

The Estimates Committee convened at 8.30 am.

CHIEF MINISTER HENDERSON'S PORTFOLIOS
NORTHERN TERRITORY AUDITOR-GENERAL'S OFFICE
OUTPUT GROUP 1.0 – AUDITS AND REVIEWS
Output 1.1 – Audits and Reviews

Mr CHAIRMAN: Welcome, Chief Minister and Auditor-General. Do you want to make an opening statement at all?

Mr HENDERSON: No, just to introduce Frank McGuinness, our Auditor-General. We are ready to go.

Mr CHAIRMAN: Brilliant! Questions?

Mr MILLS: Good morning Mr Chairman, Chief Minister, Mr McGuinness. In respect to your agency outputs, have you received any funding for new or expanded initiatives either in 2011-12 or 2012-13?

Mr McGUINNESS: No, Mr Chairman. You will note, though, that I raise money now by charging. We are expecting to get at least \$0.5m in for 2012-13 from recovery of audit costs. That was an arrangement entered into a few years ago where it was agreed with the then Treasurer that I would start to recover costs for some audits, but with no adjustment to my appropriation or output budgets.

That has meant the office has been able to maintain its audit program and expand it slightly without the need for the Auditor-General to go cap in hand to the Treasurer at the end of the financial year - a little like Oliver Twist begging for a bit more.

Mr ELFERINK: The same response as Oliver Twist, I would imagine.

Mr McGUINNESS: Yes. This has overcome the problem. For the last two or three years, we have had adequate budget.

Mr MILLS: Adequate?

Mr McGUINNESS: Yes.

Mr MILLS: Right, because of that ...

Mr McGUINNESS: Because of the cost recovery.

Mr MILLS: Right. Previously, the request was for an enlargement of capacity through additional funding. Is that correct?

Mr McGUINNESS: That is right. If I go back a few years - six or seven years – Auditors-General often were having to go to the Treasurer at the end of the financial year seeking Treasurer's Advance to make up shortfalls between what it was costing to deliver audits and what was being appropriated. That has not occurred for a number of years.

Mr MILLS: So, undertaking an audit, though bearing the scrutiny of the audit, must pay for that audit?

Mr McGUINNESS: Yes, but it is only a limited number of audits where that is done. They comprise entities which fall outside the public account and which receive a stream of money from the Commonwealth. The Auditor-General taps into that and charges a fee.

Mr MILLS: Okay. What audits have you planned for 2012-13?

Mr McGUINNESS: There is the normal audit program which are standing order programs - two parts. One is statutory audits, which are audits of financial statements. Allied to that are audits of control systems, which are done in the first half of each calendar year. They are integral to being able to give me some comfort the basic internal control framework across government is functioning adequately before we move into the financial statement audit.

There is one which was not originally planned but has come onto the agenda at the last moment. As you are aware, the Commonwealth Auditor-General now has far wider powers with regard to auditing in states and territories. Late last year, the Commonwealth *Auditor-General Act 1997* was amended to give the Auditor-General follow-the-dollar powers. With respect to Commonwealth programs, he can now follow the trail of money down through a state or territory without recourse the local Auditor-General.

As an early stage, there is a collaborative audit under way looking at the National Partnership Agreement on Homelessness. I had originally demurred about getting involved, because I had already set my audit program for 2012-13. However, I have now come on board and I will be starting that in July 2012, which will carry me through until about August. The results of that will then be fed into a single report to be tabled in the Commonwealth parliament, but I will take my section and include it in a separate report to the Territory parliament.

Mr MILLS: Thank you. Auditor-General, in your audit of the Construction Division financial statements of 2011 which was reported to the Assembly on March 2012, did you identify any financial issues related to the operation of the Asset Management System; in particular around any issues about the failure to make payments or incorrect payments?

Mr McGUINNESS: The Asset Management System has not been a smooth project. It is possibly a text book example of how not to implement a system. As you might be aware, the department entered into a contract with a large private firm to provide an end-to-end solution, and that end-to-end solution has not eventuated.

It has led to the project being over time, over budget, and still functioning incomplete. One of the side issues of that is where it interfaces with other systems there are some difficulties in making payments, so DBE has had to take over the payment responsibility until such time as these interfaces are corrected.

Mr MILLS: Are you aware of the failure to make payments?

Mr McGUINNESS: I am aware. I have had discussions with the Department of Housing and there are certainly some issues there.

Mr MILLS: Can you elaborate on those issues?

Mr McGUINNESS: The former AIS had what was commonly known as a contractor port, which enabled contractors to go into the system and look at the status of jobs. It also had direct interface with the Government Accounting System for payments. Those interfaces, at the moment, are not functioning properly. It could be weeks or months before they are fully operational.

Mr MILLS: These are Territory contractors who have not been paid by the Territory government?

Mr McGUINNESS: Yes. There were delays in payments and much of that comes down to the Asset Management System supplanting the old Asset Information System which Housing use. As I said, the AMS is probably functionally incomplete at the moment. The company that was engaged to provide the solution has not performed in the way it was expected.

Mr MILLS: If I can understand that 'functionally incomplete' means it is broken and not working?

Mr McGUINNESS: Well, there are bits that should be working that are not working.

Mr MILLS: Did I understand that there was a big idea that we were going to have a new flash system, that flash system did not live up to expectations and, now, we are in a situation where we are halfway between two systems, and that is functionally not working?

Mr McGUINNESS: The Asset Management System was meant to replace about seven separate systems. The project has not run as smoothly as people might have hoped. The end-to-end solution that was contracted to be delivered has not been delivered in full. The system went live, probably about four weeks ago, but the GIS module is still not up and running. The company that was implementing the system had selected a particular GIS package only to find it was incompatible with the SAP package the AMS had been built in.

So, now code has to be written to enable those two elements to communicate with each other. Then we have the other issues - perhaps not unknown - where big systems are implemented, and there are some bits that need to be sorted out.

Mr MILLS: You are very modest in your description: 'It is not running as smoothly as hoped'. Take that title off and other descriptors could be used.

Mr McGUINNESS: This may be a question you might wish to direct to the minister at the time.

Mr MILLS: Indeed. So, there have been payments that have not been made? What about incorrect payments, perhaps overpayments? Have any of those come to your notice, Auditor-General?

Mr McGUINNESS: Not at the moment. The Department of Housing came to see me last week to run through their worries with the system, just to alert me they were having problems. I have had a number of quite unhappy contractors. They were working to sort that out.

Mr MILLS: Could you describe the scope of your investigation into this system that, as you say, is not working as smoothly as one hoped?

Mr McGUINNESS: Okay. If we go back to 2010, we had a look at the system. The project implementation raised a number of concerns which I then included in a report to the parliament. Since then, the chief executive of that department has appeared before the Public Accounts Committee twice to give the committee an update on the progress with the system. The system has now gone live, as I said, except for the GIS module. However, there are issues still to be resolved. It could take some time to get those fixed.

Mr MILLS: Right. Your investigation relates to construction only. Is that correct?

Mr McGUINNESS: That is right; the Department of Construction and Infrastructure, which is the sponsors of the system.

Mr MILLS: What is the reach of this new system that is not running well?

Mr McGUINNESS: It extends out into almost every agency with assets. Housing is one of the largest users, and Education, and Health. It affects the whole-of-government, the whole of the general government sector.

Mr MILLS: The entire sector?

Mr McGUINNESS: Yes.

Mr MILLS: With your Auditor-General's eye running an eye over the cost of this decision – from which I can tell you are saying it has cost a lot – do you have an idea of what would be the expected cost of this bad decision to implement a system such as this?

Mr McGUINNESS: I would not say it is a bad decision to decide to replace the old systems. I have asked the question for some time now. I wanted information about the Territory's assets. I wanted to know their description, age, condition, and replacement cost so I could report the parliament on the state of the Territory's assets. That information was lost or buried off in a number of different systems. The department was already planning to address this issue, but it was a chance to bring all this asset information together into a single system - replacing, I believe, seven legacy systems.

A large private firm was engaged to provide an end-to-end solution, or contracted. That company has had some difficulty, I believe, in delivering. I believe we have a system at the moment which is functionally incomplete, and there will be some work required at the company's expense to rectify much of this.

Mr MILLS: Right. So, functionally incomplete means it is not working?

Mr McGUINNESS: Certainly not as well as I might have expected, or even that DCI would have expected.

Mr MILLS: Yes. I am just curious that you wanted a system such as this.

Mr McGuinness: I was keen to see something like this, because I wanted information about assets. Of course, the DCI itself was also recognising the importance of a system like this to bring all that disparate asset information together into a single system.

Mr Mills: So it was your suggestion that we ended up with a system ...

Mr McGuinness: No, Auditors-General are not allowed to suggest these things. We are not part of the executive. The planning was already under way, so I opted to step back until the system was up and running, and then I would be very keen to have a look and see what information or data it held.

Mr Mills: It sounds like someone should be careful about what you wish for.

Mr Henderson: That is a bit unfair.

Mr Mills: Well, it is functionally ...

Mr Henderson: It is not Frank's fault.

Mr Mills: No, no, what I am saying is it was something that Frank wanted that someone else got and ...

Mr Henderson: Sounds like poor project implementation to me.

Mr McGuinness: It was a project management problem. The Department of Construction and Infrastructure would be able to elucidate on this much more clearly than I can. One of the problems was it was a large firm which is locally based with a local office that won the contract, but did not have sufficient staff, so they engaged subcontractors. The DCI found itself with an almost revolving door of subcontractors who came and went and, as each lot arrived, they had to almost go down to the bottom of the learning curve to pick up where their predecessors had been and start again. That did not help the process at all ...

Mr Mills: Sorry to interrupt. Do you know how much the system cost?

Mr McGuinness: I can get that for you. I am not sure what the cost is at the moment.

Mr Mills: Would you take that on notice?

Mr Chairman: Are you happy to take that question on notice?

Mr McGuinness: That might be a question better asked of the Department of Construction and Infrastructure when it appears before the committee.

Mr Henderson: Yes, I would say Frank is not going to have access to that information because it was not the Auditor-General's Office that issued the contracts.

Mr Mills: I just thought the auditing capacity would be able to identify the cost of the system.

Mr McGuinness: We have not looked at the system for two years. We looked at the project and reported to parliament that the department, to its credit, picked up the recommendations, changed the whole project management structure. However, as I said, there are a number of issues which have emerged as it has gone live which require resolution.

Mr Mills: Do you know how many failures to make payments?

Mr McGuinness: No, I do not. All I am aware of is the system only went live four weeks ago. The Department of Housing has been to see me because, I believe, they wanted to discuss the issue before we do an end-of-year review of their financial statement.

Mr Mills: No further questions on asset management.

Mr Chairman: No other questions?

Mr Mills: Well, that line, but I am happy to continue on.

Mr CHAIRMAN: There is basically only one line.

Mr MILLS: Yes. I will keep going.

Mr CHAIRMAN: Do you have questions on that particular subject, member for Nelson?

Mr WOOD: No.

Mr CHAIRMAN: Then it is still your call, Leader of the Opposition.

Mr MILLS: Auditor-General, an additional \$62 000 appears to have been allocated to deal with foreshadowed changes in Commonwealth funding arrangements in respect of performance management systems. What specifically are those changes, and what additional costs will the Territory incur for compliance by agencies?

Mr McGUINNESS: This is with my budget?

Mr MILLS: Yes.

Mr McGUINNESS: The \$62 000 was an adjustment for inflation. As you might be aware, most of my 'staff' are partners and staff of local accounting firms. Because it forms part of the goods and services budget, it is subject to efficiency dividends whereas, if they were part of a salaries line they would be exempt from that. You can imagine the constant pressure you get as a result of applying efficiency dividends to your staff, whose costs are going up at the CPI rate. So, it is a part of adjusting for that, but also it is in recognition that we are expecting the Commonwealth Auditor-General will need to be involved in a range of audits that interest the ANAO. That will mean they will probably have to engage or buy additional hours from accounting firms.

The first one, as I indicated to you earlier, was the National Partnership Agreement on Homelessness which will be starting in the first week of July.

Mr MILLS: Thank you, Auditor-General. In the detailed key deliverables, there are performance measurements for recommendations agreed by agency management covering audit tasks and reviews performed. One shows a target outcome of 85% and the other one of 90%. Why would there be a difference between the targets which are being set?

Mr McGUINNESS: If I can have a very quick look, sir. In one case, you are looking at financial audits - audit tasks conducted in accordance with Australian Auditing Standards which are financial audits largely and, then, recommendations agreed by agencies accounts for 85%. While I would like it to be 100%, auditors may come up with recommendations which can prove to be too expensive to implement. It is a cost-benefit issue. Agencies may well - and quite rightly - say: 'We agree with your recommendation, but it is going to be too expensive'. Therefore, if we think we can achieve 85%, then we are going pretty well.

The other, under reviews, is more of the performance management system area. The 80% is - because, again, you can come up with a range of recommendations, but it is always possible the auditors have gone off on a flight of fancy or think they have a perfect solution which may not be capable of easy implementation. So, 80% is probably a reasonable figure of management acceptance of your recommendations.

Mr MILLS: Who arrives at the figure? Who makes that decision?

Mr McGUINNESS: In what we expect?

Mr MILLS: What targets you are going to set?

Mr McGUINNESS: That is mine.

Mr MILLS: Right.

Mr McGUINNESS: Yes, because based on our past experience. I think, last year we have about 87% or 88%, which we thought was not a bad outcome of acceptance of recommendations. For each

recommendation that is accepted, we then come back a year or so later to have a look and see whether it has been implemented.

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

Mr CHAIRMAN: Do you have any questions for the Auditor-General, member for Nelson?

Mr WOOD: Good morning, Auditor-General. Are you affected by the 3% efficiency dividend?

Mr McGUINNESS: Yes. It is applied across the board. Like any other agency, it is applied to my goods and services budget. However, as I said to the committee just a few minutes ago, because of the way the business model works, sees most of my 'staff' drawn from local accounting firms. They are buried in part of my goods and services, and the efficiency dividend is applied to that line as well.

The dilemma has always been that my salary costs are rising at CPI or a bit higher, whereas there is a 3% efficiency dividend applied to that as well. Having gone to tender, you always hope you have extracted the efficiencies, particularly the model we use when we go to tender - we try to get some competitive tension going between the firms to try to extract the best rates. It was partly that dilemma which led me to put a proposal to a previous Treasurer that we would start to recover the costs of some audits as a way of bringing revenue in to compensate for the efficiency dividend. That has proved to be quite successful.

Mr WOOD: My concern was that your budget - the estimate for last year is \$3.94m and this year it is actually \$4000 less than last year. If you had to take your 3% dividend off last year, your final estimate would take into account that 3% efficiency dividend from last year. If your budget is the same estimate for 2012-13 and you have to take another 3% off, are you not going backwards? On my calculations, you have to find \$100 000 worth of savings which could be a whole audit?

Mr McGUINNESS: In the budget I have taken a very conservative approach to the revenue raised by cost recoveries, and I expect to recover more than that. I am confident that if the committee were to ask me again - look at these numbers again next year - we would have covered our costs, including an efficiency dividend.

Mr WOOD: On another issue, Auditor-General, there is an extension to the audit program in connection with national funding agreements which you mentioned. Will that extension include SIHIP?

Mr McGUINNESS: Not at the moment. The ANAO has put out a proposed program but it is fairly narrow at the moment. The first one is homelessness. There is a meeting of Auditors-General next month where the program may be outlined further. I will then have a better idea of what it might mean for me.

Mr WOOD: Will you still be looking at SIHIP considering one of the discussions which has always made it difficult for anyone to find out the cost of a house is we have to wait until the end of the package?

Mr McGUINNESS: For 2012-13, I have advised the department of Housing I propose to do what I have euphemistically described as a 'comprehensive review', instead of the normal review of financial statements which other agencies might get. That is partly because of SIHIP, and partly because of AMS. I believe that is why the department came to see me a week or so ago to talk about AMS issues.

I want to spend some time with SIHIP. I have already had some discussions with them about - I have raised this with the committee in a previous year - the way costs are being collected for SIHIP which I believe is wrong. You end up with an average cost model which does not tell people much about what it really costs to build a house.

I am now interested to see what the outcome of this year's audit of housing will be - what it yields.

Mr WOOD: Hopefully, that will show us what administration costs, billing costs, and employment costs were. All those costs should be able to eventually be recognised.

Mr McGUINNESS: I hope so. I indicated that to Housing. As you are aware, in 2009 or 2010, I looked at SIHIP and I opted to give the department a bit of time to get closer to completion with this program. I said I would be back to have another look and focus on SIHIP by itself and the final costs - number of houses.

Mr WOOD: We will wait with anticipation. In relation to 80 houses in Alice Springs that had some repairs required, will you be auditing to see what that damage was and who pays for it?

Mr McGUINNESS: I can do that. I have spoken to the department about it about the extent, and they suggested it really was not as bad as it might have been reported in the press. It was fixed quite quickly. But, it is something we can have a look at.

Mr WOOD: All right. You mentioned about the Commonwealth government having the ability to track down funding that might go through NGOs. Do you have that ability as well in the Northern Territory?

Mr McGUINNESS: Yes, I have the ability now to follow the dollar beyond the state into NGOs beyond the territory and down into NGOs. The way in which the Commonwealth amended the *Auditor-General's Act* is they talk about funding partners or Commonwealth partners. For the purpose, this would be a state or a territory. So, they now have the power to follow the money through the Territory agencies to look at what has been delivered under these various national partnership agreements.

In my case, I can follow the money through to NGOs. There is an audit under way at the moment. It is in Phase 1, which was to look at a large agency where you have NGOs - health. NGOs are the primary providers of primary health services in many cases. I am interested in these systems to control that spending; the extent to which NGOs funding agreements are lined with the department's budget outcomes.

Interestingly, there is a grants management system under development, and the lead contractor was the same firm that was the lead contractor for the AMS system. So, I immediately expanded the scope of the audit. There were a few issues there, and the department is confident we can pull it back on track before it goes sour.

