Mr HIGGINS: I suppose that is getting into a policy question, but I can answer it by giving you an example of where water trading could be effective and not profitable. If someone is growing watermelons every year – you plant the watermelons and you need so much water to do it. If they cannot get enough water to grow their watermelons they virtually go broke, but they may be willing to pay a mango farmer who has trees that use a lot of water when they need the fruit produced, but use a hell of a lot less water if you just want to keep your trees alive. Someone who wants to grow watermelons can then purchase water off the mango farmer, and the mango farmer makes the same amount of money they would have made if they had grown the mangoes and sold them. But then we still have the melon grower, who is able to survive another year because he got some water.

In that instance they would not make a profit, so I understand what you are saying about where the water should be charged, but I think that is more a policy issue for government in general.

Mr DEPUTY CHAIR: You then have the danger – and this is another query we had when the water licence numbers were increased – that people would put an ambient claim in. Therefore, you had people banking water. They did not need that much water, but they did it in the hope that maybe this system would come along and they could sell one-third of their licence. It did not make any difference to their production, but they had a bit of extra water that the government had given them. Is there any way you can stop that happening?

Mr HIGGINS: To me, from a policy point of view, what could be done – and we have already have the 'use it or lose it'. Where people apply for very large water licences, the issue is that you could say. 'No, you will only get 10% of it this year because you cannot develop 100% of what you are planning'. That is part of someone putting in a development plan of what they want to do with the property. You could put in a water licence application that says, 'I will clear 10% of the land in the first year and 10% every year, therefore I only want 10% of my water in the first year and gradually increase'.

Mr DEPUTY CHAIR: That is probably an argument we used for Stylo Station in the beginning, but that is another issue and it is history now. That is all the questions I have on Water Resources.

Mr HIGGINS: It is water under the bridge.

Madam CHAIR: That concludes consideration of Output 5.3, Water Resources.

Output 5.4 – Bushfires

Madam CHAIR: We will move on to Output 5.4, Bushfires. Are there any questions?

Mr McCARTHY: Yes, Madam Chair. What firefighting foam agents have historically been supplied to volunteer bushfire brigades, and what steps have been taken to review any of the risks associated with the use of those chemicals?

Mr HIGGINS: My understanding is we do not supply any to our volunteer bushfire brigades, which are the ones we are referring to here. As for fire, Police, we would have to go to Fire and Emergency Services and the FERG units, which are separate. FERG units and fire services are under police. I do not know the answer, but the volunteer bushfire brigade is the only one that falls under us. As far as I am aware, we do not supply any agents along those lines.

Mr McCARTHY: Nor have, historically?

Mr HIGGINS: Nor have. I will undertake to get that checked and if that answer is incorrect I will come back and let you know. But to the best of my knowledge, it is no.

Mr McCARTHY: Thank you, minister.

Madam CHAIR: Any other questions on bushfires? That concludes consideration of Output 5.4 and Output Group 5.0.

OUTPUT GROUP 6.0 – CORPORATE AND GOVERNANCE **Output 6.1 – Corporate and Governance**

Madam CHAIR: The committee will now proceed to Output Group 6.0, Corporate and Governance, Output 6.1, Corporate and Governance. Are there any questions?

Mr McCARTHY: Yes, Madam Chair. Minister, in December 2015 and January 2016 John Coleman wrote to CEs requesting that two audits be undertaken – a compliance audit with government travel policy 1 July to 31 December 2015, and an audit of Latitude Travel transactions and related companies from 1 July 2009. Did the department undertake the two audits requested by the Department of the Chief Minister in December 2015 and January 2016?

Mr HIGGINS: Yes.

Mr McCARTHY: In the interest of transparency and public accountability, will you provide the Estimates Committee with a copy of the audited reports?

Mr HIGGINS: We cannot supply anything with Latitude Travel because we did not have any travel. No audits were done of the travel because there was no travel with Latitude Travel. As for the other compliance audit, it was an internal audit and we are happy to supply that.

Mr McCARTHY: Thank you, minister.

Madam CHAIR: Do you want to take that on notice?

Mr HIGGINS: We do not have it here, so I will forward it. It should be on notice to make sure you get a copy.

Question on Notice No 5.12

Madam CHAIR: Can you restate the question please, member for Barkly.

Mr McCARTHY: Minister, in the interest of transparency and public accountability, will you provide the Estimates Committee with the internal report on compliance with government travel policy 1 July to 31 December 2015?

Madam CHAIR: Minister, do you accept the question?

Mr HIGGINS: I do.

Madam CHAIR: The question asked by the member for Barkly of the minister has been allocated the number 5.12.

Madam CHAIR: Are there any other questions? No, we will move on. That concludes Output 6.1.

Mr HIGGINS: I have a couple of quick answers.

Answer to Question on Notice No 5.8

Mr HIGGINS: Question 5.8 was in relation to land clearing on pastoral leases or applicants granted multiple uses to clear the land. The majority of pastoral lease land clearing permits require lessees to substantially commence the clearing activities within two years of the date of issuing the permit. Clearing activities must be completed within six years from the date the permit is issued.

Answer to Question on Notice No 5.9

Mr HIGGINS: Question 5.9 – how have recent Wet Season conditions in the Top End and rainfall in Central Australia affected weed growth and weed management programs? This is a long answer here; possibly what I could do is table that one, if that is all right?

Madam CHAIR: Okay, the answer is tabled.

Output 6.2 – Shared Services Provided

Madam CHAIR: I have been urged to try to continue on to the end of this section on the environment so we will go to Output 6.2, Shared Services Provided. Are there any questions?

Mr McCARTHY: Thank you, Madam Chair, no questions.

Madam CHAIR: Okay. Are there any non-output specific budget-related questions?

Madam CHAIR: Okay. So, that concludes considerations relating to the Department of Land Resource Management. On behalf of the committee, I would like to thank the minister for attending today, and I also thank the departmental officers who have provided advice. Thank you very much.

MEMBERS: Thank you.

Madam CHAIR: The committee will now break for 10 minutes then we will come back and go to outputs relating to the Minister for the Environment.

The committee suspended.

DEPARTMENT OF LANDS, PLANNING AND THE ENVIRONMENT

Madam CHAIR: I think we will commence. You wanted to table a document, minister?

Mr HIGGINS: Yes, I have two things here. I committed to make available the internal audit report of official duty travel, so I table that.

Answer to Question on Notice No 5.10

Mr HIGGINS: For question 5.10, the answer is 10 licences have been issued since March 2015 and it was 28 047 ML a year.

Madam CHAIR: Thank you very much. We are now moving on to outputs relating to the Minister for the Environment. I note that responsibility for Output Group 7.0 sits within the Department of Lands, Planning and the Environment; however, as the Minister for the Environment is the responsible minister, questions relating to this output group will now be answered. Minister, I invite you to introduce any officials accompanying you and, if you wish, to make an opening statement.

Mr HIGGINS: Thank you, Madam Chair. I have with me Rod Applegate, who is the Chief Executive of the Department of Lands Planning and the Environment. On my right I have Dr Bill Freeland, who is the Chair of the Northern Territory Environment Protection Authority. I have Fotis Papadakis, who is the Chief Financial Officer of the Department of Lands Planning and the Environment. I also have Brett Brogan, Executive Director Environment division, Department of Lands Planning and the Environment.

Just for a bit of an overview, the Environment division within the Department of Lands Planning and the Environment plays an important role in providing government with advice on environmental issues. The division is central in guiding the work that is being undertaken to improve the Northern Territory's environment regulatory framework. The division is also responsible for providing support and facilities for the NT Environment Protection Authority to enable an independent body to properly exercise its powers and perform its statutory functions.

I thank the department's CEO and staff for their hard work and dedication over the past year. I also thank the Chair and members of the NT EPA for their active role in promoting the ecologically sustainable development of the Northern Territory.

It should be noted that this year the environment division has a separate budget line to the NT EPA, and this reflects the independent nature of NT EPA and aligns the budget reporting with the other statutory bodies which DLPE administers, including the Northern Territory Planning Commission and the Darwin Water Corporation.

This year we have highlighted \$0.78m in the budget for the Environment division to support the appropriate governances to deliver government's environmental reform agenda. A key focus is seeking input from the community environment organisations and industry about improving the Territory's environmental assessment and approval process in order to deliver a leading best-practice regulatory frame work. Improving environmental legislation and processes to ensure they are complimentary, robust and transparent will provide the clarity and certainty in the industry the community expects.

This year the EPA has finalised the assessment of two projects at the level of environmental impact assessment. These were the Wellard Rural Exports live cattle export facility at Livingstone, and the Groote Eylandt Mining Company Eastern Leases Project. The terms of reference for the preparation of the environmental impact statement, or public environmental impact report, were prepared for four projects between 1 July 2015 and 31 March 2016.

The EPA continues to grant environmental protection approvals and licences in its role, administering the *Waste Management and Pollution Control Act*, and continues to respond accordingly to reports of waste and pollution offences. The EPA waste management strategy was provided to me in August 2015. The strategy provides a good summary of the waste management issues in the Territory and highlights particular challenges and constraints to efficient, effective and appropriate waste management across our towns and communities. The NT EPA continues to develop, consult and release a range of environmental guidelines to industries, stakeholders and the public to improve accountability. A recent example is the finalised guide for the preparation of a notice of intent.

The NT EPA online was launched in June 2015, aimed at reducing red tape and streamlining the application process for environmental licences. It is a convenient online tool for businesses and clients to manage their licence requirements under one online account system, increasing efficiencies for both the client and staff processing applications for the EPA. As I said earlier, the government has embarked upon

the environmental reform program as we committed to delivering a thriving and sustainable future for all Territorians. Delivering a world-class environmental regulatory system is an essential part of this commitment.

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

Mr McCARTHY: Yes, Madam Chair. Once again, I have been searching the budget books, looking for increased appropriations to manage what the government is crowing about – our new frontier industry of onshore oil and gas. In the environment section we have seen a decrease in budget appropriation by \$300 000.