Mr WOOD: Do you have the ability to look at wastage and duplication? You said the Department of Health has many NGOs delivering its programs. Do you ever assess whether some of these NGOs are tripping over themselves and there is wastage?

Mr McGUINNESS: That is one of the objectives of this audit. What I am doing now is what I call Stage 1, which is to look at the department's own administration before we then cross and look at an NGO - or one or more NGOs. One of the reasons I am so interested in this grants program and the grants management system, is one of the proposals was to roll that out across other agencies. What I am interested in there is the extent we get double dipping, if you like, for grants with grants shopping by some organisations. But, more importantly, the extent to which NGOs have clearly defined tasks that are linked in with the department's outcomes which are linked back to the 2030 objectives. We will see how it goes.

Mr WOOD: Just a couple other questions. Are you doing any audit in regard to the processes that have been put in place regarding the establishment of the Palmerston hospital - or should I say the Palmerston and rural hospital?

Mr McGUINNESS: I have not looked at the Palmerston hospital yet, apart from asking some initial questions. I think my comment was: why put a second hospital in Palmerston? Why not build a new hospital, say, halfway in a greenfields site? My comments or general questions were issues around staffing and duplication of resources. The response here is while the Royal Darwin Hospital is woefully inefficient in that, as the committee is probably aware, it is a Canadian design which is ...

Mr HENDERSON: Including the snow shields, Frank.

Mr McGUINNESS: That is right. I understand the roof is stressed to take 7 ft of snow, or something like that ...

Mr HENDERSON: Fantastic decision of the government of the day to build it.

Mr ELFERINK: That would be federal Labor government.

Mr McGUINNESS: It was the Commonwealth. It is the same design as the Woden Hospital in Canberra, I understand, which was dropped into Darwin, which means ...

Mr ELFERINK: They blew that one up, didn't they?

Mr McGUINNESS: It could be the one. What it means, though, its energy costs -electricity costs - are enormous because it is fully air-conditioned, and windows are shut. I thought it might be an opportunity to build a completely new hospital, but there is that much investment going into that RDH site now by Menzies/Flinders University, it will be a generation before that decision can be made.

The short answer to your question is Palmerston is there and, as they move forward, we want to have a look at the contracting, the project management, and also the model they are using to deliver it - whether it is a straight design and construct, or whether it goes out as a PPP or something similar.

Mr WOOD: All right. The other one that has come up in recent times is the Mandorah Ferry contract. Have you done and completed an audit on that contract?

Mr McGuinness: It is almost complete. I have been through the first draft of the report, which has been written by one of my authorised auditors. As is my want – I will not be able to help myself - I will want to edit it. At the moment, I have a very factual report. I need to consider what I bring in. Do I bring in details of the tender bids - which are missing at the moment - and the amounts tendered?

Also, there is what I call the interesting bit. There is no evidence to support it, but you have a case here where one firm was recommended by the committee as being the preferred tenderer, but the second firm was kept in the game right through. So, you can see a shift. There is a preferred tenderer, but the local firm was kept in the game until the point where its best and final offer could not be accepted – just far too high for the department. So, the decision was made to not accept any of the tenders - rejected both tenders.

The local firm was then, for the second time, offered a two--year extension to the deed under which the ferry was operated. It declined that. The department then turned to the only remaining player, which was Fast Ferries, and entered into an agreement with them to pay them a subsidy for the carriage of schoolchildren, pensioners, etcetera.

Mr WOOD: When will that audit be released?

Mr McGuinness: I have asked my authorised auditor if she could finish writing it, hopefully, by this week - she is also working on the prison contract - if she could find a couple of hours without sleep, and if she can get the ferry one to me. I have been through the files. There is a lot of material there, including e-mails, but it is now a case of taking that, putting my own gloss on it, but also having to decide how much I bring in extra - particularly areas where there is no evidence to support or to give me a good indication about this shift in thinking in the department. It is probably worth at least bringing that out, even though the risk is it is speculation on my part.

Mr WOOD: That is all the questions I have.

Mr CHAIRMAN: Member for Port Darwin.

Mr Elferink: Mr Chairman, there are three areas I want to touch on, Frank. First, the AMS system, then I want to talk very briefly about power consumption at the hospital. I will then touch on a couple of questions about the Mandorah Ferry. Starting with the AMS system, you reviewed this when? About two years ago?

Mr McGuinness: Yes, 2010.

Mr Elferink: Did I hear you correctly when you said the AMS system only came online four weeks ago?

Mr McGuinness: Yes.

Mr Elferink: So, there is a two-year lag between the time you reviewed it. Why did you review it two years ago?

Mr McGuinness: Because the project was under way. We had a look at the project and the project management. What you are looking at – the question is: what is this system designed to do? From the outcomes ...

Mr Elferink: That is fine. How long had it been under way by the time you turned your mind to it?

Mr McGuinness: By the time I went in, it was probably six or seven months into the process.

Mr Elferink: So, two-and-a-half to three years has passed?

Mr McGUINNESS: Yes, which is not unusual for a system development.

Mr ELFERINK: Clearly, something inspired you to look at it. Were there problems with it?

Mr McGUINNESS: What we are interested in is – only because the Asset Management System was replacing seven old systems.

Mr ELFERINK: Yes, including GAS, I take it. Or is it ...

Mr McGUINNESS: No, GAS ...

Mr ELFERINK: ... supposed to interface with GAS?

Mr McGUINNESS: Yes, there are interfaces with GAS. We were interested in the system outcome. The success is driven very much by project management. Good project management should help you get to the right ...

Mr ELFERINK: So, for a period of two-and-a-half years, we have been developing a system, which is called the Asset Management System, which is supposed to interface with the system called the Government Accounting System, aka GAS?

Mr McGUINNESS: Yes, among others.

Mr ELFERINK: So, after two-and-a-half years of development, does it?

Mr McGUINNESS: Not fully. As I said, the system has gone live; there are some wrinkles ...

Mr ELFERINK: Wrinkles?

Mr McGUINNESS: Yes ...

Mr ELFERINK: Well, for Quality Plumbing, that wrinkle was worth \$332 969 of unpaid bills.

Mr McGUINNESS: Yes. It may be worth, Mr Chairman, raising this with the minister for Housing. Housing put to me that a minor contractor revolt had occurred and ...

Mr ELFERINK: Do you think?

Mr CHAIRMAN: I believe we will flag questions now for the minister for DCI and the minister for Housing.

Mr ELFERINK: That is right, but I am still inquiring in relation to how this system is not operating. My understanding is this system is not cheap. When you say you do not know how much it is worth, it is still roughly millions ...

Mr McGUINNESS: We are talking millions.

Mr ELFERINK: We have a multimillion dollar system which is supposed to interface with a GAS system, but only does it partially. You have a minor contractor revolt, such as System Homes, I imagine, not being paid \$306 148. Now, you have the Department of Business and Employment using their accounting system to pay bills ...

Mr McGUINNESS: Well, they run GAS, so it just means instead of being able to receive direct feeds from AMS at the moment, they are having to get agencies to lodge the invoices direct with them.

Mr ELFERINK: So, you have the Department of Business and Employment which runs GAS, basically, manually pushing this stuff through the GAS system to pay the bills?

Mr McGUINNESS: Yes, they have others. DBE has its own systems, EIMS, for example ...

Mr ELFERINK: So, after four weeks of this system running, you have had a minor contractor revolt?

Mr McGUINNESS: Well, they were Housing's words. I believe they were sufficiently concerned the length between AMS and their systems were such they were having trouble ...

Mr ELFERINK: Chief Minister, are you happy with these results?

Mr HENDERSON: It is interesting, this line of questioning which is being pursued, because it takes me back to a past career, Auditor-General, where I actually had some involvement in project management around ...

Mr Elferink: Don't tell me this goes back to 1997 now, does it?

Mr HENDERSON: ... health systems. What has, obviously, happened here, member for Port Darwin, is Housing has issued a contract to a major IT company to develop and implement a system across government. That has not been implemented thoroughly, and there are some problems which need to be resolved.

My understanding, as I have been briefed, is the contractor will bear all the costs of actually rectifying this system so it does operate as it is supposed to - and that is ongoing. The issue here, as Frank said, was a failure of project management in the implementation of this system. It has gone online. There are processes in place across government to ensure the timely payment of contractors and, obviously, the company which has been engaged to design and implement this system will be held to account for it.

Mr ELFERINK: Yes, but Coolock is probably one of the companies - definitely one of the companies - which was affected by this to the tune of \$46 560, as well as Paradise Plumbing, System Homes, and Quality Plumbing. They now have a cash flow problem as a result of the failure of this system. It is small wonder they are on the verge of revolt. What is your answer to them?

Mr HENDERSON: My answer to them - and I hope you have their approval to put their names into the public domain ...

Mr ELFERINK: Do you think that is irresponsible if I did not?

Mr HENDERSON: No, I am just saying I hope you have, John. They will be paid, absolutely. I was the Business minister years ago who made an absolute commitment that government should pay its accounts - if they are not challenged - and validated within 30 days. That is the policy position of the government; that accounts which are valid should be paid in full within 30 days.

The fact this has occurred is not good. There are remedial procedures in place to ensure companies are paid. The company which has designed and implemented this system which is not functioning appropriately will bear all of the costs of getting the system resolved. Obviously, they have their own reputation to consider in this whole issue.

Mr ELFERINK: Clearly, Chief Minister. Will you at least apologise to these companies and whatever other company? I only know of these four. Are there any more?

Mr HENDERSON: As I said, member for Port Darwin, the policy position of the government - policy - is companies should be paid in full, where there is no dispute around the accounts, within 30 days. The fact that these companies have not been paid within that time frame is absolutely regrettable - it should not have happened. Processes are in place to ensure they have been paid.

As I said, there has been a company which has been engaged to do a body of work. It has failed to ensure that was successful; it will bear all of the costs associated with rectifying the situation. As I said, it also has a corporate reputation to consider and I expect this particular company will bend over backwards to ensure the product the taxpayer has paid for is absolutely functional.

Mr ELFERINK: 'Sorry' is the hardest word. Okay.

Mr McGUINNESS: If I might, Mr Chairman? With respect to the payment of contractors, DBE does have a system called Electronic Invoice Management System (EIMS) which is very effective. It just means that invoices now, instead of being fed through the asset system, can be fed through EIMS and paid that way.

Mr ELFERINK: EIMS is the redundant system, is it not?

Mr McGUINNESS: No, it is very current.

Mr ELFERINK: It is very current, is it?

Mr McGUINNESS: Yes. Rolled out about two years ago and it is proving to be very effective.

Mr ELFERINK: Perhaps we should have looked at that one in the first place?

Mr McGUINNESS: There has been an unfortunate train of events. Interestingly enough, the same company is contracted for a system in Health, which I have just referred to a few minutes ago. We have identified issues there when we looked at it last week.

Mr ELFERINK: Just going back one step. You have a very current invoice payment system - what was that called?

Mr McGUINNESS: EIMS. The Electronic ...

Mr ELFERINK: Why would you take on a new invoice payment system when you are working on the Asset Management System?

Mr McGUINNESS: No, the ...

Mr HENDERSON: You are getting your systems confused here, John.

Mr ELFERINK: Yes, I clearly have.

Mr McGUINNESS: There is the Assets ...

Mr HENDERSON: A lot of interfacing stuff; it is very complicated.

Mr ELFERINK: I know.

Mr HENDERSON: Very complicated.

Mr MILLS: And expensive.

Mr HENDERSON: And expensive.

Mr ELFERINK: And people are not being paid.

Mr CHAIRMAN: The Auditor-General has the call; he is answering a question.

Mr McGUINNESS: There is an Asset Management System which holds asset data but, also, in the case of housing, it is supposed to provide for the lodgement of claims by contractors from which there are interfaces to feed that through to the Government Accounting System for payment.

Mr ELFERINK: All right. Clearly, the whole thing is a bit of a dog's breakfast. I will leave it.

Mr McGUINNESS: But it is certainly retrievable, but it is going to take the prime contractor a bit of effort to – and, as the Chief Minister pointed out, at that company's expense.

Mr ELFERINK: And in the process of retrieving, we then have problems with contractor revolts - as Housing like to call it - and those sorts of things. My concern is there is a real world out there where this has a resonating effect.

Mr McGUINNESS: Well, the Department of Housing is less than impressed as well, as you can imagine.

Mr ELFERINK: Moving on to the Mandorah Ferry. You were talking about the contracts. Just very quickly, when was the new boat suppose to be operating?

Mr McGUINNESS: I believe it arrived last weekend.

Mr ELFERINK: The new boat? A boat?

Mr McGUINNESS: A boat. As I indicated to the member for Nelson, both tenders were rejected at the end of the day.

Mr ELFERINK: Yes, I understand that. But, the question I have is my understanding of the arrangements with the Mandorah Ferry was there was the provision of a new boat. If you check the Fast Ferries website, they say it is going to be bought in the Dry Season period. Is the boat that arrived last weekend the new boat?

Mr McGUINNESS: I cannot tell you that, sir. I am informed that another vessel arrived on the weekend.

Mr ELFERINK: Does this new vessel meet the requirements of the contract?

Mr McGUINNESS: I am told it does.

Mr HENDERSON: You should check it out, John.

Mr ELFERINK: I should go and check it out.

Mr HENDERSON: Take a trip across to Mandorah; it is beautiful over there.

Mr ELFERINK: I normally do, but I am just curious ...

Mr HENDERSON: Have lunch; check out the ferry.

Mr ELFERINK: That is fine. I am curious to see if the new boat is part of the contract.

Mr HENDERSON: You could look at the odometer on it to see how many clicks it has done.

Mr ELFERINK: You also briefly mentioned the power consumption at the hospital. What alerted you to power consumption at the hospital? Was it just the old building?

Mr McGUINNESS: It is the old building and the fact it is a design which should never have been dropped into a tropical environment.

Mr ELFERINK: Yes, I understand. My understanding is there are now two stand-by generators on site.

Mr McGUINNESS: There are, but even if you have stand-by generators, your fuel - it does not matter if you are buying it from Power and Water, another provider ...

Mr ELFERINK: These are apart from the UPS system, yes?

Mr McGUINNESS: Yes, but you still have to burn fuel, which is ...

Mr ELFERINK: I understand that.

Mr McGUINNESS: If you compare it with the old hospital ...

Mr ELFERINK: I am curious as to why, when we have an uninterrupted power supply system and attachment to a power grid, we need two new generators. Would that be the draw down from the new radiation oncology unit?

Mr McGUINNESS: I cannot help you on that one.

Mr ELFERINK: Okay. Perhaps some questions for Health. Thank you.

Mr CHAIRMAN: No more questions, member for Port Darwin?

Mr ELFERINK: No, I am done.

Mr CHAIRMAN: Thank you very much for your time, Auditor-General.

NORTHERN TERRITORY ELECTORAL COMMISSION

OUTPUT GROUP 2.0 – ELECTORAL SERVICES

Output 2.1 – Electoral Services

Mr CHAIRMAN: We welcome the Northern Territory Electoral Commissioner. Did you want to make a statement?

Mr HENDERSON: No opening statement. We should be able to go straight into it and welcome Bill Shephard, our Electoral Commissioner, to the committee.

Mr CHAIRMAN: Welcome, Mr Shephard.

Mr SHEPHEARD: Thank you.

Mr CHAIRMAN: Questions, Leader of the Opposition?

Mr MILLS: Good morning, commissioner. In your allocations, is there any funding for new or expanded initiatives either last budget or the budget to come?

Mr SHEPHEARD: Last budget, additional to normal routine appropriations, was \$80 000 for outfit of our office. We have shifted office, as you might know. Also, we had an appropriation of \$150 000 for quality roll project. We have also had funding for the Legislative Assembly election. This financial year it is \$0.4m, and next financial year it is \$0.6m.

Mr MILLS: They do not show up in the budget?

Mr SHEPHEARD: They show up in the budget, and will show up in expenditure as time wears on.

Mr MILLS: Right. Commissioner, what was the total cost of conducting the recent local government elections?

Mr SHEPHEARD: The recent local government elections have only just been completed with the supplementary elections. We had six supplementary elections, three of which went to poll. At the moment, accounts are still coming in, but it is estimated at this stage the total cost to our agency, in addition to our normal appropriation, would be about \$1.8m.

Mr MILLS: An additional \$1.8m, you estimate. Is that as a result of having to go back and re-poll?

Mr SHEPHEARD: No. Obviously, when you have a supplementary election there will be some additional costs, but if everybody does go to poll - you would still be running a mobile poll in those areas. There are some additional costs like a second round of advertising costs you would have to run, and other things you cannot do quite as economically. Yes, the supplementary elections did not add a great deal more to the cost.

Mr MILLS: The \$1.8m is the cost of running the recent local government elections? There is an additional cost. Are you able to hazard a guess as to what that additional cost would be?

Mr SHEPHEARD: Sorry, included in that \$1.8m is the supplementary elections.

Mr MILLS: All right.

Mr SHEPHEARD: Because we will count them as a roll on, use the same roll again and all of that.

Mr MILLS: Are all positions now filled, commissioner?

Mr SHEPHEARD: Yes, all positions are filled as of just a fortnight ago.

Mr MILLS: Has there been, or will there be, a review into why insufficient candidates stood during the first ballot?

Mr SHEPHEARD: That is probably a question better directed to the Department of Local Government. I should say, however, that I will be doing a full report on the operational side of the election and,

sometimes, that does run across some issues that are probably more in the domain of the Department of Local Government to deal with.

Mr MILLS: What is the status of your report?

Mr SHEPHEARD: To be honest, as you are well aware, we have had many elections on. We generally issue a pretty detailed report for all the elections - as you know, with Legislative Assembly elections. We issued quite a significant report following the 2008 shire and rural general elections as well. This particular election that has just gone by also was the first time the municipalities and the shires went to election together, so it was quite an unique event.

Also, we had a number of different features that were rolled out, such as proportional representation and so forth. Again, we will be putting in a very detailed report. Usually it takes almost 12 months after the event. That has been the case with our detailed reports on all elections.

Mr MILLS: Did you provide a report, commissioner, on what effect the Statehood election for delegates for the convention would have in the process you have just described, as having some challenges because of it is needing to operate at a new space?

Mr SHEPHEARD: I have to say, in many respects, we have been robbed of a bit of planning potential in the NTEC as a result of those changes of late last year. As you know, originally the Constitutional Convention was going to have an election in November. That did not occur. Then, it switched to be a potential conjoint election with the local government elections. Again, late last year that was abandoned.

We, obviously, liaised with the Legislative Assembly on these matters, particularly the features of the potential Constitutional Convention. I have not written a report on it because it is something which did not eventuate. If we had run that election, we most certainly would have written a detailed report on that, or would be doing that.

One of the features, though, which would have been a concern of mine – and which people who understand electoral procedures appreciate - is one of the features which was requested by the Constitutional Convention was to actually run an election on Legislative Assembly boundaries. They are not coterminous with local government boundaries, and that provides many operational problems for electoral administrators. Also, there are other features such as 16- and 17-year-olds voting as well, so we are talking about a different roll.

Without going into the detail of the complications that provides in administration, we can say is had we had to run that election - it could have been done - it would have necessarily had to take the form of almost two separate polling places operating in urban centres. So, the reflex assessment of savings that might be achieved with a conjoint poll would have been greatly reduced as a result of the way you would have to have had actually rolled that out - let alone the other issues about candidates running for both or issues for voters on the actual day.

Mr MILLS: It sounds quite complicated, commissioner. Given the challenges of running the recent local government election and the result, then insufficient candidates and, in some places, having to re-do it, anyone considering another system placed on top of that running on Territory electoral boundaries pose some challenges. Are you aware, commissioner, the Leader of the Opposition – me - sought a briefing from you to get an idea as to the view of the Electoral Commission in the managing of the complexities of running the two elections at the same time?

Mr SHEPHEARD: Yes, I think I did read it in the paper, first of all. I understand it did take place as well, yes.

Mr MILLS: Sorry, no. I actually sought, a number of times, for a briefing directly from you, commissioner, but I had to go through the Department of the Chief Minister to be able to secure that briefing and it was not secured.

Mr SHEPHEARD: Yes. Let me just make it clear: I did read in the paper but I also had some contact with Department of the Chief Minister on that issue.

Mr MILLS: As did I. How did we not meet?

Mr SHEPHEARD: I am happy to meet ...

Mr MILLS: Yes, me too.

Mr SHEPHEARD: ... people at any time to discuss these matters. In fairness, at the time, I believe there were quite a few things were a little unresolved in how it might operationally have been rolled out. But, by the same token, as I say, I was aware of that, but the decision was not mine.

Mr MILLS: Can you describe the contact you had with the Department of the Chief Minister with regard to the briefings that were sought by the Leader of the Opposition?

Mr SHEPHEARD: The contact was something like: there has been a request for a briefing. I had a short chat with an officer at the Chief Minister's and said that, in some respects, we were not quite sure how this will roll out and a lot of the detail involved. From that moment on, the issue was taken up by the Department of the Chief Minister. My understanding is that meeting was just not proceeded with.

Mr MILLS: Who made the decision, then, for that request for a briefing not to occur, if it was not yours?

Mr SHEPHEARD: That would have to be made in the Department of the Chief Minister.

Mr MILLS: Right. Very interesting. And you read about it in the paper?

Mr SHEPHEARD: I read one line in the paper, where I think you had said something that was quoted in the paper, yes.

Mr HENDERSON: I have to comment on this line of questioning, Leader of the Opposition, in the whole sad and sorry state of how we lost bipartisan support to have a Constitutional Convention elected alongside local government elections in April. In regard to that, the history is there was absolute bipartisan support for that through the Legal and Constitutional Affairs Committee of the parliament your deputy sits on. Decisions were made - and these are all documented in minutes of that committee and have all been relayed through debate in parliament - by the committee to move the date from November through to April.

Obviously, that committee your deputy was on had meetings with the Electoral Commissioner about that, and the Electoral Commissioner has said here today that it would have been complicated for the commission to hold those elections alongside each other, but not impossible – complicated, yes; but not impossible. That debate was heard by that committee who continued on with the recommendation to go down that path, to the point we had a media conference in the Speaker's rooms which you attended, where you agreed the election should be held in April, alongside the local government elections; that we would break new ground in Australia by allowing 17-year-olds to vote in that election, and it would be on electoral boundaries. I remember in the media conference, you actually called on people to stand up and step forward and take part in this history.

We got as far as drafting the legislation. That legislation was shared with the committee and your office and, coming back from your office, you indicated you supported that legislation. I certainly had a conversation with your deputy to ensure it did have your personal support, because I was not prepared to introduce legislation into the Assembly that did not have your personal support and your party's support.

Then, on the floor of parliament in the second reading debate on the legislation, the alternative Leader of the Opposition, the member for Fong Lim, torpedoed that bipartisanship - whether it was with your knowledge or not I do not know - to great dismay of members of parliament, including your deputy.

So, trying to come in here and rewrite a bit of history that you were not accorded a briefing with the Electoral Commissioner on this issue is just trying to put a veiled smokescreen over your total lack of leadership - an abrogation of leadership - on what was a bipartisan commitment that had your personal support. I am not going to sit here and have a smokescreen pulled over this. It was an historic opportunity lost.

We did have bipartisan support, including your personal support, all the way up to that second reading debate when the alternate and prospective leader of the Country Liberal Party torpedoed bipartisanship and the election. That is the true history of what happened.

Mr MILLS: Chief Minister, a completely independent Electoral Commission was a promise made by Clare Martin. When it was not disclosed that there were some very real concerns expressed by LGANT with regard to the operation of two elections at the same time - let us be fair about this; they were not known at the time and they became known and needed to be responded to, Chief Minister.

In responding to those very real concerns expressed by LGANT, there was then an official approach made through the Chief Minister's Office for a briefing with the commissioner so this member of parliament, who happens to be the Leader of the Opposition, can assess those concerns and the practical out workings of those concerns and how it looks. That request was blocked by the Chief Minister through the Department of the Chief Minister. That flies in the face of a commitment made by the Labor Party that there would be a fully independent Electoral Commission.

So, please explain, Chief Minister, how it is that the willingness for the commissioner to operate independently, and for the Opposition Leader - a member of the parliament - to be able to get a full assessment of the concerns that have been raised by LGANT, was blocked by you.

Mr HENDERSON: Well, first of all, that is not the case ...

Mr Mills: It is the case, it is the case.

Mr HENDERSON: I issued no specific ...

Mr Mills: Who did then, who did?

Mr CHAIRMAN: The Chief Minister has the call.

Mr HENDERSON: I issued no specific instruction. What we had was a bipartisan position ...

Mr Mills: No.

Mr HENDERSON: ... a bipartisan position through the committee that had your ...

Mr MILLS: Chief Minister ...

Mr CHAIRMAN: The Chief Minister is answering the question.

Mr MILLS: He is not answering the question, it is a smokescreen.

Mr CHAIRMAN: The Chief Minister has the call.

Mr HENDERSON: This is exactly what happened. We had a bipartisan position ...

Mr Mills: Chief Minister, you have already stated this, we are asking questions here.

Mr HENDERSON: We had a bipartisan position, the committee that your deputy and another member of parliament ...

Mr Mills: Chief Minister, you are going over the same ground.

Mr HENDERSON: ... and another member of your party wing who also sits on that committee, had access to and briefings with the Electoral Commissioner.

Mr MILLS: Mr Chairman, this is a complete repetition of the line that was just used before.

Mr CHAIRMAN: No, what the Chief Minister was saying while you were talking was new. How the Chief Minister answers – you asked the question, the Chief Minister chooses how he answers that question.

Mr MILLS: Oh, okay.

Mr HENDERSON: You and your office had access to the Electoral Commissioner on all the specific details, and the concerns of the Electoral Commissioner, about running those elections concurrently. All of those issues were ...

Mr MILLS: Mr Chairman, this is not actually relevant to the question I asked.

Mr HENDERSON: ... debated ...

Mr Mills: You could recite the *Man from the Snowy River*, this does not relate to the question.

Mr HENDERSON: ... in full ...

A member: A point of order, Mr Chairman!

Mr CHAIRMAN: Order for a second! I will remind everybody here of relevance. Any questions going to the operations or financial positions of departments and agencies which seek funds in estimates are relevant questions for the purpose of Estimates hearings.

I am allowing the current line of questioning, but they are away from what we are here for, estimates. Leader of the Opposition, you have asked a question ...

Mr MILLS: Yes.

Mr CHAIRMAN: ... and the Chief Minister is answering it. I am allowing flexibility for both the question and the answer away from the relevance of Estimates Committee, which is about the funds of Estimates Committee. I am allowing these questions at this stage.

Mr HENDERSON: I am pointing out, very clearly ...

Mr Mills: Again!

Mr HENDERSON: ... that the Leader of the Opposition had access to all of the information in regard to the concerns ...

Mr Mills: No, I did not.

Mr HENDERSON: ... of the Electoral Commission by the very fact ...

Mr Mills: You denied it.

Mr HENDERSON: ... that his deputy ...

Mr Mills: You denied it. You blocked it.

Mr HENDERSON: ... and another member of his parliamentary wing ...

Mr Mills: You denied access.

Mr HENDERSON: ... at the briefing with the Electoral Commissioner, where he raised all of his concerns and so ...

Mr Mills: You blocked my access.

Mr HENDERSON: Leader of the Opposition, you did have access to all of this information, and you are trying to put together a smokescreen to obfuscate ...

Mr Mills: I can show you the letters - from the character sitting behind you.

Mr HENDERSON: ... your total lack of leadership in regard to the bipartisan support we had; the fact that you committed to it; the fact that you committed to it publicly; the fact that you personally agreed to the legislation being introduced into the parliament; that you, as I recall, spoke in the second reading debate on this particular bill. It was not until the member for Fong Lim stood up and torpedoed ...

Mr MILLS: Mr Chairman, this is a complete repetition.

Mr HENDERSON: ... bipartisanship support in regard to ...

Mr Mills: Complete repetition.

Mr CHAIRMAN: The Chief Minister has the call.

Mr Mills: To repeat himself and waste our time.

Mr HENDERSON: ... total lack of leadership on this particular issue. There were complications and the commissioner has said, yes, it would have been difficult but not impossible and, at the end of the day ...

Mr Mills: Complete repetition.

Mr HENDERSON: ... it was the committee that your deputy sat on with another member of your parliamentary wing, despite those difficulties that were not impossible to resolve, decided to go ahead. You are trying to concoct a smokescreen for your failure of leadership to actually stick with bipartisanship support and, I also point out, to the enormous ...

Mr Mills: Complete repetition.

Mr HENDERSON: ... angst of very senior members of your party who came out at the time. I think Daryl Manzie came out and totally lambasted you for your lack of leadership ...

Mr MILLS: Relevance, Mr Chairman!

Mr HENDERSON: ... and walking away from statehood, and other senior members of your party ...

Mr WOOD: Mr Chairman, a point of order! The questions need to be, to some extent, succinct.

Mr CHAIRMAN: Yes.

Mr WOOD: I believe they are getting beyond that now - the answers, I mean. Time is of essence and that is one of the things we have to keep watching.

Mr CHAIRMAN: Yes. I will give the call to the Leader of the Opposition.

Mr MILLS: Thank you. Chief Minister, you said you issued no specific instruction which blocked my request for a briefing from the commissioner. What was the nature of your instruction?

Mr HENDERSON: There was no specific instruction. Certainly, there were discussions, as I recall, around a request that came in. There were complications in trying to get to the bottom of exactly the workarounds, I suppose, the Electoral Commissioner needed to put in place to ensure the two elections would be able to run concurrently.

In regard to who said what to whom, I am not aware. There was no specific instruction from me; issues were still being worked out. As I said, in regard to the committee your deputy sat on, they had access to the Electoral Commissioner. All of those issues were debated. I was certainly not in the business, and never will be in the business, of playing politics around bipartisanship support for Statehood.

As I said, there were issues the commissioner had concerns about of complexities in running elections concurrent on local government boundaries and also Territory government boundaries. However, those issues were not impossible to sort out; they were being worked through in how that was to occur and in the timing of the briefing.

That was all torpedoed, Leader of the Opposition, by the member for Fong Lim's extraordinary outburst in parliament, making all sorts of political accusations about the timing of that election, and making extraordinary allegations that the voters of the Northern Territory could not differentiate, or could not be trusted to differentiate, between the two issues.

If you really want to get to the bottom of it, we have pretty good networks, Leader of the Opposition, and people on your side of the parliament were talking with us about the total chaos there was in your party room on this particular issue. The fact was, at the end of the day, we know the member for Fong Lim has the numbers on a range of issues, and you were rolled. You are just trying to cover up your failure ...

Mr ELFERINK: A point of order, Mr Chairman!

Mr HENDERSON: ... of leadership, your absolute failure of leadership ...

Mr CHAIRMAN: We have a point of order, Chief Minister.

Mr HENDERSON: ... to stick to a bipartisan position.

Mr ELFERINK: Standing Order 113.

Mr MILLS: I think you are rather defensive there, Chief Minister.

Mr HENDERSON: No, it is the facts.

Mr MILLS: No, it is not.

Mr HENDERSON: Absolutely the facts.

Mr MILLS: I will give you a fact ...

Mr HENDERSON: Absolutely the facts.

Mr MILLS: I will give you a fact, Chief Minister, and ask you to respond to this.

Mr CHAIRMAN: The call is with the Leader of the Opposition.

Mr MILLS: You say you provided no specific instruction, but what you said explicitly in 2007 was that the main feature of the reforms we undertook through 2001 was to have the Electoral Commission as a standalone agency of government, and not a part of the Chief Minister's Office. Put all the other commentary aside, which is the same message you are endeavouring to run. Let us get down to the point of this ...

Mr Henderson: It is the truth of what happened.

Mr MILLS: No, the truth of what happened is - I have the record of a respectful request made first to the commissioner, but then I was told I had to go through the Chief Minister's Office. Then a time and date was set, and I was then advised by the Chief Minister's Office that it had changed and a subsequent date and time was set. I made myself available for that subsequent date and time, and that was overturned. We now find from the commissioner it was not his decision. Whose decision was it, Chief Minister?

Mr HENDERSON: Well, it certainly was not my decision, Leader of the Opposition.

Mr MILLS: Whose decision was it, Chief Minister?

Mr HENDERSON: I am saying it was not my decision.

Mr MILLS: Whose decision was it?

Mr HENDERSON: It was not my decision.

Mr MILLS: Given it was not your decision, whose decision was it to cancel the briefings?

Mr HENDERSON: It was not my decision. I do not know who was responsible.

Mr MILLS: Chief Minister, whose was it?

Mr HENDERSON: Well, it was not mine.

Mr SHEPHEARD: Mr Chairman, I can clarify the Electoral Commission's position in this particular matter. I was contacted about a briefing ...

Mr Mills: I am sure you were.

Mr SHEPHEARD: ... and I asked what the nature of that briefing would be because I wanted to be prepared ...

Mr Mills: I needed to be prepared too.

Mr SHEPHEARD: ... and ...

Mr Henderson: You should have been prepared through your deputy who had access to all of the information and all of the concerns the Electoral Commission ...

Mr CHAIRMAN: Mr Shephard has the call.

Mr SHEPHEARD: I explained at that time regarding the operation how this would be rolled out, We were at a very embryonic stage and there were a number of complications which I had already identified which would require a good deal of thinking of how it would be rolled out in the most effective way. I did say I would probably not be in a position to be able to be too clear on some things ...

Mr Mills: I recall that.

Mr SHEPHEARD: I recall the response at the time was: 'Oh well, maybe this is not the time to do that' and that proceeded from there. The potential briefing did not proceed, then I read in the paper ...

Mr Mills: Yes, well ...

Mr SHEPHEARD: ... your comment that you had been denied.

Mr MILLS: I had. The information that came back through the Chief Minister's Department was, yes, it was in an embryonic stage, which is a point I will come back to. However, there were some questions - you wondered what my line of questioning would be, and I then provided those questions. There was no ambush.

The fact is, Chief Minister, the commissioner has just stated- which is not far from the time the decision was meant to be made in the parliament - that planning was at an embryonic stage and there were complications. That was my concern. That is why I sought the briefing; to get a clearer picture of these concerns and complications that became clearer, and to investigate those as a member of parliament who wanted to ensure the decision-making process was going to put in place something that was not going to confuse and distract from our real objective. That is why the briefing was sought but was denied.

Chief Minister, if we are talking about chaos, you are the Chief Minister, and you do not know who it is in your department who denied that access and that request made through your department?

Mr HENDERSON: Leader of the Opposition, you are trying to pull a smokescreen over the fact of the matter. The commissioner has said in his advice to the committee - the committee went through all of these issues - yes, there would be complications; yes, this would be difficult but certainly not impossible. If the Electoral Commissioner had said to the committee this cannot ...

Mr Mills: So you say.

Mr CHAIRMAN: The Chief Minister has the call.

Mr HENDERSON: Leader of the Opposition, unlike you, I met with the chair of the committee and also spoke to your deputy, who co-chaired that committee. I spoke to her personally in regard to the issues around the timing of the shift from November to April; that there was absolute support on that, even though there were complications that needed to be worked through.

If the Electoral Commissioner had said this was impossible, it could not be done, obviously, the committee would have chosen a different time to hold the election. So, the issues in regard to the complications of holding the convention on the same date as the local government elections would have been worked through by the commissioner.