Considering the pressures that are coming with water resources, climate change and now this new frontier industry, where in the government's appropriation are we seeing the necessary resources to conduct the scientific studies into hydrology, geology and looking at the specific geological fault lines across the Northern Territory, as well as looking at heritage areas, traditional areas and sacred sites? I cannot find it anywhere, minister. Can you help me with this? Is it your department that will undertake this work regarding the environment?

Mr HIGGINS: A lot of the stuff you have referenced is with Mines and Energy, as opposed to Environment.

In my opening statement I said we had allocated \$0.78m in the budget for the Environment division to support the appropriate governances for delivering government's environmental reform agenda. Part of that budget is the process that I announced, which was that we would, until the end of February, consult with interested groups to see how they want to be consulted. At the moment we are in the process of consulting with various stakeholders to go through the regulatory reforms that we might set a priority on into the future.

I also said that the process would not finish until about September this year. Then the changes to legislation that need to be implemented to tighten up on the regulations are not specifically related to the gas industry, which you referred to, but they could be related to all environmental issues. They will take anything up to about two years from that time on.

Mr McCARTHY: Thank you, minister. You have identified \$780 000, which I found in Budget Paper No 3, but you have also identified that it is not specific to this new frontier industry of onshore oil and gas. What will that \$780 000 be used for? How much would be appropriated towards doing these critical studies of our environment and natural resources to facilitate what the government says is a new industry?

Mr HIGGINS: The answer I gave is that the \$780 000 is for running that division which has carriage – one of its functions is to have carriage of that consultation over the next six to eight months.

Mr McCARTHY: Minister, I could not find anywhere in the budget books any appropriation towards the legislative passage. I am presuming there will be quite complex legislation that will travel parallel to what should be environmental studies and the science behind the new frontier industry of onshore oil and gas. What level of appropriation has been budgeted towards administering that legislative process? I think you mentioned it could be two years in the pipeline.

Mr HIGGINS: Again, it is the \$780 000. That is the allocation for these people to do the consultation. Once they have finished the consultation they will move into making some of that legislative change.

Mr McCARTHY: Sure, so we have a definitive ...

Mr HIGGINS: It is not looking at the scientific aspects; I will make that quite clear. That is not the role of the division, so that is not in this budget for the department.

Mr McCARTHY: Thank you, minister, for your candid response. In the report you used from Dr Tina Hunter, and the review conducted of the Petroleum (Environment) Regulations, Dr Hunter talks about the framework for balanced environments. Minister, how do you think that this process will achieve those objectives of delivering a balanced environmental approach to this new industry of onshore oil and gas?

Mr HIGGINS: Again, I think that question is probably more appropriate for Mines and Energy, but with regard to the change to the legislation that you are referring to, it was to implement some controls – full stop. There are no controls at the moment.

Mr McCARTHY: So, minister, I assume this very important stage in the Territory's history, and what the CLP government is saying is our economic future, would be managed across agencies. But you are saying it will be managed by the Department of Mines and Energy. So, we are talking about a singular agency?

Mr HIGGINS: No, I think my reference to the Department of Mines and Energy was in regard to your question on scientific data and cross-sections across the Territory - that is clearly its responsibility.

Mr McCARTHY: It is an interesting point, minister. When I looked at the Department of Mines and Energy appropriations, the only increase is a \$500 000 increase appropriated to looking at the production of diesel fuel. Essentially, we are not seeing any increase in appropriation. We have just looked at natural resources and there is nothing there. In terms of the environment we have \$780 000 to share across a suite of initiatives. So, it is not looking serious in terms of when you hear what the government has been saying over the past 12 months – its announcements that this will be our new frontier industry. I am bringing these comments from a very wide level of the Northern Territory constituency.

Mr HIGGINS: I think you would have to ask those questions to other ministers. My interest is in ensuring a proper regulatory regime is established - and I have carriage of that consultation, which has started. I have a time frame that I put out there and, as far as I am aware, we are still sticking with that.

Mr McCARTHY: Minister, in the statement you talked about environmental protection and the ambition of government to make sure we get it right. Can you advise the committee, what steps have been taken to make sure the debacle of the development of Port Melville does not happen again?

Mr HIGGINS: I would not call it a debacle – the fact that regulatory regime is being reviewed was an issue that was raised in the Hawke report, and that was it.

Mr McCARTHY: No, we are talking about Port Melville, minister.

Mr HIGGINS: That is right; that is what I just answered.

Mr McCARTHY: Can you give us any further details about what government will do to make sure there are environmental frameworks and safeguards for any major infrastructure development in a pristine ecosystem?

Mr HIGGINS: I refer to the second Hawke report that looked into the regulatory regime and identified some holes in legislation that have been around for many years. The Port Melville one was the fact that legislation existed to look after publically-owned ports. Melville was a privately-owned port. That hole in the legislation has been there since legislation was introduced in the Territory – full stop.

That piece of regulatory legislation is being tidied up and is part of that process.

Mr McCARTHY: Is being tidied up?

Mr HIGGINS: Yes.

Mr McCARTHY: Minister, is there any time frame around ...

Mr HIGGINS: I said earlier that changes to legislation would not be commenced until September this year; that was on our time frame for consultation and it could take anything up to two years.

Mr McCARTHY: Minister, you might be aware that the Director of the Environment Centre NT has lost their job, and that relates to funding cuts. Can you tell us how much the government saved on not funding environment centres across the Northern Territory?

Mr HIGGINS: I think those savings were in previous years, so I do not have those figures in front of me. I do not even know how much they were being funded. I may have those figures here for you. I have just been advised that there are two ways of looking at this; one is there were no savings. The money was simply moved from the Environment Centre, when we established EPA, into grant funding that is administered by the EPA.

Mr McCARTHY: Thank you, minister. It is of great concern that these organisations that have played, traditionally, a very important role are now struggling to survive. It has been raised with the opposition on numerous occasions. Minister, what about the measures that are being put in place in terms of

environment management policies that take into account the increasing effects of climate change on the Northern Territory's environment?

Mr HIGGINS: Climate change is taken into account. We already did the land resource management in saying some of the variability of climate works on your allocations for water each year. Climate change is also taken into account when you look at lands planning, as in, what land will be developed and what the movements of sea level might be into the future. I think it crosses a lot of departments.

Mr McCARTHY: Into another area that would be looking at that \$780 000 appropriation?

Mr HIGGINS: It would be picked up in the whole regulatory reform across government.

Mr McCARTHY: Minister, are there any specific plans or measures in place to mitigate the effects of coral bleaching and mangrove degradation that we are seeing across the top of Australia?

Mr HIGGINS: Was that mangroves?

Mr McCARTHY: Yes.

Mr HIGGINS: I have been advised that we have no evidence of mangroves being degraded; they continue to flourish at this point.

Mr McCARTHY: Thank you, minister, for the opportunity to have this discussion, once again. I think the Estimates Committee has clearly heard my point of view. It relates to a clear policy difference – an alternative – which we do not discuss at estimates. My memory of last year still haunts me.

I wanted to make that loud and clear and, for Territorians listening to this, yes; there is a very clear division there.

Madam CHAIR: Are there any other questions on the statement?

Mr WOOD: Yes. Minister, in relation to funding for groups that have an alternative point of view, when we had the debate on the environmental regulations for the *Petroleum Act* I had a briefing from the Environmental Defenders Office. I think they are an important part of the balance that is needed in some of this discussion. You and I might not always agree with them, but I think it is a healthy place to have somebody else looking at what government is doing.

I spoke to Dave Morris and I said, 'How are you funded?' He said, 'By the sale of art works'. I remember they had an auction about a year ago, but I think – there are not many people other than him running the show – that it is good to have someone with a third or fourth opinion. I think it is a healthy democracy we live in if people can at least questioning government policy. It does not mean that you have to agree with them, but I think that is important.

I suppose I am putting in a plug. I think someone from the Environmental Defenders Office who I would not class as being radical – I just think there are people who have a sincere interest in the environment and legislation that affects the environment. I ask the government to perhaps reconsider their funding because I think it plays an important part. Some of the debate that I had in relation to tightening some of the issues I felt were lacking in the legislation were the same as to what he was thinking as well. I thought he was a good, honest broker. I raise the issue anyway.

You can tell me if I should be asking Dr Bill Freeland this; in relation to sand mining in the Howard Springs sand plains – we might get onto it later, but I should ask you now, just in case – normal application for sand mining is through the Mines and Energy department. I got word from a local environmental lady, I think she might even work for Greening Australia, and she said, 'Have you heard anything about an application to mine sand in the Boral area?' I said no and I inquired. I found out there had not been any applications through Mines and Energy.

I was given this document; Boral has asked for a permission to sand mine about 190 acres of land in the Howard Springs area, going through the EPBC Act referral, which is a Commonwealth act. Do you know why a company would put in a request to do sand mining using a Commonwealth act for what would normally go through the *Mining Management Act*?

Mr HIGGINS: I will just give you the beginning of that. If there are threatened species identified under Commonwealth legislation, the report needs to go to the Commonwealth, which is why it is the EPBC Act. The actual steps that have been taken on that sand mining – I think I will get Dr Freeland to give an answer on where that is at.

Mr WOOD: Just before Dr Freeland says that, how does the average Joe Blow know there would be an application for sand mining? Every other sand mining application goes in on Thursday in the *NT News*. This one does not appear to have gone ...

Mr HIGGINS: The EPBC Act process is only one in addition to our own here in the Territory.

Mr WOOD: So this is a preliminary ...

Dr FREELAND: We are aware of what has happened. We were notified by the Commonwealth when it got that referral from Boral. They received the thing from Boral on the grounds that there is a known population of a plant called *Typhonium taylori* within that area. The other thing about the referral was it was very glib. They claimed that nobody in the Territory knew anything about these plants and they could not identify them properly, ignoring that particular population amongst the other populations of that species which have all been identified with DNA analysis and goodness knows what else.

These people could not find any problems there, but they sent it off to the Commonwealth. They told the Commonwealth they had all their Northern Territory approvals in line and they were simply waiting for the Commonwealth approval. In actual fact, they do not have a mining title, exploration title or mineral title of any shape or form over that land. We were obviously very intrigued, as was the Commonwealth. The Commonwealth was concerned as to when or why we did not get our referral.