There were discussions between the commissioner and the Department of the Chief Minister about whether the commissioner was able to provide answers as to those complications and the timing of the briefing. There was no specific direction from me in regard to those matters. The commissioner is saying the election could have taken place; issues had to be worked through. The timing of actually getting a resolution to those issues to provide you with a briefing that would have given you some answers, as opposed to outstanding questions - obviously a decision was taken that those issues had not been resolved yet, so a briefing, I assume, would not have provided the answers you were looking for.

So, it was a timing issue, but certainly the convention could have gone ahead ..

Mr Mills: So you say.

Mr HENDERSON: We had bipartisan support. Your deputy - and I forget who else from your side who was on that particular committee of parliament - had access to all of that information, all of those complications, and still made a determination to go ahead.

The fact that you either had not discussed the issue in your party room; that you had provided your support to the process without consulting your wing - such was the chaos in regard to your leadership at the time - are failures of your leadership, not the failures of a briefing. All of the complications the commissioner had in regard to holding that election at that time could have been resolved. Certainly, LGANT had an opinion, but other people had opinions as well.

We do have - well, we did have - a bipartisan Statehood committee. That committee had consulted widely with LGANT across the Northern Territory. We had bipartisan support until the member for Fong Lim stood up in the second reading speech. Leader of the Opposition, I doubt you knew he was about to torpedo your leadership on that particular issue, because the look on your face at the time and what was happening in that parliament, absolutely went to show you had no control on your side. You are now trying to pull a smokescreen over the failure of your leadership to actually stick by the commitments you had made.

Mr MILLS: A final question on this. Chief Minister, given that it was Clare Martin in 2001 who told us all that we would have a fully independent Electoral Commission ...

Mr Henderson: Which we do have.

Mr MILLS: Listen, listen. ... and given you have said the Electoral Commission will be a standalone agency and not a part of the Chief Minister's Office ...

Mr Henderson: Which it is not.

Mr MILLS: Therefore, Chief Minister, in future, rather than go through your office to request an important briefing, can I go direct to the commissioner?

Mr HENDERSON: I do not have a problem with that, Leader of the Opposition.

Mr MILLS: Some behind you obviously do.

A Member: Talk about a failure of leadership!

Mr HENDERSON: The issue here was an issue of complexities in running these ...

Mr MILLS: It is all right, I can go direct to the commissioner, I do not have to go through the Chief Minister's Department.

Mr HENDERSON: ... elections concurrently, and there were not answers available.

Mr MILLS: Thank you, that is all I need.

Mr HENDERSON: You torpedoed bipartisanship support for Statehood by failing to control the member for Fong Lim ...

Mr MILLS: I think you had a part to play in this - or those behind you did. You need to get in control of what is going on in your own department.

Mr CHAIRMAN: Do you have further questions for this output?

Mr MILLS: No, not on this one.

Mr CHAIRMAN: Before I hand over to the member for Nelson, I remind all members of the test of relevance we use for Estimates, which is: any questions that go into the operations or financial positions of departments and agencies which seek funds in the Estimates, those are the relevant questions for the purpose of Estimates hearings. For the last half-an-hour, I have allowed a great deal of flexibility for the

Leader of the Opposition and, in doing so, allowed flexibility in the answers of the Chief Minister. However, we are here to examine the budget. Member for Nelson, your questions.

Mr WOOD: Chief Minister - and you might pass this on to the commissioner - in your annual report, page 7, you talk about the roll status. In the last local government election, I was contacted by a number of people who wanted to stand either in the local government election or the NT election, who said they were not allowed to get a copy of the rolls. I think the response I have in relation to that refers to the legislation, in Division 1, section 12(5):

A right of inspection under subsection (1) does not include the right to copy or record an extract, or part of an extract, by electronic or any other means.

Do you think (1) it is unfair that someone who actually registers as a candidate cannot get a copy of the rolls, and (2) does that legislation not prohibit someone from being given permission to copy it? All it says is 'A right of inspection under subsection (1) does not include the right ...'. There is no right that you can presume, but there is also the possibility that it could, if someone says so, be given to that candidate. Do you think all candidates who officially nominate for an election should have the right to the roll so those people who are standing for the election are, at least, on an equal footing in relation to who they need to contact within that electorate? Obviously, a sitting member has much more advantage than someone who wants to stand.

Mr HENDERSON: I am not sure. Mr Shephard can answer what the state of play is in other jurisdictions regarding this question. There is a philosophical and a privacy point of view that people put their details on the electoral roll as required by law. The public has an expectation that an elected member of parliament will keep them informed as to issues pertaining to that particular electorate and, therefore, it is entirely appropriate for a member of parliament to have access to the roll to do their job as the electorate expects them to do in keeping them advised as to issues relating to that particular electorate.

Whether that personal information should be extended to candidates, I suppose, is a philosophical issue as to whether the community would expect that information would be provided to candidates who may be running on single issues that are quite controversial.

I do not know what is happening around the rest of Australia, but that would be a debate if any such change was mooted which would have to go out for public comment. I imagine many people in the community would think it is appropriate for their member of parliament to be able to write to them around particular issues. If there were candidates in a specific area they wanted to contact, they have rights to the roll to get that information, so they can get access to that information. However, whether people would want single issue candidates bombarding them with controversial messages, I do not know.

I am not sure around the rest of Australia, Bill - whether in other jurisdictions candidates get access or are given copies of the roll?

Mr SHEPHEARD: In what is happening around the country, generally speaking, all members of parliament get the roll to perform their functions, as happens in the Northern Territory. With candidates, however, we do not provide that at local government elections, nor at Legislative Assembly elections.

I understand there was some debate about this in parliament when the *Electoral Act* was being established in 2004. We can say in the electoral industry, if you like, there are many sensitivities about the roll, particularly regarding the confidentiality of personal particulars of people who are on the roll. Modern technology, too, allows a great deal of potential for commercial interests to make use of the roll, which would not be particularly supported by the public, I think.

Having said all that, candidates are a little different, one would think, and deserve some special consideration - whether you take one philosophical view of not including them or including them. The Commonwealth does provide the roll to candidates. What happens there, I think, is the candidates have to sign an undertaking they will not use it for the wrong purposes. That sort of arrangement, as I said, has been in place for some time in the Commonwealth.

The issues came up at the local government election, because the municipal election in 2008 - the legislation at the time in 2008 allowed for the production and the sale of rolls. The production and sale of rolls was long-standing for decades, but in all jurisdictions that ceased because of the issues I spoke of before, of the potential for a commercial interest to buy the roll and turn it into all sorts of marketing

schemes and so forth - apart from the privacy matters that would concern electors. The production of the roll for sale has not occurred at the Commonwealth level for a long time ...

Mr WOOD: I will butt in there to keep things short. Do political parties have access to the entire roll of the Northern Territory?

Mr SHEPHEARD: Our political parties have the entire roll.

Mr WOOD: Thank you. Does that mean their candidates have access to the rolls?

Mr SHEPHEARD: Potentially.

Mr WOOD: That is right. I am not saying they should not, by the way. Do you see that as an unfair process; that one group of people who are standing in parliament but happen to be a member of a party can have access to the roll, and an independent person cannot get access to the roll?

Mr CHAIRMAN: At that point, member for Nelson, you are actually asking the Electoral Commissioner for an opinion. We are not allowed to ask for opinions.

Mr WOOD: Okay, well, I have the information ...

Mr CHAIRMAN: You can probably reword that question, but it is seeking an opinion.

Mr SHEPHEARD: I have actually had an opinion on public record, so perhaps I can answer the question. In one of my earlier reports, I raised the issue that it did not create a level playing field for candidates. Whilst I believe you can take the other view, bearing in mind the Commonwealth procedure, I would be happy enough to see it rolled out at, let us say, the Assembly level. As I said, the roll itself, if it is used by somebody for not the purpose it has been given, they are actually ...

Mr WOOD: I agree with you. It should not be used for commercial purposes, but for information ...

Mr SHEPHEARD: It goes further than that. If a political party has received the roll and is passing it on to someone to help with their campaigning then, in fact, that is an issue that is probably not being provided for the functions that the parties have been given the roll for - so that is an issue.

It was raised during the local government election. There were no allegations about particular individuals or anything, but there was just a view that this could happen.

Mr WOOD: It was all about a level playing field - that is what I am trying to get at - so it is equal for all candidates; they have the same allowances to get information about who lives where. With the right restrictions on its use, as the Commonwealth has, I have always felt that it should apply. Anyway, we could go on for a while on that. I will move on, if I could.

In relation to proportional representational voting in the local government election, was your new computer data up and running at the time that election was held?

Mr SHEPHEARD: We had to get new software to perform the counts for that.

Mr WOOD: And it worked well?

Mr SHEPHEARD: Yes, there is no problem with the software. We got it from South Australia; the system of counting was a South Australian model.

Mr WOOD: So, it worked okay?

Mr SHEPHEARD: As far as the operational side is concerned.

Mr WOOD: That is all right. There was a long delay between when the voting counting ceased on the Saturday night until when the elections were finally resolved. Why can you not count all the votes you have - you have votes from other electorates and all those sort of votes - instead of having to wait for your postal votes to come in? In other words, if there are only 10 postal votes and you know the gap between existing candidates is 300, you know those postal votes will make no difference. Why do you have to wait to announce those results so long after the election?

Mr SHEPHEARD: What happens in an election is polling is conducted prior to election and on polling day. Votes are only counted as a primary vote on polling day. Those votes are counted in polling places and counting centres around the place, and they need to be rechecked to see if they are correct.

Also, you have exchange of absent votes. You have votes cast in Alice Springs which need to be domiciled in Darwin, etcetera. That takes some organisation to do. You also have what we call 'unenrolled votes' where people who have presented themselves in polling booths cannot be found on the roll. They need to be checked out and they may well be added. We also have outstanding postal votes. Again, they can come in up until the Friday at 6 o'clock. Remember, it is only a primary vote that is being conducted on polling day.

To bring all those things together takes some time. You cannot proceed with any election that involves the movement of preferences without knowing, pretty much, you have all the votes in. Technically, you could do it but, in reality - especially a shire election like that where we are conducting 40 different polls - to press a button on Friday night following the poll and actually have the results is not a bad turnaround for an election of that type, with that type of accounting methodology.

The preferential representation system is very complicated, as you know, and ...

Mr WOOD: That is why you have a computer to do it. If you did it by hand, we would probably still be waiting.

Mr SHEPHEARD: If you did that by hand, I suggest you would be waiting at least another fortnight.

Mr WOOD: All right, I will move along from that. In relation to mobile polling, what is the basis of having a mobile polling booth?

Mr SHEPHEARD: There is no firm criteria for mobile polling other than some general principles we like to follow. Obviously, in remote areas access to 8 am to 6 pm polling is very limited, and any place that probably has about 10 electors or so would be identified as a potential mobile polling place.

Mobile polling, as you know, involves going to a number of communities following an itinerary. We would not necessarily have a hard and fast rule; we are not going to drive past a place which has eight people just because they only have eight people there.

The type of principles we operate under are: where there are concentrations of people; where access to normal 8 am to 6 pm polling is not very accessible; where attendance voting is preferable; poor mail delivery areas; or places where a significant number of electors may require assistance to help them vote. They would all be criteria we would look at in rolling out mobile polling.

Mr WOOD: It tends to concentrate on Aboriginal communities. Do you do it for cattle stations?

Mr SHEPHEARD: It is possible to do it, but we find the postal voting service usually operates better for those people for a number of reasons. First, mobile polling, by its very nature, is very snapshot, very hit and miss. We have to advertise an itinerary before we start - things can change, people move. The nature of mobile polling, again, is there are only very short time frames we allow - a couple of hours here, or a few there.

With registered postal voting, if you have good mail access, it is far better for you if you can get something in the mail; you can register as a general postal voter and not even make an application.

Mr WOOD: We know what happened in the last Territory election when the period was relatively short; a number of stations did not have the time to get their postal application and send it back. My main concern is there a criteria for mobile polling booths, across the Territory, regardless of who lives where?

Also, do you take into account that sometimes people might query why you are putting it in a certain place and not another place? I will give you an example, you had a mobile polling booth at Acacia at the Aboriginal community. Why would you not have put it at the local town so people would have seen it as being there because they did not have access? We are not talking far from Darwin or the nearest polling booth. Do you think sometimes people get the impression the only reason mobile polling booths have been put out is for Aboriginal voters?

Mr SHEPHEARD: Perhaps. I can understand people might take that perception, but I can assure you that is not the case. I am happy to look at any location for a mobile poll if it can be justified. In fact, part of our settling of itineraries is we usually list many places, send it to MLAs and other stakeholders to see what feedback we get. We do not sit in an ivory tower and make these decisions. Those locations you have mentioned, in the past we probably polled at both of them as well. I cannot answer exactly what happened last time.

However, could I say something which will be interesting in this context? There would be a perception, because we have had snap polls in the past, that we have had this problem with people getting the postal votes back. It needs to be recognised on this occasion we have a fixed election. The other thing to realise is the actual timetable for the election has changed. Both those features will, hopefully, address some of the problems we had with some of the mail turnaround that may have disenfranchised people in the past.

Mr WOOD: Do you have any idea of the cost of mobile polling booths?

Mr SHEPHEARD: I would have to take that question on notice.

Mr WOOD: Can I put that on notice?

Mr CHAIRMAN: Chief Minister are you prepared to take that question on notice?

Mr HENDERSON: Yes.

Question of Notice No 3.1

Mr CHAIRMAN: Could you put that question again, member for Nelson?

Mr WOOD: What is the cost of mobile polling booths? I will take the last local government election.

Mr CHAIRMAN: That is question No 3.1.

Mr WOOD: Another question in relation to mobile polling booths. With the local government elections in the Top End in the Wet Season, is there a bigger requirement to have a mobile polling booth because of the difficulty accessing various growth towns for people living out bush? I know why the timing of a local government election is in March; in theory so they can look at the budget before it is introduced. Is it a negative for people living in the Top End that we have an election in the Wet Season?

Mr SHEPHEARD: In relation to mobile polling, the weather can affect the cost and organisation of mobile polling. Certainly, in March there is added risk in the Top End that we have disruptions to mobile polling. We had that in a couple of shires, which would have cost implications. Significant ones were East Arnhem and Vic/Daly.

Mr WOOD: Do you also review the outcomes from those mobile polling booths? Do you say: 'Well, we had one person turn up for that mobile polling booth? Is it actually worth the' ...

Mr SHEPHEARD: There are many questions, and I am not sure I answered the first one.

Mr WOOD: I am sorry, but time is the problem here.

Mr SHEPHEARD: We review turnouts. From time to time, things can change dramatically and at very short notice. When we get the results of turnouts from the officer in charge - we have them ring through and advise anything that may have caused either a rise or drop in that turnout - we keep those types of records. Going back to the principles of mobile polling, we are not going to drive past the place ...

Mr WOOD: No, no I am not saying - that would not make any sense but ...

Mr SHEPHEARD: The other thing I would say about the effect of weather; first, with weather, it does not matter what time of the year really in the Northern Territory, you are going to run the risk of weather affecting it - either in the Centre or up in the Top End. It is very hard to escape both. I do not know if there is an answer to that one.

As I said, the mobile polling is something we try to canvas stakeholders with, we keep records on, and we certainly try to keep costs down to a minimum. It is an expensive operation. However, bear in mind those people who are getting that service are generally people who cannot access other services. That is the price of democracy, I guess, in those areas.

Mr WOOD: I am not knocking the idea we should not have mobile polling booths. In some cases, I query why a polling booth is not at Point A and at Point B, and if it is actually necessary in some places. Are we teaching people to rely of mobile polling booths instead of using existing systems? Acacia is not a long way from Darwin. You can use postal votes there or you just have it in the local town and people drive to it. I do not mind the idea of it, but I wonder whether it tends to be targeted towards some people rather than it being targeted

Mr SHEPHEARD: No, that issue has come up sometimes where we have a concentration of Indigenous people and we poll there. There might be ...

Mr CHAIRMAN: Sorry, Mr Shepherd, to interrupt. I just want to acknowledge the presence in the room, before he leaves, of the former member for Nhulunbuy, former Treasurer, and an experienced practitioner of Estimates. Mr Shepherd, you have the call.

Mr SHEPHEARD: I have lost my train of thought ...

Mr WOOD: I have a number of other questions. I have just one question. In relation to one vote, one value for local government, you talked about a review in your annual report. Has that happened, and are we getting closer to making sure there is one vote, one value - or equal value - in wards and local government? We know this is not the case at the present time, and I understand why.

Mr SHEPHEARD: The one vote, one value issue needs – well, it is for others in the Department of Local Government to decide what philosophy they want to adopt in that regard. One vote, one value is a good principle, of course, but there are also ...

Mr WOOD: It is called democracy, otherwise it is called - after me - gerrymander.

Mr SHEPHEARD: What I was saying is there are other issues about community of interest. Sometimes, in those local government shires there are probably some strong community interests and cultural reasons for having some disparity. One vote, one value, when it is applied anyway, will have some sort of threshold, and that is the key – and the size of those electorates.

I did actually put in - which is on the website - a submission to the Local Government's Inquiry into their system for local government. I did not try to take a view of whether PR or the current system was the best, but actually pointed out how the application of that would apply in the Northern Territory in those local government areas. That, as I said, is on the website.

One of the things that did run through that, though, was the careful use of boundaries in trying to get that community of interest result that seemed to not be achieved in that first round in 2008.

Mr WOOD: I better let it go at that.

Mr SHEPHEARD: Could I just say one thing - because I did not get a chance to answer - on the timetable on that postal voting issue. Last time, the time between close of nominations and the actual polling day was something like eight days. We had to close the nominations on the 28 July and polling day was on the 9 August; so that is 12 days. On this occasion, the close of nominations will be on 10 August with polling going on the 25th, so we are looking at 15 days.

This should afford much more opportunity for people to apply for a postal vote. The Electoral Commission will also be running a review of all registered postal voters because it is in the best interests of everybody in these turnarounds that they register if they are living out there permanently. There is great capacity this time to address those problems which were there in previous elections where we had snap polls. We have a fixed poll now; we know what the dates are. We can get people on the roll at those stations and such. We can also get them as registered postal voters.

Mr WOOD: And time for members of the Defence Force who are serving in Afghanistan?

Mr SHEPHEARD: We have no time, but we have already taken a number of initiatives with people in the forces. In the same fashion, we will be rolling out specialised services for them to ensure their votes are, indeed, counted.

Mr WOOD: Okay. Thank you.

Mr CHAIRMAN: Member for Port Darwin.

Mr ELFERINK: One question. Mr Shepheard, if I am to telephone you between now and the next Territory election and seek a briefing from you directly, what will you say to me?

Mr Wood: Good morning!

Mr SHEPHEARD: Well, I would say what I always say: I am happy for you to come in and talk to me. I am looking at people here; I think I have spoken to them all in some fashion, be it during the course of elections or anything else. People from the parties do come in and see me.

Mr ELFERINK: No, no, no. That is fine. That is what I am just trying to secure; that is all. Thank you very much.

Mr SHEPHEARD: The only thing I would say, though, is if it was something I thought was substantial, I would let the minister know, but I wouldn't not have the briefing.

Mr ELFERINK: Why would you let the minister know? You are an independent organisation.

Mr SHEPHEARD: It is something we would do. An accountable minister would need to know that I am – if it was of substance. If it was something that was quite detailed, not the sort of the thing we do in a routine fashion, anyway. Quite honestly, as the Electoral Commissioner, I have been here for seven years and I do not think I have ever refused any discussion with any member, regardless of their political persuasion.

Mr ELFERINK: You may not have.

Mr SHEPHEARD: What ...

Mr ELFERINK: Anyway, thank you very much for that, Mr Shepheard. That is all I require from you. Thank you.

Mr CHAIRMAN: Member for Nhulunbuy.

Ms WALKER: Chief Minister, through you, I would like to ask a question of the commissioner. Commissioner, during the Australian government elections during mobile polling in our remote Indigenous communities, the Australian Electoral Commission had a very helpful educative resource which was a loop DVD that ran for about five minutes in language explaining to electors about the election they were voting in that day, and also explaining the two ballot papers between the House of Reps and the Senate. Are there any plans in the upcoming Northern Territory election - recognising we deal with an awful lot of Indigenous Territorians for whom English is an additional language - to have a similar resource available?

Mr SHEPHEARD: This is in the polling place?

Ms WALKER: Yes.

Mr SHEPHEARD: We do not have any plans at the moment. In actual fact, that concept is something we were throwing around prior to the Commonwealth election. We do, however, have plans to do advertising in language. The main thrust of offering support to Indigenous people on site is to actually ensure we can try our best to have people there from the community who can identify those people who need assistance.

Ms WALKER: Do you employ those through the Aboriginal Interpreter Service?

Mr SHEPHEARD: We have in the past but, to be honest, it has not been particularly productive. We have had issues with people not fronting - that sort of thing. At times, too, they have struggled to actually get us people for certain areas. The Commonwealth has had the same sorts of issues. It has been tried in

the past on a couple of occasions without a great deal of success. Generally, it is left to try to recruit somebody locally.

Part of the Commonwealth's IEPP – which is an Indigenous education participation program – is they have tried to set up a network of people within the growth towns and communities. We hope we can tap into that a little, but I am not sure of the quality or the extent of that at this point in time. Certainly, they will be areas we will be looking into.

Ms WALKER: Good, I hope so. The Aboriginal Interpreter Service is a big employer of Indigenous people, and that resource is really important at polls. I have one other question.

I appreciate that around polling time you have a huge number of people you are employing to get around to all of the polls. Is there a dress code that goes with the role? The reason I ask is about people dressing in a culturally appropriate fashion going out to these remote communities so as not to offend.

Mr SHEPHEARD: Yes, in our training manuals we do point out that people should dress modestly in those communities. We will also, on this occasion, be providing things like Electoral Commission T-shirts and that sort of thing, so those officers are more easily identified and are projecting a good image for the administration as well.

Ms WALKER: Thanks, commissioner. Thanks Mr Chairman, that is all I have.

Mr CHAIRMAN: That concludes our time. Commissioner, thank you for coming along. We will be taking a break and returning at 10.30 am. Thank you.

The committee suspended.

OMBUDSMAN'S OFFICE

OUTPUT GROUP 3.0 - OMBUDSMAN'S OFFICE Output 3.1 – Ombudsman for the Northern Territory

Mr CHAIRMAN: Welcome back, Chief Minister. Welcome, Ombudsman. Do you have an opening statement you would like to make?

Mr HENDERSON: I would like to introduce our Ombudsman, Carolyn Richards. This is Carolyn's 7th Estimates Committee hearing and the last one before Carolyn moves on. I start by thanking Carolyn for her great service to the Northern Territory for the last seven years. We are open for questions from the committee.

Ms RICHARDS: Thank you, Chief Minister.

Mr CHAIRMAN: Thank you. Leader of the Opposition.

Mr MILLS: Thank you, Chief Minister. Thank you, Ombudsman, I echo the same words - seven good years ...

Ms RICHARDS: Thank you, yes, indeed.

Mr CHAIRMAN: She has not left yet, just the last Estimates Committee.

Mr MILLS: Ombudsman, in respect to your outputs, have you received any funding for new or expended initiatives for 2011-12 or 2012-13?

Ms RICHARDS: In 2011-12, we received money to repair and install a new case management system because the last one just died. You may recall there was one year when our annual report was delayed by about four or five months simply because the computer system died. We have spent a good deal of time and about \$280 000 this financial year on establishing a new case management system, which is called Resolve. It is the system used by every Ombudsman around Australia by both the parliamentary Ombudsman and the industry Ombudsman.

Mr MILLS: The pre-existing but old system came to the end of its natural life?

Ms RICHARDS: It was based on the program Lotus Notes. The government decided to move from Lotus Notes to a Microsoft platform, and there was no support for it so it could not be repaired.

Mr MILLS: I understand. Ombudsman, last year you explained you had some difficulties recruiting staff due to a lack of funding, and early last year you received an extra \$200 000. Is that correct?

Ms RICHARDS: That is correct.

Mr MILLS: I notice that request for funding has been declined from late last year. Do you have sufficient resources to do the job?

Ms RICHARDS: I have sufficient resources to do the job, but I do not have sufficient resources to do many things I believe should be done.

Mr MILLS: Is there a backlog of investigations to be completed?

Ms RICHARDS: Yes, there is. It is not so much backlog, but the time taken to complete investigations has extended, and that is a problem for people who are coming to us.

Mr MILLS: What is the size of that backlog compared to last year, or seven years ago?

Ms RICHARDS: It is much better now than it was seven years ago, but that is because staff have had more training and we have become more efficient, and we take more responsibility for not looking into minor, trivial complaints. We are more selective about what we follow through and what we decline. The backlog back then was taking two years or so to do an investigation into what I would call an average complaint.

The backlog for police complaints when I took up my position in 2005 was about 300 cases which had been sitting in the Ombudsman's Office for between three and six months. They had already been investigated by the Police department, the evidence had been sent to the Ombudsman's Office and the Ombudsman's Office then had to analyse all of that information and write the reports. We no longer have that situation at all. We are, generally, up to date within about a month to two months at the most between when we receive the results of an investigation from the Police department and when the complainant - or the public, if it is a public report - are told the results of an investigation.

Mr MILLS: Thank you, Ombudsman. Has your office provided any assistance by way of staff or other resources to the Health Complaints Commissioner during the past 12 months?

Ms RICHARDS: The Health Complaints Commissioner was a position I also held. From August 2010, that position was then separated. Along with that, the office itself was separated and three of my staff, a new Commissioner and a new Deputy Commissioner for Health Complaints became part of the Department of Justice. When that occurred, though three of my staff moved to separate premises and became part of the Department of Justice, along with them a sum of \$462 000 from the overall budget for the Ombudsman followed those three people. That has left some gap and it has eroded some of the \$200 000 extra we got last year, but we have coped with that.

Mr MILLS: You carry responsibility for both offices?

Ms RICHARDS: I did for five years until August 2010.

Mr MILLS: Is this usual practice?

Ms RICHARDS: It happens in Tasmania. That is the only other jurisdiction I know where it happens.

Mr MILLS: Ombudsman, are you currently pursuing any investigations that have been instigated by own motion?

Ms RICHARDS: One, yes.

Mr MILLS: Are you able to give us information on that one?

Ms RICHARDS: I can just generally tell you that an own-motion investigation commonly is carried out to protect the person who has provided the information and does not want to be identified or where, as a result of a complaint on one matter it appears there are a whole lot of other systemic issues arising when you look at that; that is done on own motion.

Mr MILLS: Regarding the nature of the complaints coming to the commissioner, you made an observation last year that there has been a change in the nature of the complaints. What would you describe as being the nature of the complaints you are receiving now, compared to a few years ago – the new emerging trends?

Ms RICHARDS: I believe people are coming forward with matters that have large economic consequences, which was not the trend when I first started. We see, with the ebb and flow of good times and bad times, that complaints about procurement tend to increase when times are tougher. We have a more educated population, presumably because of the various reports and things that have come out of the Ombudsman's Office. People bring to us things which have public interest ramifications; which have ramifications for injustice. They are brought to us by, say, a more sophisticated complainant than was the case a long time ago – particularly the legal aid agencies, the Aboriginal ones especially, have increased their rate of making complaints about police conduct.

That is the main change I saw in the nature of complaints. It is not so much that it is all that different, it is often more complex, and that is the major change.

Mr MILLS: Could you describe to me the servicing of remote communities with Ombudsman services?

Ms RICHARDS: We do not do any. If you look at the budget, you will see a division between operating expenses and personnel. Effectively, it is about \$1.6m for personnel and around \$250 000-odd for operating expenses. Of that \$250 000-odd, most of those are whole-of-government charges for telecommunications, IT, DBE services – no, sorry, they are separate – licences, software licences.

Effectively, our discretionary budget in any one year is between \$40 000 and \$50 000. That has to cover travel, staff training, and access and awareness. We have a memorandum of understanding with the Commonwealth Ombudsman. When the intervention happened four years ago, the Commonwealth Ombudsman, as part of that package, was given extra money for four years - for the term of the intervention originally - to oversight and receive complaints about the intervention.

We had anticipated we would be travelling with the Ombudsman and going to remote outstations trying to reach people other than our traditional base, which tends to be in the larger town and cities. But, it did not happen. Now the Commonwealth Ombudsman's funding has ended - it will on 30 June this year - there will be very little access to people in remote communities or the growth towns. In fact, Aboriginal people really only come to our attention through the services of NAAJA or CAALAS or the other services. When I was the Health Commissioner, it would be through the Aboriginal-controlled health services delivering primary healthcare.

Mr MILLS: With the Commonwealth Ombudsman operating in the Territory, but now no longer, does that leave an expectation, having been accustomed to a service - albeit a Commonwealth service- that some service operates in remote communities? Have people noticed that it is now no longer there?

Ms RICHARDS: I think they will.

Mr MILLS: They will? Not currently?

Ms RICHARDS: Up until 30 June this year, the Commonwealth has been operating. We are co-located; they sublease an office where we are located. You will see from the budget papers there is an item of \$36 000 - which is no longer in next year's budget - as an income line. That is the rent we used to receive from the Commonwealth Ombudsman.

When they went out on their remote community walkabouts, they had the vehicles and the camping equipment and they could afford interpreters, and they had the connections with the business managers who were, of course, Commonwealth officers mainly, and we could accompany them. But, that is not going to be there anymore.

They would sometimes take complaints, under our memorandum of understanding, for us. If someone out in a community when they were there talking about Centrelink, say, wanted to complain about police

conduct, they would get all the information and send it to us. They were servicing the community in that way as well.

Mr MILLS: I might have misheard this, but were you working together in remote communities?

Ms RICHARDS: Yes. In ...

Mr MILLS: You had your officers working with the Commonwealth officers?

Ms RICHARDS: Oh, not as frequently as the Commonwealth office was working, but on occasion we were able to send someone, yes. We are talking about this financial year? Yes.

Mr MILLS: It looks to my reading there has been a 30% increase in actual complaints received from the 2011-12 period. Is that the case?

Ms RICHARDS: Approaches, yes, not complaints. I do not know what figures you are looking at, but if you study the figures you will see much of that increase comes from two areas: one is in police complaints - and I believe that is because of the legal aid services; and the other is in out-of-jurisdiction measures. People approach us for all sorts of things. They still think Qantas is owned by the government, for instance, and they want to complain about the schedules. You will see there is about a 30% increase in that type of matter.

I can tell you most of the increase in that type of matter is because of the Fair Work Ombudsman. I disagree with the use of that word 'Ombudsman', because the Fair Work Ombudsman is only a regulator, not an Ombudsman at all. In Darwin, they are virtually inaccessible. I have had talks with them about this. They have a tiny office somewhere in Mitchell Street which is often unattended; they only have an 1800 number which is centrally answered. People pop up to our office and want to give them papers and records, which is something many people cannot manage online because they do not have a scanner. We will say: 'No, you have the wrong people; you go over here'. They go over there but there is nobody there, the door is locked. They come back to us, we ring the South Australian head office: 'You are wrong, definitely someone there'. We waste a lot of time on that.

Mr MILLS: It flies in the face of your earlier comments about an increasingly educated community.

Ms RICHARDS: You cannot blame them if they are told to go to a particular place and the doors are locked.

Mr MILLS: That is right. I have no further questions. Thank you.

Mr CHAIRMAN: Member for Nelson.

Mr WOOD: Thank you, Ombudsman, and thank you for seven years of hard work in the Territory ...

Ms RICHARDS: Thank you.

Mr WOOD: Of course, you are probably expecting this question. It is now about 14 months ago since I wrote to you regarding the flooded blocks of land at Pelly/Lorikeet. My understanding is the report has had a draft stage, and government departments have responded to it. Could you tell us when that report can be released, because there are people - who are not in my electorate by the way - who live in the rural area who have waited and waited to find out what the report would say about the future of their livelihoods on those blocks of land which were flooded?

Ms RICHARDS: The report is likely to be made public at the next sitting of parliament ...

Mr WOOD: Is that this one?

Ms RICHARDS: ... which I think will be October.

Mr WOOD: We actually sit for a short period at the end of this Estimates.

Ms RICHARDS: Oh, it will not be available for the half-day you sit at the end of Estimates because it is still with the two government departments involved. I understand also those departments have made

certain recommendations - I believe to Treasury - and they are waiting for a response from the various ministers and the Chief Minister.

Mr WOOD: My understanding is responses for this report from the departments finished at the end of May, and were received, and that the report was, basically, being put together now. The problem with that report being released by October, it will be raining. These people have waited and waited and waited. Is there any reasonable chance of that report being finished by the end of the Estimates Committee, so it could be released into next Thursday's actual last sittings?

Ms RICHARDS: Well, no, that would be up to the government. Let us assume I delivered it to them tomorrow; the government has six days within which to table it.

Mr WOOD: All right.

Ms RICHARDS: That is not going to happen, I do not think, even if we could get it done.

There has been a big delay with that because, for a period of about eight months, there were negotiations going on between the landholders concerned and the government agency, the Chief Minister's Department, and a recommendation made to Treasury. Then, when it appeared those negotiations were not going to give satisfaction, we resumed our work. That was about March this year. We keep getting feedback that, perhaps, all is not lost; there might still be some negotiation.

Mr WOOD: Yes, well, that news ...

Ms RICHARDS: I will have to hand that one to the Chief Minister.

Mr WOOD: I will put it bluntly, the news will be mightily devastating to those people because they were expecting something out now.

Mr HENDERSON: I put on the record here, member for Nelson, I really want to get to a resolution of this. As you know, we have discussed the matter up hill and down dale. As the Chief Minister, I really respect the Ombudsman's role in this. This is absolutely a clear-cut case of administrative decisions that were made by government agencies, that may or may not have been wrong, that have had significant consequences for those people you are representing. The commitment that I make publicly here is to do everything I can to get a resolution to the issue.

I know offers have been made to parties in this case which have been rejected. Whether there is any capacity to further amend those offers, I am not sure. I am certainly wanting to facilitate an outcome on this particular issue prior to the Wet Season. Where about it is, at which specific agencies - are there avenues open for further negotiation with those particular property owners? What I am saying, as the Chief Minister, is I want to see a resolution to this matter as soon as possible, so I am happy to take that off line with Carolyn and you. I want to see it resolved.

Ms RICHARDS: Sorry, member for Nelson. I received a response from one government department to the draft report on Wednesday of last week, so it is not entirely correct they had done everything by May.

Mr WOOD: All right. My understanding is they had directions to have it in by the end of May, so they may not have done that. I thank the Chief Minister for that. People should understand the main offers were around a drain. I think the people who have been affected the most want out - that is what they want. The other reason, of course, for this Ombudsman's report request is to ensure this does not happen again and to ensure departments are doing their job.

I ask a question then in relation to this particular matter that is more a technical matter? My understanding is you cannot look at and discuss decisions that were made by the Development Consent Authority. Is that correct?

Ms RICHARDS: That is correct.

Mr WOOD: On page 9 of your annual report, in the third last paragraph, it says:

The Ombudsman (section 16(2)) must also not investigate administrative actions of a public authority where there is a review right under the law under which the action is taken unless the authority agrees to the investigation.

I suppose there is two questions that come out of that ...

Mr RICHARDS: Read the next sentence, the exceptions.

Mr WOOD: All right, the next sentence, okay:

The exception to this is when the person who has the review right complains to the Ombudsman and I am satisfied it would not be reasonable to expect or to have expected the complainant to resort to the review right, or the matter merits investigation to avoid injustice.

But they do not have a review right if you are – for instance, I objected to the Development Consent Authority subdivision. I do not have any review right. It is simply not in the *Planning Act* for rural subdivisions.

Ms RICHARDS: No, that is correct, but you would have a right to go to the Supreme Court for administrative review and, if there had been a breach of legislation, you could also seek compensation or a declaration under common law to either undo a particular act decision or to have something done differently. It is a right of law.