All I know is that the Commonwealth has responded to Boral; it has not made any decisions about the nature of any likely assessment. I suspect it is looking for a way to involve the NT EPA.

Mr WOOD: It is good to hear you say it is a fairly shallow application.

Dr FREELAND: It is shocking.

Mr WOOD: Just reading it – if the locals knew this they would laugh, because a lot of people live in that area.

Dr FREELAND: I fully agree.

Mr WOOD: Am I right to say that nothing will happen?

Dr FREELAND: We are holding fire a bit to find out what happens next.

Mr WOOD: It would have to go through the Territory process if it were to continue?

Dr FREELAND: They cannot do it under only Commonwealth EPBC Act approval. They do not even have a minerals title. If they got a minerals title, we would get ourselves another EIS going. They are doing silly things. The best they can do with their approach is end up doing two EISs, which is not in their interest.

Mr WOOD: Well, that is good news. I can pass that on to the people who have been concerned about it anyway. Thank you.

Madam CHAIR: Are there any more questions on the minister's statement?

OUTPUT GROUP 7.0 – ENVIRONMENT
Output 7.1 – Environment Management and Policy

Madam CHAIR: The committee will now move to Output 7.0, Environment, Output 7.1, Environment Management and Policy. Are there any questions?

Mr McCARTHY: Only one, Madam Chair. Minister, what will the \$300 000 decrease in environmental management policy, a new area, conflict with?

Mr HIGGINS: The variation mainly reflects the realignment of the Department of Corporate and Information Services. They are notional charges, so it has no impact on it. It was just a move in how corporate and information services were done.

Madam CHAIR: Any questions?

Mr WOOD: Taking on a bit of the member for Barkly's concern about what role the department would play in the issue of fracking. In the budget it says under Environmental Management Policy:

Manage the regulatory framework to reduce the impacts of waste and pollution on the Territory's environment. Develop and implement strategic policy to ensure environmentally sustainable practices and behaviour.

That is what I believe Tina Hunter was talking about. Will you have some input in developing and implementing strategic policy to ensure environmentally sustainable practices and behaviour surround the fracking industry?

Mr HIGGINS: The role of the department is to ensure we have all the criteria in place that relates to our regulatory requirements. In other words, we will be saying these are the requirements that we want put in place and they will be introduced into all the legislation. Then all the different departments will have to comply with that criteria. That explains it.

Madam CHAIR: Okay. If there are no more questions out Output 7.1, that concludes consideration of this group.

NT ENVIRONMENT PROTECTION AUTHORITY

Madam CHAIR: The committee will now move on to consider the NT Environment Protection Authority. I note that responsibility for the NT Environment Protection Authority, Output 8.0, sits within the Department of Lands, Planning and the Environment. As the responsible minister, questions relating to the NT Environment Protection Authority will now be answered. Minister, I invite you to introduce any officials accompanying you and, if you wish, to make an opening statement regarding the Environment Protection Authority.

Mr HIGGINS: They are the same people, Madam Chair. I am quite happy to hand over to Dr Bill Freeland, who is the independent chair. If he wants some assistance, I will be here for him.

Madam CHAIR: You do not have a statement on this one?

Mr HIGGINS: No.

Madam CHAIR: So you are open to questions.

Mr HIGGINS: The chair may have a statement.

Dr FREELAND: I can make statements, but it would be off the cuff and we would be better off with just questions.

Madam CHAIR: Okay. Are there any questions?

Mr McCARTHY: Dr Freeland, how many current environmental assessments are under way?

Dr FREELAND: This year we received 37 notices of intent. Of those, seven were required to do an EIS. That is seven new EISs so far this year, which is 19%. The number has not changed dramatically over the last three years. There were 47 that arrived in 2013 during a bit of a boom and 14 notices of intent. We had 48 last financial year and we received 37 this year. On average, 19% of those notices of intent ever becomes an EIS. I do not have a figure with me as to the total number on the books. It is a difficult number because we are not responsible for the number, as most of the time it takes someone to do an EIS – it is all up to them. We have no control over it. We recently received, I think two weeks ago, an EIS that had been in the making for literally nine years.

It is really hard. They stack up at times and they disappear at times; it is not a valid number. The best work is the number that the minister gave before, which was finalised this year – that is a very intensive

work period for us - and the number of notices of intent. We get the decision on whether or not to do an EIS and the determination after that decision of the terms of reference that we want the proponent to respond to in the EIS.

Those are the work periods and they are the valid work level measures rather than the total number on the books. Most of them we sit around doing nothing with because we have nothing to do, because the client is still off gathering data and doing analyses and that sort of thing.

Mr McCARTHY: Is there an average time around the EIS? You mentioned nine years.

Dr FREELAND: It is highly variable. No, I could not give you an average time. We have certain set periods where we have to do things. I think it is 35 days, for example, from getting the finalised draft EIS and the supplement. We have 35 days in which to do a report to the minister with recommendations. There is another good time period surrounding the time available to us to develop terms of reference for an assessment. They are the only time periods that we have constrained, and the rest of it is up to the proponents and out of our control.

Mr McCARTHY: What are the proponents saying to you? Are they happy with this process?

Dr FREELAND: We actually do not get very many complaints upfront. You have people inevitably wanting to do things more quickly. Most of the time it takes the form of somebody wanting a guarantee that their EIS will be acceptable and get good recommendations during the process, and we do not even have the information to make a decision. They are silly things like that so we just say, 'Look, we cannot make decisions if we do not know what we are making the decision about. You cannot determine significant impacts and then mitigation without being told about them.' So, we cannot really respond in those ways.

Mr McCARTHY: Sure. I notice you had a budget increase in 2016-17 of \$20 000, so are you adequately resourced to conduct the new activities in the new financial year.

Dr FREELAND: We will be very busy; we are always very busy. You give me another \$200 000 and I will still be very busy. What can I say? You get what you get; we are highly productive, I think. Would you like some examples of what we are really up to? Is that helpful?

Mr McCARTHY: Sure.

Dr FREELAND: One index, which I think it is a very important, is something called the pollution hotline. That is open to the community. We are required by the Northern Territory EPA act to be transparent and open to the public and provide information - as well as advise the minister on various things and look after legislation. But the hotline is a good measure and, unfortunately, data was not kept prior to our 2013-14 year, when we had 532 calls on the hotline from the public about matters of concern to them. This year, if you extrapolate where we were at the end of March, we will probably have about 700 to 800 of them, and that is a 40% increase. We know that the second half of the 2012-13 year was far less than half of what we got - in 532.

The public is interested and concerned, and they let us know what they are concerned about. If you look at the calls, the most important one is air quality followed by contamination of water and noise - that is the big one too. There are other categories. There are general inquiries, relatively few; we get some major incidents, a variety of different things, but mostly it is those big three and those things, both in the general and the particular, have a huge impact on what we do and where we set our priorities in terms of monitoring, enforcement, compliance, investigations and those sorts of things.

Mr McCARTHY: Sure. Thank you. There are 165 applications for exploration permits that will essentially involve the new frontier industry of onshore oil and gas. Do you see that connecting with your ...

Dr FREELAND: We do get notices of intent. One of the first things we did as an EPA was develop guidelines. There was a huge poverty of guidelines when we got in and I thought one of the most important things at that time was the absence of guidelines that helped a proponent know when a proposal - whatever the proposal was, it does not have to be petroleum; anything - would actually trigger a need for a notice of intent.

So, we produced guidelines for when they would not be needed - rather than needed - so that a proponent and a responsible minister who has the responsibility of sending those notifications to us could go through and say, 'Under the *Petroleum Act*, does this petroleum project require a notice of intent to go to the EPA?'

It was the same thing for the *Mining Management Act* and the *Planning Act*, and we did the *Pastoral Land Act*.

And yes, we are getting notices of intent from the petroleum industry via mines and energy.

Mr McCARTHY: And you would – what? Ask for an increase in resourcing should that become too challenging?

Dr FREELAND: It has not become onerous. There seems to be a bit of a lull. We just wait and see.

Mr McCARTHY: There are a couple of questions from the constituency around Redbank Mine. Why was Redbank Operations not prosecuted?

Dr FREELAND: I was actually on leave at the time – I was sick as a dog, too – and I did not get to the first meeting on the Thursday. Then I found out what the meeting was about and I organised to meet with council the following day with three of the EPA staff. We went in and we talked with them for about an hour-and-a-half. I cannot say I was very happy. For over 12 months we had worked on this prosecution; we had done everything right.

We had all the legal advice from the Solicitor for the Northern Territory; we had been to the CE of Land Resource Management, who is the Controller of Water Resources, because he has the approval for whether prosecution can be undertaken under the *Water Act*. He ticked it. We went back to SFNT and they ticked it. They got outside council to prosecute it; he ticked it, gave his opinion and everything was fine. We went to court – I think it was five times over the subsequent period. Everybody was quite confident and then, lo and behold – a week and a bit before the case – we were told there was a flaw in our case and we were unlikely to win.

From then on I have not been involved because we did not authorise the case; it was the Controller of Water Resources. I had no power to withdraw the case, but when it hit court it was withdrawn – because of this weakness, I presume.

Mr McCARTHY: So where to from here?

Dr FREELAND: Where to from here? Mines and Energy have been negotiating with a view to reacquiring the mineral leases. I honestly cannot tell you the answer to that. I know about it, but I cannot tell you where that process is at.

Mr McCARTHY: That sort of answered the next couple of questions. You are not privy to any agreement that has been reached between government and Redbank Operations?

Dr FREELAND: No. I do not even know if they have an agreement, but we are not part of it.

Mr McCARTHY: Sure. In terms of the public and their concerns, could it be raised again with the Northern Territory Environment Protection Authority?

Dr FREELAND: In terms of a potential prosecution for a Redbank copper? We are not backwards about thinking about these things and, obviously, their potential threat has been thought about. We have not gotten to any point where we can it is possible or not.

We do have some evidence, but whether it is strong enough to be worth doing is a different question.