Mr WOOD: Which applies to most.

Ms RICHARDS: I am not quoting the legislation here. The legislation actually refers to rights, and that includes legal rights.

Mr WOOD: All right. I feel there should be some ability for the Ombudsman to look at the processes that authorities go through to make decisions. But, that is enough ...

Ms RICHARDS: Well, if you look at that list of things that are not included, they are consistent with the separation of powers.

Mr WOOD: Not much.

Ms RICHARDS: But we do try very hard to get matters resolved in a practical way, rather than just come out and blame people.

Mr WOOD: Well, yes. I just want an improvement, that is all. On page 16 of your annual report you talk about Certificate IV in Government (Investigations). It says:

It is unfortunate that due to staffing shortages, in this financial year my Office was not able to able to continue to offer this training past July 2010. This is a regrettable loss to the Northern Territory Public Service, and to the improvement of public administration generally in the Northern Territory.

You said you had a wait list of 40 people. Is that still the case? Considering one of the recommendations from the subcommittee in relation at Mataranka, there was, I think, a belief one of the ways around some of the problems we had in relation to investigating Mataranka was to set up a group of investigators who could work across the public service where departments needed them. Would this particular Certificate IV fill those requirements the CTC was looking at?

Ms RICHARDS: It would, and I am happy to tell you that, because of the change of heart within Treasury, we are now running this program again.

Mr HENDERSON: Does Treasury have a heart? My goodness! That is the first time I have heard that. Thank you, Jennifer.

Mr CHAIRMAN: I hope they are listening.

Ms RICHARDS: What would happen is that ...

Mr HENDERSON: It is not on display very often.

Ms RICHARDS: ... the people who do this course pay a fee of \$1500. That fee, when it came in, went back into general revenue and was not given to the Ombudsman to be able to employ people to continue this program. Our current staff had to fit those duties, and there is much work keeping the materials up-to-

date so you get national accreditation for each student. We just could not do it. Treasury has now allowed us to keep the fees we charge to run this program.

Effectively, for the Territory it is cost-neutral; however, it enables us to do it. There is an enormous need for investigators here under employment matters, health, all types of complaints about - take the Fair Work Ombudsman - animal welfare, environmental protection. The environmentalists we have here are scientists. They are terrific scientists, but they would not know how to take a statement or prepare a brief for the DPP. There is a much statutory regulation with many regulatory offences. Unless somebody is trained to actually collect evidence in a form that can be used in court and add that to their technical skills, there is really no point in having this legislation because it cannot be enforced. I see it as vital.

Mr WOOD: That is good news, because it is one of the issues raised in the subcommittee on the Mataranka cattle issue. That is all the questions I have, Mr Chairman.

Mr CHAIRMAN: Member for Katherine.

Mr WESTRA van HOLTHE: Good morning, Ms Richards. How many complaints - you may not be able to give me a definitive number but a ballpark figure perhaps - about the fact calls to local police stations are now all taken in Darwin? I am particularly referring to Katherine, Alice Springs, and the bush stations?

Ms RICHARDS: It would take some time for us manually to get that information out but, anecdotally and from my memory, I would say in the last two years in the order of 50.

Mr WESTRA van HOLTHE: In general terms, what has been the substance of those complaints - a broad range of ...

Ms RICHARDS: It is mainly the time it takes. The second one is the lack of knowledge of the person answering the phone, because if you are in Alice Springs and you say it happened on the corner of such and such a street or it happened in such and such a park, you would expect the person answering the phone would have some concept of that geographical layout, but they do not. Of course, the person answering the phone has to ask for more information than if they were local.

The main problem is often the caller becomes irate, first because of the time they have had to wait to get the call through and, second, they have to answer all these questions. If it is a matter they see as needing an urgent response, their natural reaction is to get tense and sound a bit aggressive, when all they are trying to do is help and report something or get help. That is unfortunate because that causes the whole process to be even slower. It has those unmeasurable effects in human terms.

Mr WESTRA van HOLTHE: Have there been instances you are aware of where police have been sent to the wrong town?

Ms RICHARDS: I am not aware of a complaint about that, no.

Mr WESTRA van HOLTHE: Okay, so ...

Ms RICHARDS: I would have to research that.

Mr WESTRA van HOLTHE: I am thinking of an example where there are two Railway Terraces, one in Katherine and one in Alice Springs, and police might have been sent to the wrong Railway Terrace. It does not jog your memory?

Ms RICHARDS: You could see it happening when you see other things that do happen of that type of problem. I would have to take that question on notice to let you know if it had been the subject of a complaint.

Mr CHAIRMAN: Chief Minister, are you happy to take that question on notice?

Mr HENDERSON: Is it a specific question in regard to Railway Terrace?

Mr WESTRA van HOLTHE: Well, it is.

Question on Notice No 3.2

Mr WESTRA van HOLTHE: For the purpose of Hansard, have there been any instances where you have received complaints regarding police being sent to perhaps the correct street but the wrong town in the Northern Territory?

Mr CHAIRMAN: Are you happy to take that question, Chief Minister, Ombudsman?

Ms RICHARDS: I am happy to do a search and find it, but ...

Mr HENDERSON: I do not know what it demonstrates. There is human error from time to time.

Mr CHAIRMAN: For Hansard, that is question No 3.2.

Mr WESTRA van HOLTHE: As the Chief Minister made the comment, I will respond. I suspect this goes to the level of service being provided to the public of the Northern Territory and whether the perception is they are getting good service or not. They are the only questions I have, thank you, Ms Richards.

Mr CHAIRMAN: Any other questions for the Ombudsman?

Mr MILLS: I would like to make a comment. Ombudsman, I acknowledge the start of your contribution in seven years for the Northern Territory. It has been a pleasure having you here again as Ombudsman. I should have acknowledged your leadership in child protection. I thank you for helping us during that difficult period. It will not be forgotten.

Ms RICHARDS: Thank you very much, Leader of the Opposition. May I say, listening to the previous witness, it is my view that an independent officer should never have to be subject to an executive department and need permission to speak to an independent officer.

Mr ELFERINK: Hear, hear!

Mr CHAIRMAN: Thank you, Ombudsman for seven years. This might be your last Estimates, but there is a life beyond Estimates ...

Ms RICHARDS: There is, indeed.

Mr CHAIRMAN: I am sure you will continue in proud public service, thank you. We now move on to the department of the Chief Minister and we will just have our witnesses come forward.

DEPARTMENT OF THE CHIEF MINISTER

Mr CHAIRMAN: Chief Minister, do you want to introduce the witnesses you have with you today and, if you have an opening statement, would you like to make it?

Mr HENDERSON: Thank you, Mr Chairman, I do have a brief opening statement. I introduce Mike Burgess, Chief Executive of the Department of the Chief Minister, and Shelley Hewitt, the Chief Financial Officer. Other officers of the department are available to assist the committee as required.

The Department of the Chief Minister provides a leadership role and a central coordination role in facilitating government priorities, positioning the interests of the Northern Territory at the local, national, and international levels, and supporting the business of government.

Our economy goes from strength to strength; economic growth is estimated to strengthen by 2.4% in 2011-12 and by 3.9% in 2012-13 and our unemployment rate remains amongst the lowest in the country. Budget 2012-13 sets a strong platform for gearing up for the exciting growth that lies ahead in important transitioning towards greater reliance on private sector investment, while supporting Territory families across the Territory.

With the \$34bn Ichthys project about to come online, we stand on the brink of a period of economic growth which will diversify and strengthen our economy for decades to come. Work has also commenced

on the \$105m Marine Supply Base at East Arm, which will become the service hub for the offshore oil and gas industry in northern Australia.

We have also continued real progress across Health, Housing, and Education outcomes through whole-of-governments initiatives such as *Territory 2030*, the Territory's first long-term strategic plan, and *A Working Future*, our plan for improving the lives of remote Territorians.

At a more detailed level, there have been great achievements in my departments. The policy coordination output responds to the myriad of issues emanating from COAG and national partnership agreements, in coordinating work across agencies. The Territory development output provides programs vital to attracting investment to the Territory including the Ichthys project and the Marine Supply Base, and facilitating many interrelated complex matters to assist implementation, including the coordination and monitoring of the *Territory 2030* strategy implementation across government.

The department has also been extremely busy this year delivering on government policies including across government coordination of social change, multicultural advancement, and strategies to ensure the Territory remains a great place to live and work.

My government has also continued its proud record in supporting the community through the highly successful waterfront and Convention Centre developments, and the innovation of Major Events Company.

I am extremely proud of the efforts of every single staff member in my department and what has been a very busy year.

In relation to questions on the outputs of the Department of the Chief Minister, I inform the committee I'll be taking questions on Policy Advice and Coordination, Multicultural Advancement, Major Projects, *Territory 2030*, Ministerial Offices, Legislative Production and Community Support including the Darwin Waterfront Corporation and the Northern Territory Major Events Company.

Questions on the Alice Springs Transformation Plan will be taken by minister Hampton next Tuesday and questions on Asian Relations and Trade have already been covered by minister Lawrie yesterday.

I welcome Mike and Shelley. We are open for questions.

Mr CHAIRMAN: Are there any questions on the opening statement?

Mr MILLS: Yes. Chief Minister and witnesses, welcome. Given the Department of the Chief Minister took the lead role in the NT government brand strategy development consolidation project, I assume I can ask questions on the rebranding of government at this juncture?

Mr HENDERSON: Can I just get from the chair – this was the opening statement so I am not sure where that fits. I am not trying to hide from the question.

Mr CHAIRMAN: The right time to ask where it goes is at this stage. The advice we are after is which output would it be asked at.

Mr HENDERSON: I am happy to take the question.

Mr CHAIRMAN: Okay. We can treat it as agency, whole-of-government ...

Mr MILLS: Yes, I guess so.

Mr CHAIRMAN: Before we go into that, do you have any questions at this stage, member for Nelson, about what goes where? In that case, we go to whole-of-government. That is your question, Leader of the Opposition.

Mr MILLS: Chief Minister, how much did this brand strategy development consolidation project cost?

Mr HENDERSON: The tender was awarded to a local consultancy at a value of \$149 000.

Mr MILLS: Was that on time?

Mr HENDERSON: Was what on time?

Mr MILLS: It was supposed to be finalised and delivered by 16 December 2011.

Mr HENDERSON: Mike.

Mr BURGESS: Mike Burgess, Chief Executive. The tender was awarded on 6 September 2011. That work is not yet complete. We expect that work will be completed towards the end of this calendar year.

Mr MILLS: What I understand from the scope of services in the tender document, the new brand must be ready for use by 18 November 2011 with the style guide finalised and delivered by 16 December 2011. Has the style guide been finalised?

Mr BURGESS: None of that work has been finalised yet, so the period for delivery of those elements has been extended until the end of the year.

Mr MILLS: But the money has been spent?

Mr BURGESS: To date, the expenditure on the project is about \$111 000, so the consultancy is not complete.

Mr MILLS: But the contract has been established with the successful tenderer?

Mr BURGESS: Yes.

Mr MILLS: And who is that?

Mr BURGESS: Michels Warren Munday.

Mr MILLS: All right. Why the delay? I see in the original documentation that the style guide needed to be in place by the end of last year.

Mr BURGESS: It is just the way in which the work has developed. There was a large review of the key branding strategies which have been in place – some in place for more than a decade - and there has been quite a deal of work with the consultant around options that might be put in place going forward. That work simply has not been finalised. There have been other priorities to deal with. In consultation with government, their view was that work did not need to be completed in the original time frame.

Mr MILLS: Right. I understand the objective of the exercise was to get an understanding of local perception of the Northern Territory government and, in order to achieve that, there needed to be research conducted. Has any research to ascertain the view of local people of the Northern Territory government occurred, to your knowledge - such as focus groups, for example?

Mr BURGESS: I am not sure about the exact detail of all the elements which were utilised, but my understanding is it was not so much review of what people thought about the government; it was about the brands that were in place - like the Territory and the difference of opportunity. It was about how those brands still represented the aspirations of the community.

Mr MILLS: I have a key objective. The first of the two key objectives is: to understand the local, national, and international perception of the Northern Territory government'. I am focusing on the local understanding of the perception of the Northern Territory government. That was the first of the objectives.

What would an advertising agency, a successful contractor, have to do to gain an understanding of the Northern Territory - the perception of the Northern Territory government; how it looked and felt? That was one of the phrases used: 'the look and the feel of the government'. How would the successful contractor be able to determine the look and the feel of the government and how it is perceived?

Mr BURGESS: I believe the best I can do, Leader of the Opposition, is to invite my Director of Strategic Communications to come to the table to actually advise the processes that were used.

Ms ELLIGETT: Karen Elligett, Director, Strategic Communications. The scope was very broad for the consultancy for this project. A number of interviews took place - and not so much focus groups. It was a collation of interviews with business and key stakeholders throughout the Northern Territory, and also many government representatives who travel interstate and overseas.

Part of the line of questioning and testing of their audiences was the perception of the Northern Territory government in branding. At the moment, government is represented in many ways, in a national and international market. The consultants asked a number of leading questions about how people felt about how government was viewed - not politically, but branding-wise.

Mr MILLS: So, it was broad?

Ms ELLIGETT: Very broad, yes.

Mr MILLS: Interviews were conducted, and the time has now moved for the conclusion of the development of style guides and the like. What reports have been provided by the successful tenderer to government?

Ms ELLIGETT: First of all, there was a research paper which was presented to government.

Mr MILLS: When was that presented?

Ms ELLIGETT: That was presented towards the start of this year. I am very happy to provide a copy of that out of session; there are no secrets there. Sorry, what was the second part of your question?

Mr MILLS: What information has gone from the successful tenderer to government? You say there was a research paper which you have undertaken to provide.

Ms ELLIGETT: Yes. Along with the research paper, there have been a number of concepts which have been delivered by the consultants, in line with how the people who were questioned as part of the research interpreted the feel of the Territory, including how the Northern Territory government was presenting itself branding-wise.

Mr MILLS: Does that form part of the research paper that has gone to government?

Ms ELLIGETT: It is in addition to that, yes.

Mr MILLS: Is that also available?

Ms ELLIGETT: Yes. It is part of the scope of works.

Mr MILLS: So that is available to be tabled and presented for us to see?

Mr HENDERSON: No problems with that.

Question on Notice No 3.3

Mr CHAIRMAN: You can take that on notice, so if you can just ask the question again.

Mr MILLS: The NT government brand strategy development consolidation project has produced two research papers to government. I ask for those two papers to be made available.

Mr CHAIRMAN: That is question No 3.3, Chief Minister.

Mr HENDERSON: Yes, I will be happy for that to happen.

Mr MILLS: Chief Minister, are you able to describe what the purpose of this project is?

Mr HENDERSON: I do not know what you are fishing for here, Leader of the Opposition. It was very clear - and you made a fair bit of politics around it at the time - this was just about consolidating the branding of government departments, and how Territory government agencies brand themselves locally, nationally, and internationally.

At the moment it is fairly inconsistent; it was decided to consolidate those. At the moment, there are two international brands in use by government, including The Territory and The Difference is Opportunity. Both

those brands are very old. Different agencies and ministers travel interstate and overseas on the business of government on a regular basis, and there was no consistency in the way government was branded.

This whole project was about consolidation - and it really gets down to style guides and all that type of stuff. I am no expert in this at all, and for me – whatever. There are experts who actually understand these issues better than I do. This was a departmental, whole-of-government initiative, which is quite appropriate for Chief Minister's to undertake. No final decisions have been made; in looking at all this issue, everyone has a different point of view.

I am happy to provide the committee with what has been provided to government. There is nothing to hide here, and sooner or later a decision will be made about a consistent branding of government. There was certainly no focus group or political research done; this was all in regard to how government is branded locally, nationally, and internationally, and trying to get some consistency.

Mr MILLS: Chief Minister, it is the role of the opposition to test ...

Mr HENDERSON: Yes, that is fine. I am saying I am happy to provide – totally open and transparent.

Mr MILLS: ... in the place of having a set parliamentary term in the context of a Labor government being in power for a long time. On the eve of an election a decision is taken to assess the community's view of the look and the feel of the Territory Labor government ...

Mr HENDERSON: No, no, wrong. I will correct you ...

Mr MILLS: I am reading what the scope of services is ...

Mr HENDERSON: Not at a political level - the way the government was branding different agencies. I am sure if you go to Internet sites, and get copies of reports from government agencies, they all look different, with different branding. It was about consolidation, as any business would do.

Mr MILLS: Of course, I accept what you say. However, I am just wary that when we have a description of the project it seems to be more than brands. We have ...

Mr HENDERSON: Hopefully, when we table this stuff you will see there is nothing to hide, there is no conspiracy theories ...

Mr MILLS: Of course, what you table will be fine. But, I am just wondering if there would be any leakage of information after ...

Mr HENDERSON: You are suspicious! You are very suspicious, Leader of the Opposition.

A member: Good reason.

Mr MILLS: It says here – this is what it says in the document ...

Mr HENDERSON: Are you saying I should not provide this stuff because you are not going to believe it anyway?

Mr MILLS: I will do my best to believe it, I am that type of person ...

Mr HENDERSON: That is very good.

Mr MILLS: I have just been around for a while - and you have too, and so has your outfit:

The Territory government has adopted a whole-of-government approach to communication activities and is structuring efforts with the policy groups which talk about topics; for example, housing, education and safety.

Mr HENDERSON: Those are whole-of-government topics - absolutely.

Mr MILLS: Yes, so?

Mr HENDERSON: So, the Housing department has material it issues that promotes the various initiatives of Housing. Education does the same. Health does the same. It is trying to get a consistency of brand. Hopefully, with a consistency of brand across government there will become savings.

I know savings are very dear to your heart, regarding you returning the budget to surplus strategy. I read your interview with Daryl Manzie yesterday talking about needing to get efficiencies across government. I would have thought you would be applauding this initiative, Leader of the Opposition, because there will be savings that come from it ...

Mr MILLS: I just want to make sure the money, Chief Minister - before you get too excited ...

Mr Henderson: No, I am very excited by it.

Mr MILLS: ... you are spending is going to produce a result which is measureable to mums and dads living out there in voter land.

Mr HENDERSON: Yes, and provide a saving across government so you do not have every different government agency engaging its own consultants to do their own style brands. I would have thought having one consistent government brand across all agencies of government would be something you would applaud as efficiency and a savings measure.

Mr MILLS: Well, I guess so. Has there been any saving in dropping Labor from your brand?

Mr HENDERSON: Well, that has nothing to do with government.

Mr MILLS: Is there no connection between the two?

Mr HENDERSON: It has nothing to do with government. We took ...

Mr MILLS: I was wondering if this research which was undertaken has resulted in the conclusion you must get rid of that offensive ...

Mr HENDERSON: No, no, not at all. Mark Textor used to do that for you previously, but I can certainly assure you that does not happen in the government I lead. I appreciate the history of Mark Textor under previous CLP governments was to do that type of research, but we do not do that.

Mr MILLS: Okay. So there is ...

Mr HENDERSON: We are happy to provide you with the information. That is fine.

Mr MILLS: I know what you will provide ...

Mr HENDERSON: I would be interested in your view as to whether you like the brand or you do not.

Mr MILLS: I would like to have a look at it. I want to check there has been no 'two for the price of one'. You are getting a project ...

Mr HENDERSON: No, no, this is about saving money.

Mr MILLS: So you say, let us have it checked. When it comes to the branding of government, I assume the government put on *BassintheGrass*?

Mr HENDERSON: I can see the ad you have, and I can say that ad was not paid for by government. It was paid for by the party.

Mr MILLS: Why does it not say that it is authorised by someone?

Mr HENDERSON: Because we are not in an election campaign at the moment. There is no requirement to do that.

Mr MILLS: You have it all sorted out.

Mr HENDERSON: Absolutely. That is totally above board and does not breach the advertising arrangements in place - unlike the Auditor-General, who has on two occasions condemned you for breaching the guidelines you sought to put in place and required you to pay some money back.

Mr MILLS: Chief Minister, we should not go there because we were betrayed by you.

Mr HENDERSON: Not the case at all.

Mr MILLS: There was an understanding that was entered ...

Mr HENDERSON: Not at all. You get on your high horse and argue ...

Mr MILLS: I have a good memory, Chief Minister.

Mr HENDERSON: ... for the big high moral ground and, as soon as you have an opportunity, you breach it. You were sprung by the Auditor-General on two occasions.

Mr MILLS: Chief Minister, I have a very good memory.

Mr HENDERSON: So do I. The Auditor-General has clearly found you breached the guidelines you sought to put in place, and we agreed to.

Mr MILLS: Leave it, Chief Minister. There was an understanding, as you well know, between your office and mine, and it was broken.

Mr HENDERSON: Not at all. We agreed on the rules of engagement ...

Mr MILLS: You were not there

Mr HENDERSON: ... and you breached them, as the Auditor-General - it is all on the public record.

Mr CHAIRMAN: Can I suggest we ask a question.

Mr MILLS: I am not going any further with that.

Mr ELFERINK: Made the mistake of trusting you.

Mr MILLS: Yes, that is right – once bitten. I have no other questions on the whole-of-agency.

Mr CHAIRMAN: Any other questions to the whole-of-agency?

Mr WOOD: Following on from the Leader of the Opposition's questions, because I am a little confused. Chief Minister, is there a department which looks after how the websites appear?

Mr HENDERSON: Karen?

Ms ELLIGETT: The Department of the Chief Minister's Strategic Communication Unit plays a lead role in managing those whole-of-government websites - the policy groupings under the *Territory 2030* banner for instance. However, specific agencies look after their own Intranet and Internet websites.

Mr WOOD: When I look at department websites, there is the same branding going down the left hand side - Greening the Territory, 2030. Someone must have done that?

A member interjecting.

Mr WOOD: Hang on. Do you have qualified people in that section doing that work?

Ms ELLIGETT: Mr Wood, yes, in each communications team throughout government there is a web officer or a multimedia officer. The icons you refer to sitting on the left hand index of each agency website are the *Territory 2030* policy groupings. They are replicated throughout each agency's Internet sites.

Mr WOOD: Why do we not have people within the Department of the Chief Minister who are qualified to do websites doing the work - not a consultancy - so all websites are consistent? When you look up some

websites and look for publications, they are in a different spot. Simply, the intro into a department is not always uniform. Why don't all the website people get together and say: 'Okay, let us agree with this. This is what all our department websites will look like when people click on them. I do not use Intranet, I use normal Google; I am a bit lazy.

However, why do we have to get a consultancy to look at branding? Why do we not just use our internal people we have? One of the discussions I was having with Treasury yesterday was about saving money and not having to get consultants so much. Why can we not do it ourselves?

Ms ELLIGETT: Mr Wood, part of the roll-out we envisage from the branding review will be to have that consolidation across government. At the moment, we recognize many agencies are appearing a little different. They have their own priorities and initiatives to promote on their websites. Part of the branding strategy is to have consistency in whole-of-government representation in advertising and marketing, and that includes the websites.

Mr WOOD: The government is not selling hot dogs. People go there for information. Do we overplay the importance of all this? It must cost - I do not know. Have you any idea what the departments pay people to do webpages? There are people there full-time who must play around with the webpages.

Most people get on a webpage - for instance, the Department of Justice - to see where they can get a copy of the legislation. They do not want a pretty front page; they want a page they can get information from, because that is why you got on to the department's website. Do we really need to spend lots of money on making a really whiz-bang, you-beaut-look approach for the government, or do we really want to have a website that is practical; that people can click on quickly and get the information they need? That is an opinion, so I will have to ask the Chief Minister that.

Mr HENDERSON: Repeat the question, sorry.

Mr WOOD: We are talking about saving money. We have been talking about being in deficit. I have said, time and time again, we do not need to have wastage. We are not kicking people out of jobs; we are just asking if we are wasting money in areas that really are superfluous, extravagant, or not actually needed. What difference would it make if we did not have a really beautiful webpage for every department, with all the little logos and things on the side? Really, people do not want to read all that; they want to find out about motor vehicle registration and where their nearest MVR branch is. That is why people get on the webpages.

Mr HENDERSON: I could not agree more. This initiative was about getting some consolidation which would lead to savings across government so people did not feel the need, at an agency level, to issue a tender to get somebody to design a webpage for them. Once the style guide is there, that is what you use, and everything looks and feels the same. The other thing is in designing these sites, it makes them easy for people to use.

I actually want to see more of an Internet presence in transactions between the community and government. The more we can do online not only saves people time and effort in travelling to government agencies or shopfronts, it actually will produce savings within government. I would like to see us do more online - increase the number of transactions between government and the community online because that will be more efficient and effective and save money across government. What it looks like - I am not an expert.

Mr WOOD: Even so, if you have someone doing this work in your department, and there is someone doing the same work in another department - do you not have enough skills within those departments to come together and do that work without having to go to a consultancy?

Mr HENDERSON: As I understand, I do not believe we have many people employed across government designing websites. If I was talking to the ICT industry association, they would argue very strongly that government should not have those people within government at all; that is work which, quite appropriately, should be done by the private sectors. It all depends who you are talking to. Certainly, the ICT industry has a very strong voice that government should not be in the business of internally designing and putting together websites. In their view, that is, appropriately, work that should go to the private sector and support jobs in the private sector.

Mr WOOD: Well, you do have those people working. While you have them, use their skills, is all I am saying.

Mr CHAIRMAN: Are there any other questions to whole-of-government?

Mr ELFERINK: Returning back to this business about rebranding how we look, and all that sort of thing. I draw your attention to Budget Paper No 2 ...

Mr HENDERSON: I have Budget Paper No 3 here.

Mr ELFERINK: Oh dash! No, that is all right. It is not going to be difficult; you are not really going to require it. Page 49-ish through to something or other, lists – that is a great reference isn't it? I hope you can follow it. It is, basically, page 45 onwards. There is a whole bunch of pages where it breaks down savings or expenditures across departments, or changes in expenditure.

I note on the bottom of each page where savings are to be found - and this is savings across government over the next four years - there is a little footnote when those savings are to be found, and the footnote says:

Savings from discretionary costs including consultancy, advertising and travel.

What component of the \$20m-odd across government over those four years is advertising?

Mr HENDERSON: With all due respect, member for Port Darwin, you had the Treasurer here yesterday. You really should have got to that level of detail with Treasury ...

Mr Elferink: This is your department.

Mr HENDERSON: In the Department of Chief Minister, obviously, they have been required to find an efficiency dividend, and there would be some savings apportioned to consultancies within what the department has identified. But, I cannot comment across government agencies.

Mr ELFERINK: I will cut to the chase on my issue. I will cut to the chase, Chief Minister, in the interests of time. Why are you spending all this money rebranding when you are not going to be advertising?

Mr HENDERSON: Well, you always try to get to be a little too tricky, member for Port Darwin.

Mr ELFERINK: It is a pretty straightforward question. You are not going to spend any money on advertising, and you are rebranding yourself.

Mr HENDERSON: So, where has it said in the budget papers that over the next four years government will not be spending any money on advertising?

Mr ELFERINK: Well, so how much are you cutting?

Mr HENDERSON: It is ridiculous.

Mr ELFERINK: I notice the expenditure stops after the next election ...

Mr HENDERSON: The issue here is, quite appropriately, given the financial position of government, that in discretionary areas of spending, of which advertising is one, agencies are being asked to find savings. That is quite appropriate. It does not mean to say agencies will not be advertising at all, but they will be asked to find savings. In my particular agency for 2012-13, they have identified they will find \$50 000-worth of savings in the advertising budget. There will still be an advertising budget.

Mr ELFERINK: Yes, all right. What will the advertising budget be after the \$50 000 cut?

Mr HENDERSON: Do you have that number, Shelley?

Ms HEWITT: Shelley Hewitt, Chief Financial Officer. Which year are we talking about?

Mr HENDERSON: 2012-13.

Ms HEWITT: I do not have 2012-13 budget there; 2011-12 is \$2.131m.

Mr HENDERSON: The estimate outcome for 2011-12 is ...

Ms HEWITT: \$2.1m for marketing and promotion, including advertising. We have not got down to the level of advertising alone.

Mr CHAIRMAN: Is that a question you want to put on notice?

Mr ELFERINK: No, it is not something I want to put on notice, I am just curious about all these savings we are going to get from advertising – and why.

Mr HENDERSON: It will be interesting where you are going to get your savings from, because the only plan we have seen so far is to sack public service workers who earn more than \$110 000, which is probably everybody in this room.

Mr ELFERINK: Good on you, well done!

Mr Henderson: No, that is ...

Mr ELFERINK: You have avoided my question. You cannot answer a straightforward question and you wonder why people have no faith in you as a government.

Mr HENDERSON: Yes, we are trying to find efficiencies and savings through government; you are going to sack everybody over \$110 000 a year.

Mr ELFERINK: I asked you a straightforward question, and all you have for everybody is insults. That is not governance.

Mr CHAIRMAN: Order! While I will allow a certain amount of commentary by-play in Estimates, I think ...

Mr ELFERINK: I am not by-playing with that bloke, I can tell you right now.

Mr CHAIRMAN: The call is with the member for Port Darwin. I ask the member for Port Darwin to ask a question.

Mr ELFERINK: I have made my point, Mr Chairman. Just one quick question. How much did we spend across government for the transportation of journalists accompanying ministers on various stories?

Mr HENDERSON: I do not know where we would find that number.

Mr ELFERINK: Perhaps you can break that down to domestic and overseas, if it is more convenient.

Mr BURGESS: We are now subdividing the costs and we have a category called client travel, which is not just journalists, but other parties as well. Up to 31 March 2012, the total expenditure was \$206 000.

Mr ELFERINK: Are you able to say what component of that was journalists?

Mr BURGESS: No, we would have to go back and interrogate ...

Mr ELFERINK: Is that domestic or international, or ...

Mr BURGESS: That was all travel.

Mr ELFERINK: Okay, what about ...

Mr BURGESS: I can break that down into ...

Mr ELFERINK: Yes, if you can break it down into domestic and international.

Mr BURGESS: Yes, sure. I can do intrastate, interstate and overseas.

Mr ELFERINK: How about for the last couple of years?

Mr BURGESS: I only have last year's figures in front of me at that level.

Mr ELFERINK: All right. Can you table that document you are reading from? Would that be more convenient?

Mr BURGESS: Yes, sure.

Mr HENDERSON: It does not go to the level of detail you want, John.

Mr ELFERINK: No, that is fine. If we can get that level of detail and table the document as well, that would be good. If you would like a question on notice, Mr Chairman.

Mr CHAIRMAN: Will you take the question on notice, Chief Minister?

Mr HENDERSON: Yes. We are tabling the documents. I will just point out, very clearly, the public interest argument here is I do not apologise for one moment for ...

Mr Elferink: I am not suggesting you have anything to apologise for.

Mr HENDERSON: ... having journalists travel with ministers interstate and overseas. There is much public commentary in regard to the appropriateness of ministerial travel. Every time I travel overseas, more often than not, it would be on the rare occasion that I would not take journalists with us to report back to the community exactly what the Chief Minister is doing overseas, what outcomes are being achieved from that, and also transparency with the media that I am not on a junket; we actually work very hard when we are interstate/overseas representing the interests of the Northern Territory. I do not resile at all from the fact. It is quite appropriate that journalists travel interstate, intrastate and overseas to report back to the community what the minister and what the Chief Minister is doing.

Question on Notice No 3.4

Mr CHAIRMAN: Can you ask your question, member for Port Darwin?

Mr ELFERINK: My question on notice, Mr Chairman, is, for the last two financial years, which is 2010-11 and 2011-12, can we get a breakdown of journalists' travel, intrastate, interstate and international, travelling with ministers.

Mr CHAIRMAN: Are you happy to take that question on notice?

Mr HENDERSON: I will just check. I do not know. Is that by organisation rather than name? It is up to you, I suppose. I do not know how ...

Mr ELFERINK: By organisation is fine.

Mr BURGESS: They have been separately claiming for client travel for this year and the previous year, but not before that. We can very quickly get the details for the current financial year and for this financial year. For the year before, it would take us some time to go back to the records and individual ...

Mr ELFERINK: Well then, we will be patient and wait.

Mr CHAIRMAN: That is question No 3.4 - and for clarification it was for organisation, not journalists.

Mr CHAIRMAN: Any other questions for whole of agency?

Mr ELFERINK: Let us move on.

OUTPUT GROUP 4.0 – POLICY ADVICE AND PUBLIC SECTOR COORDINATION **Output 4.1 – Policy Advice and Coordination**

Mr CHAIRMAN: We now move to Output Group 4.0, Policy Advice and Public Sector Coordination, Output 4.1, Policy Advice and Coordination.

Mr MILLS: Chief Minister, could you just explain the change in the numbers from 2011-12 to 2012-13, from \$52m to \$12m?

Mr HENDERSON: I will hand over to Shelley. A lot of that is to do with Commonwealth appropriations, so our Chief Financial Officer can go through the numbers.

Ms HEWITT: The change from ...

Mr HENDERSON: If he asks the question again, Shelley?

Ms HEWITT: I am sorry; I am just finding my page.

Mr MILLS: I just wanted the explanation as to why, in 2011-12 in this output, we have gone from \$52m to \$12m?

Ms HEWITT: \$52m to \$12m. Okay. Part of it is losing the Remote Indigenous Housing Grant of \$9.5m, and the Alice Springs Transformation Plan reduction of \$29m.

Mr MILLS: They were both Commonwealth?

Mr HENDERSON: Yes.

Ms HEWITT: Yes, both Commonwealth funding. And minor adjustments to corporate overheads.

Mr MILLS: And those two alone give us that difference?

Ms HEWITT: Yes. That is ...

Mr HENDERSON: Yes, it is just, give or take, \$29m for one – what was it?

Ms HEWITT: And \$9.5m for the other.

Mr HENDERSON: That is nearly \$40m, plus bits of rats and mice.

Mr MILLS: Chief Minister, has there been any additional funding for new or expanded initiatives?

Mr HENDERSON: Not in this budget, no.

Ms HEWITT: No.

Mr MILLS: What proportion of the funding that comes into this output group is Commonwealth?

Mr HENDERSON: Well, for the last financial year, a significant amount through those two programs.

Mr MILLS: What proportion?

Mr HENDERSON: Well, \$29m plus \$9.560m.

Mr MILLS: Out of the \$12m now, what proportion of that \$12m - nearly \$13m – is Commonwealth?

Ms HEWITT: Nothing. Oh, \$4m, I think, which is what is left out of ASTP.

Mr HENDERSON: There is a line item in the budget papers, page 29, for the Alice Springs Transformation Plan for the 2012-13 Budget. It is the remainder of that \$35m.

Mr MILLS: No further questions.

Mr CHAIRMAN: Member for Nelson, any questions to Policy Advice and Coordination?

Mr MILLS: Just checking, Mr Chairman. That is just the headline and we go down through the lines?

Mr CHAIRMAN: No, we are at Output 4.1.

Mr MILLS: Oh, I thought we were doing 4.0.

Mr CHAIRMAN: We are at 4.1. Member for Nelson, do you have any questions for 4.1?

Mr MILLS: I want to ask questions about the Marine Supply Base, for example, in this category.

Mr CHAIRMAN: I assume that would be 4.1, Chief Minister?

Mr HENDERSON: No, that is under Territory Development.

Mr MILLS: Okay, that is fine, that is 5.0, the next output group.

Mr CHAIRMAN: Member for Nelson, any questions to Policy Advice and Coordination?

Mr WOOD: I need some clarification. Are things like energy policy and climate change under this section? If I look at the annual report it does come under that.

Mr BURGESS: Energy policy is under Territory Development; climate change has moved to minister for Environment.