Mr WOOD: I have a couple of questions. One of your roles is to promote effective waste management and waste minimisation strategies ...

Dr FREELAND: Correct.

Mr WOOD: I raised this question with Lands and Planning about the amount of rubbish that is strewn over a lot of Crown land. Do you regard that as part of your area of concern?

Dr FREELAND: Litter is a messy one, excuse me for the pun.

Mr WOOD: It is more than just litter, of course; it is industrial waste, concrete ...

Dr FREELAND: A lot of those things – let us take litter and dumping, for example. It is a responsibility for the management of Crown lands and local government, and it is partially our responsibility. We have the *Litter Act*, so we can bring prosecutions. The problem with litter is that it is almost impossible, like that one on Stow Road in Howard Springs with the bottles of – some of them actually had quite a bit of cyanide in them.

Where do you begin? It is that pragmatic thing; we have even bought cameras that we have hidden away in the scrub on the shores of the harbour, in the mangroves where people have been dumping sewage out of septic tanks. We have hung them in the pine forests at Howard Springs, where people are dumping cars and tyres, and all this sort of stuff. You get photographs, but they are never quite clear enough. We will get them someday, but it is very slow. In terms of discharge of waste, we have done a lot of work. I brought up the hotline because that is an amazingly good source of information. People let us know things. The other thing is about which industries are causing concerns with people.

Everybody has constraints, but we started out trying to clean up issues associated with the waste management industry. If they cannot do it right, we will have a problem. We have done some extensive work with them. We have also been working with the builders because they cost government hundreds of thousands of dollars – and Palmerston and Darwin city councils – every year, cleaning out storm water drains.

We have now moved onto working with – we do not just go out penalising people. We talk to them, give them directions and then move through a process. We produced two guidelines on how to look after sediment and erosion control on your waste site. One is a very small book we stole from the VIC EPA, with their permission. Anyone, any kid, could read it and work out what to do. The other is quite a thick and complex one, which is a more detailed thing for a consultant. We have also run free courses for them, where we get them in for a day and talk to them about it, go through the processes, take them out to the site and show them what needs to be done.

We now have HIA, Housing Industry Australia; they have talked to us again. They want to get another course up, and we have told them to apply for one of our community grants. We will see what we can do and how it comes out of that process. We will keep working with them.

We are now looking into the concrete batching industry. We have done a bit with the crocodile industry and we are doing a bit with the live export industry, holding yards and those sorts of things. But it is slow, slow, slow. It cannot happen quickly.

Mr WOOD: Do you think dumping rubbish is a bit like graffiti? If you get on top of it at the beginning, and keep on top of it, you get less of it? Whereas, I can go up Thorngate Road on the way to Robertson Barracks and I can see where it says, 'No Dumping on Crown Land'. You go up the road and you find concrete and steel ...

Dr FREELAND: Absolutely.

Mr WOOD: ... that has never been cleaned up. There does not seem to be a concerted effort to say, 'Let us clean it up in a big way and then we can reduce the way of cleaning up required by keeping on it'.

Dr FREELAND: Absolutely. There was one at the mouth of Rapid Creek. There was dumping of big piles of stuff. We cannot get anybody to tell us anything. Some people know who put it there, but they will not talk. Then again, who will move it? It will come back down to the landholder or the manager of the land. One is Darwin city council and the other is Parks and Wildlife. The government, or local government, will have to bear the cost of cleaning it up, assuming Darwin city council wants to move it. It is an eyesore.

Mr WOOD: On the cyanide bottles – I went there to look at where it was – it was reported that the council asked for a report on whether there had been any cyanide spilt on the ground. Is that true? That would normally be your ...

Dr FREELAND: We do not think so. The emergency services people got there first because they are the best people for fixing up that sort of problem – the clean-ups and that sort of thing. They are into dealing with hazardous waste problems. We are just the bureaucrats, I suppose, in a sense.

Mr WOOD: So there was no pollution from that cyanide?

Dr FREELAND: No, not that anyone is aware of. The other thing we have been doing is building up more and more fact sheets and policies. It is a very slow process. On 1 January 2013 we had 12. We are now up to 43. We are doing all right, but then you look at the load and we have an estimated 37 on our books to do. It is incredibly difficult and slow.

Mr WOOD: Talking about EISs, Intrapac did an EIS for Noonamah Ridge?

Dr FREELAND: Correct.

Mr WOOD: Has that EIS been assessed?

Dr FREELAND: No. The EIS, as you are aware, was submitted. We put it out for the statutory consultancy period. We received a good batch of comments and those comments are being assembled. We also received comments from all the relevant government agencies, and we had our own comments. They have gone to Intrapac to be used for the supplement. That basically means we want more information because there was not enough information in their EIS to allow us to make a decision.

We are expecting it back in the very near future, and then we will look at that and say, 'That is all we need to make a decision on recommendations'. We do not make decisions; we only decide on good things that the minister might like – our best thoughts on what needs to be done to ensure we have something that is not having significant impacts on the environment.

If there is enough information we will just go for it, and we will have 35 days to get the huge document written. They will be working almost day and night every day, non-stop. But if there is still an inadequate information base we will go back to them again.

Mr WOOD: When you talk about the environment, you are not necessarily talking about the human environment?

Dr FREELAND: Yes, social and economic impacts are part of the EIA. That is one of the requirements, but it is all sorts of things ...

Mr WOOD: I will wait for that to come through.

Dr FREELAND: Our job is to make recommendations pertaining to what need to be done to ensure there are no significant impacts. If we do not believe it is possible to mitigate significant impacts, it is our responsibility to say so, and we will.

Mr WOOD: Just two other questions. One relates to a question I asked today about the Department of Health's environmental section was – community waste water treatment systems, or packaged on-site treatment systems ...

Dr FREELAND: Yes.

Mr WOOD: My question was does the government have a policy in relation to these waste water treatment plants on urban blocks in the rural area, and they said, 'No'.

Dr FREELAND: Yes, that is correct. We at the NT EPA have spent an excessively long period of time trying to put together what we call under our act an 'environmental quality report' – and it is on-site waste sewage treatment plants. We got a consultant in to do a quick survey of things in the Territory and all that stuff. We have been working with Mr Applegate's planners and the people in his staff on their side of it, because they have responsibilities in those areas. We have also been working very closely with health and, to a certain extent, with DLRM on water issues to come up with some good advice to the minister concerning on-site treatment plants.

I got the most recent draft recently and I have to sit down with various people tomorrow and tell them they have to start again – not quite that bad, but we have a bit more work to do.

Mr WOOD: That is interesting, because we have one place that got them approved and there is no code – there are no real guidelines for them, but that is different.

Dr FREELAND: There is a whole range of issues involved. To be honest, they are not simply solved.

Mr WOOD: No, especially when you are sitting on an aquifer that people drink from.

Dr FREELAND: That is part of the problem, yes, but the solutions are not simple either.

Mr WOOD: Okay, I will wait for you to ...

Dr FREELAND: Yes, I hope to get it through as soon as we can, but it is not ...

Mr WOOD: All right, my other favourite one will be container deposit legislation. There are a couple of questions. I will give you the first one – when do we expect the number of splits to be reduced to the same as South Australia?

Dr FREELAND: Okay, the number of splits - we are on the cusp. In terms of the bureaucratic process we are on the cusp; however, the time to get over the edge of the cusp could take us through to Christmas, because it is not up to us, mate.

Mr WOOD: I know that.

Dr FREELAND: It is not under our control. We would love to have it under control, but I think we may well - whether we like it or not, most of those people, our stakeholders, are all feeling the same way.

It is one of those things that people interacting can sometimes produce aberrant outcomes.

Mr WOOD: Is there any legislative change that we could bring in which would ...

Dr FREELAND: Not really at this stage; we just have to be patient. I apologise, but I can assure you it is more frustrating to me than it is to anybody else - and my staff. It is just horrific.

Mr WOOD: Would it be fair to say that if you could reduce the number of splits - and by reducing the number of splits, you are more or less agreed that each company has a percentage of the total waste - that will allow remote communities to bale their product?

Dr FREELAND: Yes, and I will tell you a secret: if the coordinators and the relevant operators of the depots made a unilateral decision – ‘We are doing it this way’ - there is nothing to stop them.

Mr WOOD: Yes, you mean to bale or to take fewer splits?

Dr FREELAND: Yes. If coordinators X, Y and Z decided, ‘We deal with these guys in a trustworthy way, and these depots down here’ – they can do it.

Mr WOOD: I was at Borroloola a couple of years ago and an old Aboriginal bloke came up and said – and he showed me – ‘I have these bales of cans and this is the only way I can get them to Darwin’. That is the only reasonable way to get them there to keep the freight cost down. I rang up - I will not say which company. ‘No go.’ And I thought, ‘How cruel can you get?’ He got the cost of the aluminium, which we forget is what the companies get as well as their money – we do not return a deposit on. The whole system is really one-sided when it comes to one group making money, and it is not the consumer.

Dr FREELAND: Yes, but you have got to look on the sunny side a little bit.

Mr WOOD: I do. We have the system; we just need to make it work.

Dr FREELAND: In July-September quarter this year it was 49%; October-December it was 53%; January-March we finally got 61%.

Mr WOOD: Have you released those figures? I was trying to get them earlier this year.

Dr FREELAND: Well, that last figure is only very recent.

Mr WOOD: I know but sometimes the figures you get are a long way off.

Dr FREELAND: Yes, but that is good.

Mr WOOD: It is. Can I then ask – because this is the other important question. New South Wales, of course, is coming on board. Queensland is now thinking of it. There was something out the other day about it.

Dr FREELAND: That is good.

Mr WOOD: I wrote – and I think the minister did also – to the minister and I put in a reasonably detailed submission, showing all the problems we had with the inconsistencies in the whole process. A one litre bottle of iced coffee has no 10c, but a 750 ml bottle of iced coffee has 10c – you can go on and on. That is what we have inherited from using the South Australian system.

Dr FREELAND: Correct.

Mr WOOD: Have we tried to work in with South Australia and New South Wales to say, 'Here is an opportunity; all these drink containers – no matter what size they are – if they hold a drink of some sort, there is an automatic 10c on them.'

Dr FREELAND: It is essential – and we have behaved in this way – that we conform to whatever South Australia does because it is the big brother with the bigger supply and the most bottles and cans, and all this sort of stuff. We comply with the way SA does things and we have contributed our bit to New South Wales. They are still interested in talking with us about things and how we do all those things, so that is fantastic. I think Queensland will eventually get there; I think they are quite keen. I think Victoria will fall in line too, and when that happens, hopefully, the best solution is a national program so we can get rid of all this bureaucracy.

Mr WOOD: Yes.

Dr FREELAND: It is absolutely horrific.

Mr WOOD: Tell me if this is a possibility – at the moment we are run by the beverage industry, so all the deposits that are not claimed, which is a lot of money, plus the handling fee go straight back to those companies. I think I worked it out correctly; it is somewhere up near \$20m.

Dr FREELAND: The handling fees usually go down to the depots.

Mr WOOD: That is right, but for the cans that are not returned there is a handling fee and a deposit that does not get claimed.

Dr FREELAND: The 10c does not get claimed; that is right.

Mr WOOD: So they make up to about \$20m, all the beverage companies.

Dr FREELAND: It is substantial.

Mr WOOD: That is right but if the government ran it – in other words, if we were given power by the Commonwealth to be their agent for collecting their tax ...

Dr FREELAND: We would not even do it; let them do it.

Mr WOOD: That is right but the point is, then we could use that money to go into environmental funds, much as the Irish did with their plastic bags because they were able to put a tax on things. The same happened in Canada; they charge a tax, basically. I think you pay 25c per plastic bag in Canada. That does not go to the supermarket; it goes into an environmental fund, but that is because they can tax. We cannot do that tax. If we could tax on behalf of the Commonwealth, we would be able to keep that money that is not returned and use it for environmental projects.

Dr FREELAND: The only good thing you can say is that with 61% return rate, the drink companies are pocketing a lot less.

Mr WOOD: They are. It is great news.

Dr FREELAND: We just need to get it up.

Mr WOOD: What has dropped off a bit – I will maybe put this to the minister. When it first came in there was a reasonable amount of advertising. Most advertising now is probably done by a company saying what days it is open. I think there is a need to sometimes pick up a bit of advertising, maybe around the holiday periods, to remind people and maybe show examples. There is a gentleman in my electorate who drives a car that has been paid for, over a period of time, naturally, by picking up cans. I think that is a good news story.

What I think is missing in all this, which is what we hope for – it has not really attracted the same interest in remote communities and that is partly because the system does not work that well in remote communities yet.

Dr FREELAND: It is very much on our list. There are many issues with waste in remote communities that are highlighted in the new waste management strategy, which is very high level, and we have to get the details sorted out.

Those issues associated with remote communities are – I will not say intractable because we want to solve them, but it is largely about transport and access.

Mr WOOD: That is where the cubing or the stacking of the product makes a lot of difference.

Dr FREELAND: Yes, and there has to be better ways of coordinating trucking capacity with available things.

Mr WOOD: Well, so many trucks go out full.

Dr FREELAND: Yes.

Mr WOOD: They come back empty. There has to be some value in getting some cheap freight.

Dr FREELAND: There has to be a way of organising some of those things.

Mr WOOD: All right, thanks for that and I appreciate the good news story. Sixty-one percent is on the way. We might catch South Australia yet. Thanks, Madam Chair.

Madam CHAIR: Okay. Does anyone have any other questions on the Northern Territory Environment Protection Authority? No? If that is the case, on behalf of the committee, I thank Dr Freeland for coming along this evening and we will move on to Arts and Museums. Thank you.

The committee suspended.

DEPARTMENT OF ARTS AND MUSEUMS

Madam CHAIR: We will move on to the Department of Arts and Museums. Minister, I invite you to introduce the officials accompanying you and to make an opening statement regarding the Department of Arts and Museums.

Mr HIGGINS: Thank you, Madam Chair. I will introduce those at the table with me – the Chief Executive of the Department of Arts and Museums, Hugo Leschen, and the Executive Director Corporate Services, Susan Kirkman.

I would like to take this opportunity to thank the staff from the Department of Arts and Museums for the continued commitment, professionalism and passion that they demonstrate daily to ensure the Northern Territory provides a unique cultural experience through its cultural institutions and exciting programs across the arts and cultural sector for both Territorians and visitors alike.

The Department of Arts and Museums is responsible for assisting and facilitating Territorians in telling their stories and understanding history through arts and culture. The department supports, develops and promotes the creative arts and screen sectors, and is responsible for protecting and providing access to the Territory's major cultural and scientific assets and collections. It also assists the community to cater for and make best use of these assets for tourism, research, education and commercial opportunities.

Within my portfolio responsibilities the department includes the Northern Territory Library, the Northern Territory Archive Service, the Araluen Cultural Centre, Arts NT, Screen Territory, and most recently the creation of a new division, History NT. The department also works closely with the independent board and management of the Museum and Art Gallery of the Northern Territory.

On 25 March 2016 I tabled in the House the Northern Territory's arts and cultural policy entitled Vibrant NT – Arts and Culture in the Northern Territory. As I highlighted at the time, I have considered that arts and culture are a central element of our lifestyle, contributing to our economy as well as culture and social developments.

The policy was developed after months of consultation between October 2015 and January 2016 with community, the sector, Indigenous and non-Indigenous stakeholders, local government and other Northern Territory agencies. These included focus groups and online surveys, written submissions and one-on-one discussions. Consultation occurred throughout the Northern Territory in Darwin, Yirrkala, Nhulunbuy, Katherine, Tennant Creek, Hermannsburg and Alice Springs. There were 372 responses received from the online survey and 23 written submissions from the sector.

The policy set out a vision and principles for engaging, supporting and enhancing the arts and cultural sector, and the social and economic contribution of this sector in the Territory over the next 10 years. Vibrant NT provides a framework for further work, the development of strategies, partnerships and new initiatives, including a review of the Department of Arts and Museums grants programs to ensure they align with policy direction and deliver strong economic, social and cultural outcomes.

The Northern Territory government has approved additional funding to the Department of Arts and Museums to deliver on priority areas of the policy and support new initiatives outlined in Vibrant NT. Highlights include \$1.25m for the Northern Territory Arts Grants Program to support the delivery of Vibrant NT and development of the arts; \$0.5m to support the screen industry sector growth in 2016-17; additional grant funding of \$1m ongoing for the Museum and Art Gallery of the Northern Territory; \$3.97m on the 2016 capital works program for the development of the Alcoota fossil beds field station; \$0.2m ongoing from 2017-18 towards managing the station; and additional funding of \$0.47m in 2016-17 and \$0.38m ongoing from 2017-18 for the Northern Territory library to continue providing free remote community Wi-Fi hotspots in 34 communities and extending services to 12 remote communities.

With this in mind, I wish to respond to the Speaker's comments made on Tuesday regarding Portrait of a Senior Territorian. Vibrant NT prioritises initiatives and funding to support broad access participation and showcasing of the distinctive arts and culture of the Northern Territory for people of all ages, backgrounds and abilities, including seniors. This is delivered in partnership with the arts sector in the community and may include exhibits and awards. As it has in previous years the Department of Arts and Museums has allocated \$15 000 from this strategic initiative fund to this projects in 2016-17. As it happens, the Minister for Senior Territorians has also committed \$28 000 towards the initiative in 2016-17. A review of the Portrait of a Senior Territorian Award will be sought shortly towards a fresh and revitalised event later in the year.

On 28 April 2016 the Chief Minister and I established Yaye's Cafe, which was subsequently opened to the public on 3 May 2016. Yaye's Cafe is located at the Araluen Cultural Precinct in Alice Springs. Its name in the local Arrernte language means sisters, which relates to the two-woman dreaming story which runs through the land on which the Araluen Cultural Precinct is situated. Yaye's Cafe was a two-stage project over two years, converting the old mess house into a fully functioning cafe. Stage one of the project included the internal refurbishment of the heritage building. Stage two included the precinct cafe forecourt development, which included building a series of shade structures with paving and landscaping to accommodate cafe patrons. The cafe is being operated by Warkabout Consultancy, with Athol Wark as the executive chef. I am told the cafe has been very well received, with the beverage of the day being either a dirty chai or a filthy chai, depending on the number of shots of coffee.

If any of the committee members are interested in trying this, the opening hours are Monday to Friday 9 am until 4 pm, and Saturdays 8 am till 4 pm.

As I mentioned before, the Department of Arts and Museums has a new division, History NT, which is responsible in the delivery of the Territory Remembers program and the Northern Territory Heritage Enhancement Action Plan. On 19 February 2017 we commemorate the 75th bombing of Darwin.

To ensure this significant event in Australia's history is remembered, the Northern Territory government committed \$2.25m towards the delivery of a suite of projects under the Territory Remembers program, which includes:

- the unveiling of a life-size bronze statue of Matthias Ulungura on 24 June 2016
- the recently released series of commemorative number plates, with all proceeds from the sale going to Legacy NT
- a touring display depicting the Territory involvement in WWII and the bombing of Darwin
- the launch of a visual arts project engaging younger audiences in the commemoration of the Territory's war history, with the winners being announced in November 2016
- the announcement of a community events grant up to \$10 000
- memorial grants up to \$25 000 for community and non-profit groups to undertake projects to commence the 75th anniversary event.

If the communities are interested in seeing the calendar events as well as the history and education resources, a website was launched in February this year and can be found at www.territoryremembers.nt.gov.au.

In the 2015 budget, the Northern Territory government committed \$6.1m over three years for the Heritage Enhancement Action Plan to enhance visitor experiences and maintain heritage sites across the Northern Territory. A whole-of-government Heritage Enhancement Action Plan will be developed, to provide a more strategic approach to improving the presentation of the Territory's heritage sites and visitor experiences, including the use of smart phone apps and other marketing initiatives.

Madam Chair, I take this opportunity to address some of the advanced questions which have been received from the Leader of the Opposition.

Questions one to five, I am happy to table. Question 6 on staffing, which is the number of staff that we have – as at pay period 20, the Department of Arts and Museums had 119.2 full-time equivalent staff, 6.8 full-time equivalent permanent part-time contract staff, and 15.4 temporary contract staff. The Department of Arts and Museums has staff working under a loan arrangement for the Board of the Museum and Art Gallery of the Northern Territory, and this includes 30.3 full-time equivalent staff, 1.6 permanent part-time contract officers, and two temporary contract officers.

Further answers on question 6(d) and 6(e) should be referred to the minister for Employment. How many staff at EO1 and above - detailed as at pay period 20 - the Department of Arts and Museums had two Executive Contract Officer 1 positions and one Executive Contract Officer 3 position.

How many staff resigned? This question needs to be referred to the Minister for Public Employment.

How many staff were made redundant? The department of Arts and Museums had no forced redundancies in 2015-16, and in terms of other redundancies, refer to the Minister for Public Employment. There were no terminations in 2015-16.

Question 11 – there was no travel undertaken by the minister that was paid for by the Department of Arts and Museums. There were four internal audits completed in 2015-16.

What were the terms of reference or focus of each relevant investigation? Cabinet information; security measures to assess the agency's compliance where required; official duty travel to review the agency's official duty travel against the new NTG Air Travel Policy; Tier 2 procurement to test the agency's Tier 2 procurement activities against the *Procurement Act* and procurement directions; and corporate credit card purchases to evaluate the compliance of agency corporate credit card purchases against the *Financial Management Act*.

Question 21, internal audits - please provide details of any frauds, etcetera. Cabinet information security measures audit found no material weaknesses in controls. Official duty travel audit found that there is a satisfactory level of compliance with official duty travel. Recommendations were made to improve the existing protocols. Tier two procurement audit found no material issues or risks were identified. The audit

found existing controls where satisfactory and the corporate card purchases audit identified opportunities for improving internal controls, and recommendations have been made to address these.

I thank the committee for this opportunity to make the opening statement and I welcome any questions. I will table the other questions.

Madam CHAIR: Are there any questions on the ministers' statement? We will consider the estimates of proposed expenditure to contain in the Appropriation (2016-2017) Bill as they relate to the Department of Arts and Museums. Are there any agency-related whole-of-government questions on budget and fiscal strategies?

OUTPUT GROUP 9.0 – ARTS AND CULTURE
Output 9.1 – Scientific and Cultural Collections

Madam CHAIR: Output Group 9.0 is Arts and Culture.

Mr McCARTHY: Minister, will you release the audited reports you have in relation to the Darwin Festival?

Mr HIGGINS: The question should be related to up to the end of March, and I think that whole process was after the end of March.

Mr McCARTHY: Thank you, minister. How much will the appointment of an administrator to oversee the Darwin Festival cost government, and will that have to be paid for out of festival funds?

Mr HIGGINS: Again, it is after 31 March.

Mr McCARTHY: Minister, what is the current status of plans for redevelopment of the Chan Building as a new museum asset?

Mr HIGGINS: The question regarding the building should be referred to the Minister for Infrastructure, but the question regarding the status of heritage matters should be referred to the Minister for Lands and Planning.

To give you a bit of an update, on 15 April the minister for Arts and Allan Myers announced the \$18.3m project to develop the Chan Building. The winning design for the gallery went to local firm DKJ projects.architecture in partnership with nationally acclaimed Fender – I will not pronounce the rest of the names – and that was announced in November 2015.

The design development construct tender for the construction and commission for the gallery was released on 22 February this year and closed on the 27 April 2016, and the successful contractor will work with the project architects. The Department of Infrastructure has advised that the Chan project has been put on hold pending the outcomes of the heritage significance assessment process. Following the assessment of the DDC tender, the Department of Infrastructure has nominated a preferred tenderer who has been advised the project is on hold and in the meantime – basically, it is just on hold until the heritage issue is dealt with.

Mr McCARTHY: Minister, how much does the department appropriated on that project up until 21 March 2016?

Mr HIGGINS: At this point, none; it is with the Department of Infrastructure.

Mr McCARTHY: Minister, what are the latest cost estimates for completion of the project?

Mr HIGGINS: As far as I am aware they have not changed. I am not aware of any of the tender information that has come through.

Mr McCARTHY: Minister, I could not find that appropriation revoted into Budget 2016-17. Has it been revoted in other departments?

Mr HIGGINS: My understanding is no because we are aware of the heritage listing and will await the outcome of that.

Mr McCARTHY: So where does the \$18.3m sit?

Mr HIGGINS: I do not think it sits in anywhere, and out of the \$18.3m there was a private sector contribution in that. I think the actual allocation was about \$11m.

Mr McCARTHY: And when you say it does not sit anywhere – it is in consolidated revenue.

Mr HIGGINS: I would say so. You would have to ask the Treasurer where he has it.

Mr McCARTHY: So, basically, we are living on an IOU.

Mr HIGGINS: Yes, you might say that.

Mr WOOD: We could always move the building.

Mr HIGGINS: It is all dependent upon the heritage assessment. How long that will take, I have no idea.

Mr McCARTHY: Okay, thank you, minister. Can you provide any details of the philanthropic contributions to the project?

Mr HIGGINS: The answer to that is no. I think that issue sits with MAGNT. When I have discussed this with them before, I know they would keep a lot of that confidential at this stage.

Mr McCARTHY: Thank you, minister. On page 254 of Budget Paper No 3, the budget highlights for the department includes \$7.82m for MAGNT to support new governance arrangements and fundraising initiatives to attract private corporate and philanthropic support to further develop MAGNT and its collections. How will that \$7.82m be spent?

Mr HIGGINS: That is the total grant given to MAGNT.

Mr McCARTHY: Will there be consultancies or external contractors employed to assist in that appropriation?

Mr HIGGINS: I think that question should actually be asked of MAGNT. The figure is a grant that is given across, and I think the description you have read is more or less the function of what we want out of that money.

Mr McCARTHY: I am having flashbacks of 2015-16 estimates. It is a nice line. Has anything been spent on those purposes to date?

Mr HIGGINS: Out of the \$7.82m? The MAGNT is functioning and opening, and that is where the money goes.

Mr McCARTHY: Is there any modelling done on the ratio of return on investment for that grant to MAGNT.

Mr HIGGINS: The answer, I think, is no. The government is quite happy with the performance of the board and the management of MAGNT.

Mr McCARTHY: Of course, but I am sure there may be some modelling you could point to that suggests there will be good returns.

Mr HIGGINS: Well, no.

Mr McCARTHY: No? Minister, Budget Paper No 3 also includes a budget highlight of \$2.8m to continue support of historical heritage and cultural site preservation. What projects were funded last year and what is the plan for the coming year?

Mr HIGGINS: The Northern Territory government's 2015 budget included \$6.1m over three years for the Heritage Enhancement Action Plan to enhance visitor experience and maintain heritage sites across the Northern Territory. The whole-of-government Heritage Enhancement Action Plan is being developed to provide a more strategic approach to improving the presentation of the Territory's heritage sites and visitor experience, including the use of smartphone apps and other marketing initiatives.

A cross-government working group was established to inform and guide progress of the action plan being. Places that fall within the scope of the action plan include declared heritage places under the *Heritage Act*,

for example the Alice Springs historic precinct, all the historic telegraph stations, numerous places associated with the old Northern Australian railway and WWII, and over 40 places in the city of Darwin. These places, along with the various regional museums and other sites of historical interest along Territory highways, play a key role in telling the stories of the Territory's heritage and promoting cultural tourism. Many of these places have fallen into disrepair or lack proper management and provide a poor impression to visitors. There is little connectivity between places, no coordinated signage policy and little use made of new technology. An audit of all heritage sites and sites of historical interest, including roadside stops, has been undertaken.

A final report will be presented to the working group in June. The audit will assist to inform the project's future activity. A consultant has been engaged to scope out a signage policy which is consistent with NTG branding and existing road signage policies.

Consideration of processes for the allocation of grants to eligible heritage assets, regional museums and the non-government sector is under way and will be discussed by the committee at its meeting in March 2016. The action plan will address these issues, and in doing so provides a significant boost to some of the most exciting places and sites across the Territory, helping them to better tell their stories to many more visitors.

Mr McCARTHY: Thank you, minister. I would like to mark that up as a creative writing exercise. Where that question comes from is a big shout out from Roper Gulf constituents – the Roper crossing and the NT heritage site, which incorporates Leichhardt's crossing and the old police station. It is very tired and it needs some TLC, if that can be incorporated into that.

While I am on the subject of selfish requests, the Jones Store at Newcastle Waters – the National Trust manages that and I get lots of complaints from the Jones family right through to tourists and constituents. Is there any way that money can support the National Trust in that project?

Mr HIGGINS: Many places have come up out of the audit and there are still some that have been missed, but all we can do is try to get as many of these places as we can on the audit and then they will be available to get some of that funding. The amount next year is \$2.875m.

Mr McCARTHY: Very good. Thank you, minister. The budget includes \$4m for the new Alcoota fossil beds development. I commend you on that initiative. How is it being progressed and what steps are being taken to include local traditional owners and site custodians in the design work for the project?

Mr HIGGINS: The Northern Territory government announced a budget allocation of \$3.97m for the improved facilities for scientists, volunteers and visitors at the Alcoota fossil beds field station in the Northern Territory Budget 2016-17. It is situated about 200 km northeast of Alice Springs and located on a Crown lease which is surrounded by the Alcoota Station. It is a unique occurrence.

The deposit is a series of intermittently interconnected lakes within a large basin, and evidence suggests that the concentration of fossils is due to a phenomenon called waterhole tethering. During dry periods, animals concentrated in the immediate area of the continually shrinking spring-fed lake resulting in the death of many animals. They contain thousands of vertebrate fossils from the late Miocene Epoch that are approximately eight to six million years old and it is the only accessible site anywhere in Australia that preserves vertebrate animals from the late Miocene.

The scientists estimate that there may be some 3000 individual animals crammed into the beds, and as yet there has only been a partial evacuation of the area. The late Miocene is a crucial time for understanding the evolution of Australian animal and plant history. It marks the time that eradication, the great grind, began in earnest. In effect, the fossil beds record the birth of the red Red Centre and the attendant megafauna animals that evolved in response to it.

The fossils indicate the existence of a complex community of marsupials, birds and crocodiles, including the greatest variety of species of *Diprotodontidae* that has ever been described. The species found include one of the largest birds that ever lived, with its Stirton's Thunderbird and other giant birds, the wolf-sized powerful thylacine and the large leopard-sized Alcoota marsupial lion. Also found at Alcoota are fossils of herds of wombat-like creatures as well as other kangaroos, crocodiles, bandicoots and small birds.

The Northern Territory government is keen to preserve and maintain this important site for all Australians and also manage it in a way that maximises economic engagement opportunities for local Aboriginal people from this region. At present the facilities for the site in volunteer work at the sites are limited and

outdated, and there is no proper infrastructure that enables visitors to safely view the excavations and limited facilities that ensure the fossils and the work of the scientist is properly protected. The funding that has been approved will provide for the upgrading and further development of infrastructure of the site. It will include better working facilities, amenities and appropriate visitor infrastructure, such as boardwalks and display boards.

The project is currently being managed by the Department of Arts and Museums, working closely with other agencies at a briefing on 20 November 2015 by the Chief Minister in Alice Springs with key stakeholders. The Chief Minister provided an outline of the project and spoke about associated opportunities that may be available for Aboriginal people from the region. A working group comprising officers from the Department of Arts and Museums and other agencies has commenced planning for the facilities and are developing a project brief, costing and concept options.

Preliminary consultation has commenced with the Engawala community and feedback from the community to date is that they are keen to engage and progress the opportunities outlined by the Chief Minister in line with other projects they are currently developing. The Northern Territory government is particularly keen for the appropriate processes to be followed with the development of the fossil project in the organisation, such as a CLC, to be consulted and given the opportunity to provide advice. These discussions will also commence soon. Some of the key issues are scientific works at the fossil beds is currently for a few weeks per year and the fossil beds are currently closed for the public, except for occasional open days, hence there are some issues around security for the site. These will have to be examined as part of the upgrade process.

The site is in close proximity to Alcoota's station lease in the Engawala community and it is important to the Northern Territory government that these bodies are fully engaged with and involved. Discussions in this regard have also commenced.

Mr McCARTHY: Thank you, minister, and if I can hopefully influence you in your great project, the inclusion with Indigenous people and their interpretative perspectives around that site could be a fantastic addition to that. I have had the honour visiting that site for a memorial service and it was very enlightening. It is also very scientific and I think we can add another layer to that, using an Indigenous interpretative perspective. Well done.

Mr WOOD: I have two questions. One is about 24HR Art. I do not know if your department ever funded them, but they were funded by the Commonwealth government, and I gather they lost their funding as part of the cuts to the arts. Has the minister been approached by 24HR Art to see whether the government would fund them to replace the funds that they lost from the Commonwealth?

I was looking through your grants list, which is a very long list, by the way, and I could not see them there.

Mr HIGGINS: The answer I have here actually covers the effects on the department of the federal budget measures. In 2015 a media release was issued by the Australian government Attorney-General regarding the Attorney-General's portfolio. Budget measures 2015-16 included a significant reduction in funding for the Australia Council of the Arts of \$104.8m over four years to be reallocated towards the establishment of a National Program for Excellence in the Arts administered by the Ministry for the Arts.

The Australian council issued a consequential media release outlining the impact of the 2015-16 budget measures, including ceasing the six-year funding program from small to medium arts organisations and replacing them with a four-year funding program. On 20 November 2015 the Australian government Department of Communications and the Arts launched Catalyst – Australian Arts and Cultural Fund, which will invest \$12m each year in innovative projects and initiatives from arts and cultural organisations.

To date there has been no direct impact to the Department of Arts and Museums from the 2015 Attorney-General's portfolio budget measures. The indirect effect to the department is the discontinuation of the Artist in Residence Program, and the three-year 2013-15 matched funding partnership between the Australia Council for the Arts, the Department of Arts and Museums and the Department of Education. The AIR program, as it was called, extended the work of the Artists in Schools program, committing \$130 000 per annum and ending on 31 December 2015, and is not continuing.

The Australia Council for the Arts recently announced outcomes of the four-year funding program for small to medium arts organisations with 128 organisations across Australia receiving a total of \$28m per year from 2017. The Northern Territory arts and cultural sector achieved a high rate of success with 13 organisations receiving more than \$2.8m per annum. The Northern Territory organisations have been

among the most successful recipients of this funding with 62% of all Northern Territory applicants funded and the largest dollar ratio per capita nationally.

The Department of Arts and Museums will continue to receive updates from the Australian government Department of Communications and the Arts and the Australia council regarding the 2015-16 programs and implementation of changes at the Australia council.

I have had some representation from the NCCA and I am looking forward to having some further discussions with them. Hopefully with the additional money we got for grants next year we will be able to help them, I am sure. Colin McDonald will put a good case forward, knowing Colin.

Mr WOOD: You mentioned heritage. Do you work with the Tourism department over the promotion of heritage sites?

Mr HIGGINS: Tourism is actually on the heritage action plan working group.

Mr WOOD: So, do you look after Strauss Airfield? Is that your responsibility?

Mr HIGGINS: No.

Mr WOOD: Some of those are declared heritage sites and they do not come under – like you were talking about the Jones Store. What separates that from Strauss Airfield?

Mr HIGGINS: Most of those sites are the responsibility of the Heritage branch which is part of Lands and Planning, but it is Arts and Museums that has the funding for the grants program to enhance a lot of the heritage sites, remembering that some of the heritage sites we are referring too may be on private property. So, in other words, it is not just money for government sites; it is money for private sites.

Mr WOOD: Do you cross over? You mentioned signage before – I must admit I have not raised this before and I sort of gave up. On our World War II airstrips we used to have a sign which told us who Strauss was and who Sattler was. What do we have now? We just have a sign which says Strauss Airfield. You would not know what it was. I do not know who was in charge of that change in signage. Gorrie Airfield, I think, still has its full history on the side of the road.

Mr HIGGINS: All I can say is the sign is the responsibility of Heritage branch; it would be up to the Heritage branch to say to us, 'We want money for signage out of that money'. The different agencies can come to us for funding. We put it with Arts and Museums because if you put it with the Heritage branch it will give it to the heritage sites, whereas we wanted it as a grants program going out to locations that are not just on government properties.

Mr WOOD: I suppose the Department of Transport may have its view on the world as well?

Mr HIGGINS: Transport is on the working group as well, and there is a signage policy. I think in my statement I said we are doing a signage policy that also takes transport into account.

Mr WOOD: I can tell you definitively now that there is no signage policy. There are so many signs that are illegal – they do not touch. If you want something that actually spoils some of our heritage, and we tried to stop it – having commercial signs on some of our World War II sites. That was something we tried to stop. Sattler has a couple. I think there are also a couple at the end of Strauss now.

It is a pity; we do not seem to care that some of our important heritage starts to become an easy place to advertise when it should be left alone. Our roads look terrible at present from a signage perspective.

Good-quality signs that the heritage people can put up – and Arts and Museums – are fantastic, but it can get spoilt by a lot of cheap signs that should not be there. It is just an opinion, but I had to laugh when you said there is a signage policy with the Department of Transport. There might be ...

Mr HIGGINS: I think I said we would develop a signage policy in consultation with them; I do not think I said 'their signage policy'.

Mr WOOD: That is another issue I have raised in parliament, but nothing has happened.

Madam CHAIR: That concludes consideration of Output 9.1, Scientific and Cultural Collections. We might move on to Arts and Screen Sector.

Mr McCARTHY: No, I have questions on Scientific and Cultural Collections, Madam Chair.

Madam CHAIR: You have a question? Sorry.

Mr McCARTHY: Yes, please. Minister, in relation to the new Public Library Funding Agreement, what changes to library services in remote communities are being considered as part of the review?

Mr HIGGINS: The Public Library Funding Agreement outlines roles and responsibilities of the Territory and local governments in the Territory for the funding and provision of public libraries. The grant pool for 2015-16 was \$4.217m, of which \$3.974m was allocated to local governments, and \$243 000 was transferred to the Northern Territory Library's operational budget to support the library resource allocation provided to the Northern Territory for purchase in public library collections.

Under the agreement, funding is provided to councils for the continuation of existing library services. Triannual agreements were signed by various councils in 2008 and expired on 30 June 2011. Each year since this time, the agreement has been extended for a further year until 2015, when it was extended for two years with the aim of developing a new Public Library Funding Agreement within this period. The current extension expires on 30 June 2017.

I suppose the content of the agreement is now eight years old and outdated, and the consultation process relating to the development of the new agreement is anticipated to commence in the second half of 2016.

Mr McCARTHY: Thank you, minister. Recently the federal government has made budget cuts to the National Library and its Trove digitalising project. How does NT Library's work intersect with the work of Trove, and how will changes to that situation affect our Northern Territory content?

Mr HIGGINS: I will have to take that one on notice, if that is all right, member for Barkly.

Question on Notice No 5.13

Madam CHAIR: Could you reinstate the question please, member for Barkly.

Mr McCARTHY: Recently the federal government has made budget cuts to the National Library and its Trove digitalising project. How does NT Library's work intersect with the work of Trove, and how will changes to the Trove project affect our Northern Territory content in the National Archive?

Madam CHAIR: Do you accept the question, minister?

Mr HIGGINS: I do.

Madam CHAIR: The question asked by the member for Barkly of the minister has been allocated the number 5.13.

Mr McCARTHY: Minister, has there been a noticeable decrease in the people using free Wi-Fi in the State Library, particularly backpackers?

Mr HIGGINS: Not that we are aware of. That was increase was it not, member for Barkly?

Mr McCARTHY: Decrease.

Mr HIGGINS: Decrease?

Mr McCARTHY: Yes. Have you picked up any decrease in the number of backpackers using the State Library?

Mr HIGGINS: No.

Mr McCARTHY: There is a lack of them on the highways and byways, I can tell you that.

Minister, page 253 of Budget Paper No 3 outlines that additional funds have been made available for a planning study of Aboriginal cultural centres – plural. How is this work being progressed?

Mr HIGGINS: As part of the 2016-17 budget the Northern Territory government has allocated funding for consultation and scoping of an Indigenous cultural centre in Darwin and a national Indigenous cultural centre in Alice Springs. An Indigenous cultural centre in Darwin will celebrate, promote and preserve the culture and cultural identities of the traditional owners of Darwin and surrounds, the Larrakia people, and potentially other Top End Indigenous cultures that might be represented through the Centre.

The Indigenous cultural centre has a potential to contribute to the further social and economic development in Darwin that will foster creative partnerships with the public and private sectors and strengthen the Territory's ongoing development of the tourism industry. It will celebrate the heritage of the Larrakia and other Indigenous groups from the Darwin region, as well as providing a means to display and educate visitors about their natural environment, history, language, livelihoods and linkages to other Indigenous groups and cultures.

The Indigenous cultural centre in Darwin has the potential to be a multiuse benefit featuring, for example, live performances, art and cultural activities, public information, education, particularly for local students, research and other activities.

A national Indigenous cultural centre located in Central Australia will play a leading role in the ongoing affirmation of the Northern Territory as the cultural heart of Indigenous Australia. Coupled with the majestic Central Australian landscape, the national Indigenous cultural centre will be of world interest and global significance and it will generate interest in the region, both nationally and internationally. It will be of prime importance in showcasing the culture of the Indigenous people of Australia.

The Department of Arts and Museums is preparing to undertake consultations and scoping around the development of the Indigenous cultural centre in Darwin and preliminary consultations around the national Indigenous cultural centre in Alice Springs. Such consultation in respect of both centres will be inclusive and will focus on key matters such as location, purpose, synergies and relationships with other cultural institutions, governances and operational issues, employment and business opportunities, and linkages with the private sector.

Preparations are being made for input to be sought using a range of methods. In respect of the Indigenous cultural centre in Darwin, Larrakia organisations and groups will be consulted with other organisations playing a key part in the consultative and scoping process. The wider Darwin community will also be invited to provide feedback on the project.

In respect to a national Indigenous cultural centre, preliminary consultations will be conducted at a local level, progressing through to other Northern Territory organisations, groups and national bodies.

With regard to the national Indigenous cultural centre, the Chief Minister has had preliminary discussions with the Australian Institute of Aboriginal and Torres Strait Islander Studies and the National Museum of Australia. He has also done this with his federal colleagues and some philanthropic organisations. There will be considerable discussions and negotiations about matters such as location, purpose, synergies and relationship with other cultural institutions, governances and operational issues, employment and business opportunities, and linkages with the private sector. These issues will take some time to work out.

There may be considerable debate amongst local Indigenous groups about issues such as the purpose design, governance and other matters, and these issues will also need to be managed and worked through. The national Indigenous cultural centre, as the Chief Minister has pointed out, will be a major exercise due to the fact it will represent all Indigenous groups in Australia and will take in the order of 10 years to be completed. This will also have to be considerable negotiation and involvement with national organisations and interest. Some of these discussions have already commenced.

Mr McCARTHY: Thank you, minister. There are no direct budget appropriation to Arts and Museums at this stage?

Mr HIGGINS: There is \$1m in the 2016 Budget Paper No 3.

Mr McCARTHY: For you to commence your part of the project?

Mr HIGGINS: Yes, the consultation.

Mr McCARTHY: All right. Minister, I had better premise this one; I live in Tennant Creek. If you have not heard a good rumour by 9 am, you go downtown and start one.

Under the new arrangements, the new governance of MAGNT - have there been any assets sold or disposed of in the last 12 months?

Mr HIGGINS: I will have to take one on notice.

Madam CHAIR: Can you restate the question please, member for Barkly.

Mr McCARTHY: Thank you Madam Chair. Minister, as part of the new MAGNT governance, has there been any assets sold or disposed of in the last 12 months?

Madam CHAIR: Do you accept the question?

Mr HIGGINS: I may. I actually have some more information and the answer would be no, we would need to get Treasurer's approval and we have not sought Treasurer's approval to dispose of any assets.

Madam CHAIR: Okay.

Mr McCARTHY: Thank you Minister. What key collection acquisitions have been made in the past 12 months?

Mr HIGGINS: The details of those are in the MAGNT annual report.

Mr McCARTHY: Thank you, minister. That is it for me on this section.

Madam CHAIR: So, does that conclude questions for Output 9.1, Scientific and Cultural Collections?

Mr McCARTHY: Not really, but only in the time we have.

Madam CHAIR: We have about eight minutes to go. The committee will now consider – we might just throw it open. Are there any other questions? Is that okay?

Mr HIGGINS: Yes, that is fine by me.

Output 9.2 – Arts and Screen Sector

Madam CHAIR: So limited time – are there any questions for the Minister for Arts and Museums?

Mr McCARTHY: Minister, in relation to Output 9.2, Arts and Screen Sector, what are the key priorities for support of the film sector this year?

Mr HIGGINS: If I just talk about the grants up until 31 March this year. The total budget for screen grants was \$0.324m this year. The program supports the development of the Territory screen industry through grants and strategic initiatives. Grants are provided in response to applications to the program for project development, professional development, production and industry, and audience development grants are also provided through strategic initiatives designed to develop specific skills and the capacity of the Territory's screen industry, including providing workshops and mentorships from industry leaders, nationally and internationally.

Other activities of Screen Territory facilitate opportunities for capacity building of the Territory's screen industry, including programs facilitating access to market Screen Territory partners with federal agencies and organisations, including Screen Australia, other state agencies and national broadcasters, such as ABC TV, SBS and NITV to facilitate pathways for the Territory's screen industry.

Screen Territory also provides specialist advice in relation to project development, finance marketing and distribution. Grant funding already paid to 31 March 2016 totals \$0.284m.

There is an increase in the total NTG allocation for grants through Screen Territory grants program to \$831 000 for 2016-17. The additional funds to the screen grants program will focus on the development and financing of screen stories to support an increase in the level of screen production in the Northern

Territory. This will be an increase in funds available for mentorship and internships, as well as for programs that accelerate professional skills development that will result in the creation of screen content.

Mr McCARTHY: Thank you, minister. I have one quick one. Minister, what are the key areas of risk identified by your department's Audit and Risk Management Committee?

Mr HIGGINS: That is a risky question. The key risks are identified annually and reviewed quarterly, and there are such things as risks to the collections and its assets. Is that the answer to your question?

Mr McCARTHY: That is a good answer. The Chief Minister was not as good as you, minister.

Mr HIGGINS: There are some fantastic staff in the Arts and Museums department.

Mr McCARTHY: There are.

Mr WOOD: Minister, this is probably close to home for you and me. You might have heard over the last few years there has been talk about seeing whether we could get a performing and visual arts facility at Humpty Doo.

Mr HIGGINS: Livingstone?

Mr WOOD: No, this is not Livingstone. This is in a neutral place; it is not in my electorate or yours. It is in Humpty Doo, all right. Does the department actually have grants to help progress something like that? In other words, to talk to the community – I have done this over the last few years, but I am not skilled enough to do it properly. Can you get a grant through the department that would set something in motion which would then come up with a concept that we could put to the government?

Mr HIGGINS: Anyone wanting to do that could go to Arts NT to discuss getting funding for that, but I am advised that the cheap part is the building; the dear part is the ongoing running.

Mr WOOD: Absolutely. We would be looking at some commercial activities underneath it or part of it. If I just give you an idea that has been floated around, it would be a medium-sized – not the Darwin Performing Arts Centre – facility where the schools could use it, say for assemblies and that sort of thing. It would be where you could also train secondary school students in theatre and underneath it. You would know that we have quite a few local artists. We have the Humpty Doo Fibrecraft Guild and we have people that do needlework – that is not the name for it.

Madam CHAIR: Quilting? Knitting?

Unknown: Crochet?

Mr WOOD: Quilting, that sort of thing, yes. We have painters, sculptors and Aboriginal artists. We also have the advantage of being right on the Arnhem Highway in that area. Obviously the land belongs to the council and this will have to be something dealt with the council, and there is an opportunity to build something that has an architectural design to attract people to look at it.

So, we do not have anything in the rural area which we can call a centre of our culture. There is nothing wrong with the Darwin area, but we do not have a place where we can focus on local people. You are looking at 23 000 or 24 000 people in the rural area. I realise it would cost a lot of money and I realise maintenance would be an issue, but we need to start somewhere. Does the department make funds available to go through a process of seeing whether this is viable or not?

Mr HIGGINS: As I said before, Arts NT will consider any of those proposals. If you have people in mind, I am more than happy to set up a meeting with Arts NT so people can discuss the different options that.

Mr WOOD: I know I could go through Taminmin School Council, but I think we would prefer to broaden that – so you brought in a lot more people, artists and other schools.

Mr HIGGINS: I agree, Taminmin – Livingstone.

Mr WOOD: Okay, I will work on it but I did not know if that is the sort of funding you could ask for.

Madam CHAIR: It is 11.30 pm. On behalf of the committee, I would like to thank the minister for attending today.

Answer to Question on Notice No 5.13

Mr HIGGINS: Madam Chair, I have the answer to question on notice 5.13 – the information the Northern Territory Library puts into its catalogues about collections automatically gets uploaded into Trove so it is discoverable through the Trove interface. NT Library has a strong working relationship with the National Library through the Australasian libraries group. The cuts to Trove do not affect the NT Library's capacity to make its collection available through Trove. It will have a bigger impact on the capacity of smaller museums and societies, etcetera, to contribute its collections.

Madam CHAIR: That concludes consideration of the Department of Arts and Museums. On behalf of the committee, I would like to thank the minister for attending this evening and the officials who assisted the minister. Thank you very much.

That concludes proceedings for today. The 2016 Estimates Committee public hearing will resume next Tuesday 21 June at 8.30 am. Good evening, everyone.

The committee suspended.