Mr WOOD: It is in your annual report. How do I sort that out?

Mr CHAIRMAN: Climate change is to minister Hampton; it is in the output agenda for Mr Hampton. It comes after Territory Wildlife Parks.

Mr WOOD: Any question on INPEX is not in this section?

Mr HENDERSON: Major Projects under Territory Development.

Mr WOOD: Okay, just checking. Social Policy?

Mr CHAIRMAN: Now, Chief Minister, Social Policy?

Mr WOOD: I will go backwards. This might be a fairly straightforward question, and I will come back.

In the annual report on page 182, Financial Statement 22, there is a section called 'Write-offs, Write-downs, Postponements, Waivers, Gifts and Ex gratia Payments'. Can you explain the \$42.8m which was the total written off, postponed, and waived by the Treasurer?

Question on Notice No 3.5

Mr CHAIRMAN: Is that a question you want to take on notice, Chief Minister? Can you repeat that question, member for Nelson?

Mr WOOD: On page 182 of the annual report there is a figure of \$42.8m which is headed 'Total written off, postponed and waived by the Treasurer'. Can we be given an understanding of what that is - a breakdown of what makes up that figure, and the reason it has been written off?

Mr CHAIRMAN: That is question No 3.5 the Chief Minister is taking on notice.

Mr WOOD: Chief Minister, you might have heard me talking yesterday about - this is a broader question in regard to some parts of our construction industry. We are not talking about major projects suffering at the present time because we have an influx of interstate contractors moving into the Territory, and also big projects which sometimes means big companies are subcontracting which makes it more difficult for some of the local companies - not always, but sometimes - to get a look in.

There appears to be a middle range of construction people who are now suffering. The word I have is there are quite a few suppliers to middle range of construction who are struggling. There are also people who are putting off workers and not employing any more apprentices. Has the government looked at what is happening on the ground in that middle construction area?

Everyone is talking about INPEX as if it was a fantastic thing - and I am not saying it is not going to bring great benefits to the Territory. However, there are some downsides as well for some of the smaller people who are doing little jobs like housing. There is an area of construction which appears to be really struggling

at the moment. I am wondering if the government has done a survey of local construction companies and suppliers to see whether some of these companies are finding this period very difficult to survive in.

Mr HENDERSON: Thank you, member for Nelson. No, we have not conducted a survey, but I acknowledge there is a tier of businesses in the construction industry that is doing it tough at the moment, for a number of reasons. One is the Commonwealth stimulus package in and around the BER program has virtually come to a halt, and other capital programs around that stimulus package have ceased. Many of those middle tier companies picked up significant work through that program. Of course, as a result of the global financial crisis in 2008-09, banks have really tightened their lending criteria to developers and first homebuyers, so much of the commercial activity has dried up as well.

The government's policy response to that is to take the budget into deficit to fund infrastructure and capital projects. I have instructed the Department of Construction and Infrastructure to do what it can to bring forward projects funded in this year and get those projects out to tender and then to the market.

I acknowledge that. That is why we made the decision to keep the budget in deficit on the infrastructure side, on the capital side. I am certain the Treasurer spoke about this yesterday. I do not have the number in front of me, but the Territory government portion of that infrastructure spend has increased significantly as a direct consequence of the Commonwealth withdrawing its effort.

There are some other issues associated with major Northern Territory government construction projects that require a local industry participation plan through the Northern Territory Industry Capability Network I am asking questions of at the moment in regard to definition of 'local' under those requirements and where those contracts are going.

We are in a very competitive environment at the moment. I acknowledge there are companies from interstate buying work in the Territory at the moment - and it is always a very fine balance between supporting local industry and getting value for money for the taxpayer.

Regarding the issues you are raising, yes, I am absolutely aware of those issues. I am engaged with industry, with the ICN, and the Treasurer in ensuring we do everything we can to keep that sector of industry afloat. At the end of the day, it is not going to be until the private sector investment returns. The great thing about the INPEX project is it has given a lot of confidence across the town. At the Land Development Corporation at the moment there are three brand new sheds going up there at East Arm. There is more private sector investment coming to the Territory.

I acknowledge, at the moment, there is a tier within our construction industry which is doing it tough. We are doing everything we can to support them. If we can do more we will be looking at that. I am talking to people about ways of doing that.

Mr WOOD: Will the government look at doing a survey of some of those industries - going out and actually finding what the case is on the ground?

Mr HENDERSON: We are doing that through the Industry Capability Network, member for Nelson. All of those companies are registered with the ICN, and also through being CAL accredited. It is not a very big town, and there is a set number of players. What I am saying is I do not need to survey those people to understand they are doing it tough. They are doing it tough.

I get political here: the opposition criticised the BER program and said they would not have supported it, but that kept many of those small- and medium-sized businesses, subcontractors, and apprentices going. Without that BER program, we would have been in very serious trouble here.

Mr WOOD: Just quickly. I will just drop out a few questions. What does the whole-of-government actually mean and who checks to see if it is happening? I will give you two examples and you have probably heard them before from me. One is we build a prison, the land around it is zoned residential. If someone puts in a water pipe and it is not big enough to supply the water to that residential land - someone had it in their head the prison was the only reason the pipe was going there - is there someone who actually says: 'Hang on, what else is happening in that area where we can we gain efficiencies instead of duplication by doing it right the first time'? Is there someone who does a double check on the whole-of-government approaches?

Mr HENDERSON: For major projects, they are assigned major project status. There is a whole-of-government oversight in the facilitation of those projects. In regard to the prison, that has not been assigned major project status.

Power and Water is required to act commercially unless government chooses to invest through a subsidy. Obviously, Power and Water, I hope - member for Nelson, you might want to ask them when they appear next week - would have looked at that particular investment as a commercial opportunity. I hope they would have looked at where that water pipe runs alongside, to see if there was an opportunity for our revenue to hook people into town water. I hope Power and Water would have actually looked at a business opportunity there and made a commercial decision about whether it was in their interest to do as you say.

I do not have that information with me. I am sure if you ask Power and Water and if they did, they might have said the return on capital is not there, so they are not going to do it. They might have looked at it, or they might not have looked at it at all. If they have not looked at it, that is probably an oversight on their part, but I am not sure.

Mr WOOD: That is the concern I have, especially when we are at a deficit. For my last question, tell me if this is not in the right place. Why has a cross-government committee not been established to look at the youth suicide report responses, when there is already across-government committee set up by your CEO, Mike Burgess?

Mr HENDERSON: Can you ask that question again?

Mr WOOD: Why has an across government committee been established to look at the youth suicide report responses when there already is an across-government committee headed by your CEO, Mike Burgess?

Mr BURGESS: I will do my best. I am coordinating a group of Chief Executives who are dealing with the governments' response to the report that was tabled in the last sittings. We had our first meeting last Friday. Below our level there is another committee Health had established, and we are reworking the membership of that committee so it can be fleshed out to fully respond to all the recommendations and give us advice.

Mr WOOD: Will there be two committees or one committee?

Mr BURGESS: The Chief Executives will use the other committee to evaluate the recommendations and bring proposals back to government about how they can be implemented.

Mr WOOD: All right.

Mr HENDERSON: I can say, very clearly as the Chief Minister, we accepted all of the recommendations from the committee. I have asked Mike, as the head of the public service, to get the right people around to advise government on how we are going to implement those recommendations.

Mr WOOD: All right. I have lots of other questions but time is of the essence.

Output 4.2 – Multicultural Advancement

Mr CHAIRMAN: In that case, we move onto to Output 4.2, Multicultural Advancement.

Mr HENDERSON: Mr Chairman, can I just ask a question? What time are we due to break?

Mr CHAIRMAN: We can take a quick break now.

Mr HENDERSON: I have just drunk two jugs of water, so a couple of minutes?

Mr CHAIRMAN: We will take a five-minute recess.

The committee suspended.

Mr CHAIRMAN: Chief Minister, do you have all the witnesses you need for Multicultural Advancement?

Mr HENDERSON: Yes.

Mr CHAIRMAN: We will resume. Member for Sanderson, you have the call if you want to ask a question.

Mr STYLES: Chief Minister, in the *Territory 2030* Strategic Plan, on page 20 under the heading of Society, the second paragraph states:

The Northern Territory, as an inclusive society, values and embraces cultural diversity and promotes gender equity as a right for all Territorians.

Given our increasing multicultural population, do you believe it is appropriate to have funding for Multicultural Advancement at a lower level than last year?

Mr HENDERSON: We have this debate every single Estimates. The budget we have for Multicultural Advancement is very significant, well received and well regarded by the community we serve. Any savings this year are very minor.

Mr STYLES: In that case, the 2011-12 estimate for Multicultural Advancement was \$1.919m. Compared to the 2012-13 Budget figure of \$1.898m, we have a reduction. I was surprised last year when the budget was only increased by the amount of \$1000. I am again surprised, in 2013, with an increase in population, the budget allocation for Multicultural Advancement has been decreased to \$21 000.

Mr HENDERSON: In fact, you are wrong. If you actually look at the original budgeted expenses for 2011-12 as published at \$1.881m, the 2012-13 original budgeted expenses were \$1.898m, an actual increase of \$17 000. There has actually been an increase in the budget on what was allocated last year.

Mr STYLES: Given that - and I will check those figures later ...

Mr CHAIRMAN: It is on page 31, member for Sanderson.

Mr STYLES: Thank you, Mr Chairman. Given the NT Labor government continues to tell us the population is increasing, do you believe there is sufficient funding to service our multicultural community?

Mr HENDERSON: Yes, I do.

Mr STYLES: Budget 2012-13, on page 29, says the amount allocated is \$1.898m and the value of grants is \$1.2m. I note that is up \$100 000 from last year. How much does it cost to administer these grants?

Mr HENDERSON: Obviously, there are a number of people in the department. Mike Burgess.

Mr BURGESS: Mention of the grant program is contained within the appropriation for our people in the Multicultural Affairs section. Not every waking hour is spent on administering grants, but a proportion of their time is.

Mr STYLES: Excellent. Thanks, Mr Burgess. Chief Minister, how many staff are there within the Office of Multicultural Affairs?

Mr HENDERSON: Adrian.

Mr CURRY: Adrian Curry, Manager, Office of Multicultural Affairs. We have four staff, although we also get involved in other projects within the Social Policy Division as well.

Mr STYLES: What might some of those projects be?

Mr CURRY: One is our administrative position, which is a 0.5 on administration of the broader division. Personally, I am involved in some work around Major Projects and Resources.

Mr STYLES: When you say Major Projects – what sort of major projects are you ...

Mr CURRY: I am assisting the Social Policy Division in the examination of social impacts.

Mr STYLES: Is that in conjunction with another department?

Mr CURRY: It is within DCM. It is within the Social Policy Division.

Mr STYLES: Excellent. Minister, can you tell us how many forums, workshops, and consultations are proposed to be conducted in the 2012-13 year?

Mr HENDERSON: In regard to multicultural?

Mr STYLES: Yes.

Mr HENDERSON: Many, many. I do not know how many are actually planned, but I know the agency is available all the time, as needed, for issues and discussions with various groups, and responds very promptly. However, in what is scheduled, I will hand over to Adrian.

Mr CURRY: We have an ongoing program of attempting to meet with one of the committees of multicultural organisations each week. On top of that, there is an enormous number of informal engagement that goes on, attending their events or them coming into the office. It is not all formal. There is a portion which is formal, and a portion informal.

Mr STYLES: I note on page 31 of Budget Paper No 3, under Multicultural Advancement, it says:

Forums, workshops and consultations conducted is proposed to be 50.

Mr Henderson: Wow. One a week.

Mr STYLES: Nice figure, almost one a week.

Mr Henderson: It is fantastic. Very good. Well done, Adrian.

Mr STYLES: Do you see any increase in that?

Mr CURRY: No, that seems to be a system that is working quite well.

Mr STYLES: Under that particular heading of 'Forums, workshops and consultations conducted', can you give some indication of what the breakup of those are? How many forums, how many workshops, and how many consultations? You say there are many informal consultations. Can anyone give us some idea of what the breakup is, please?

Mr CURRY: The informal is ongoing daily - and there is certainly no record of that - through e-mail, phone conversations, people dropping in. We certainly do not count those. The formal are more where we sit down with a committee of an organisation.

Mr STYLES: Sorry, could you ...

Mr CURRY: To get to your question, the vast majority - I would say, 90% of that figure - is visiting and sitting down with the entire committee of an association - it is what we aim to do.

Mr STYLES: And forums and workshops? Is that included in that number of 50?

Mr CURRY: Yes. I have an exact breakdown, I just do not have it with me right here.

Mr STYLES: Could we put that on notice, please?

Question on Notice No 3.06

Mr CHAIRMAN: Could you repeat the question for Hansard?

Mr STYLES: What is the breakup of those forums, workshops and consultations, in relation to the line item there of 'Forums, workshops and consultations conducted'?

Mr CHAIRMAN: For which year?

Mr STYLES: Page 31 for the year 2012-13.

Mr HENDERSON: We have not done them yet.

Mr STYLES: That is proposed. Question 5 is the previous question which said how many forums, workshops and consultations are proposed to be conducted in the year 2012-13? The follow-up question to that is what is the breakup of those?

Mr CHAIRMAN: I will list that as question No 3.06, Chief Minister. You are happy to take that on notice for 2012-13?

Mr HENDERSON: I will take advice from Adrian. We could give the outcomes for 2011-12, and the budget papers said there were 50 budgeted for, and it is estimated we will have done 50. The consultations are not recorded because it is informal. We are budgeting for another 50 this year. I do not know if you have got down to out of those 50 how many will be a forum and how many will be a workshop. It is up you, Adrian. If think you can answer it, go for it.

Mr CHAIRMAN: Okay, we are taking that on notice.

Mr CHAIRMAN: You have a follow-up question, member for Sanderson?

Mr STYLES: Chief Minister, how many of these forums, workshops and consultations will be outside the Darwin/Palmerston area?

Mr HENDERSON: Again, I will hand over to Adrian. I have met with multicultural groups across the Northern Territory, particularly Alice Springs, which is very strong. Adrian, I am not sure if you have those answers.

Mr CURRY: We visited Alice Springs twice this year gone, Katherine once, and Gove once.

Mr STYLES: Chief Minister, do you believe your government is keeping pace with the demand for services and functions of multicultural advancement?

Mr HENDERSON: As the Minister for Multicultural Affairs, I very proudly get to many community events across the Territory and also have formal and informal meetings. I have only ever received great praise for the work by Adrian and his team in the department in being helpful and facilitative, I can honestly say I have not received any complaints.

As with anything, grant programs are over-subscribed. That happens with every government and every agency. People have a wish list, but it does not mean to say they are going to specifically get their wish list. I can honestly say I have received no complaints about the work Adrian and his team do, and it is very much appreciated. I believe, yes, we are keeping up with the need because I have had no complaints which would say otherwise.

Mr STYLES: What leadership development programs are in place to increase the proportion of Territorians from diverse and multicultural backgrounds?

Mr HENDERSON: Again, for two years running we have had the scholarship programs for people, particularly from a refugee background, to assist them with studies. Obviously, entities such as the Youth Round Table have a multicultural component, and there is much recognition. We could probably always do more, but what we do is certainly well-appreciated. Adrian, you might have a bit more information.

Mr CURRY: There are currently two people on a Charles See Kee scholarship studying at Charles Darwin University.

Mr STYLES: What about general leadership development in relation to running multicultural organisations? Do we have any programs in place to assist these people?

Mr CURRY: We have a general program in regard to their governance and capability. We fund the Multicultural Council of the Northern Territory to work with those organisations. It is ongoing work to work with the Multicultural Council and then work with the organisations to assist in their governance.

Mr STYLES: Is there any particular program you are aware of that is run through the Multicultural Council of the Northern Territory that assists in governance training?

Mr CURRY: The committee members themselves, of which there are eight positions a year, are currently embarking on training through the Chamber of Commerce, utilising our funding. Beyond that, there is no formal program in place, but they certainly have a role of filtering that out to the broader organisations.

Mr STYLES: The Council of Government School Organisations, COGSO, has a training program in place for people who go on to school councils. I have been to many of these meetings and there are many governance issues. There is a lack of understanding of the *Associations Act*, and roles and responsibilities. It strikes me we need to be looking at some training package that might go out to help these people, not only for themselves, but to run their clubs and organisations a little more efficiently. That is just a comment.

Are you able to tell me what percentage increase there has been in the past year in the leadership positions for people from multicultural backgrounds?

Mr HENDERSON: Sorry, member for Sanderson, in what areas? Which positions? In the community, in government, or in business?

Mr STYLES: It is in leadership positions. The question is: is there any information along that? If there is information for the lot that will be great. If there is one particular area someone might have some information, that will be a plus.

Mr HENDERSON: Terri Hart can comment from a 2030 perspective.

Mr CHAIRMAN: Welcome, Ms Hart.

Ms HART: Terri Hart, Director, *Territory 2030*. Thank you, Chief Minister. One of the processes we have undertaken over the last two years is to identify data collections that will enable us to measure targets and actions in *Territory 2030*. The question you have raised, Mr Styles, is one where we still need to do some work.

One of the issues is data collections, both nationally and at a Territory level, and often we have to rely on the ABS and other national data collectors for information.

There is a project the Cabinet Office is looking at, at the moment, regarding government boards and committees. We will be asking those government boards and committees to provide us with information about ethnicity backgrounds of committee members. That will be the start of being able to report against that action.

Mr STYLES: Excellent. This question follows on somewhat. What, or if any, programs are in place to increase the proportion of Territorians from culturally diverse backgrounds sitting on government boards and committees?

Mr HENDERSON: I believe Terry was saying there is currently a project under way to look at doing that. There is no specific project allocation at the moment, but that analysis is being done. In the same way, we want people from multicultural backgrounds with the skills and the qualifications on various boards and committees. We also need to see more women as well. There are active programs and I urge all members of parliament, if you think you know somebody who is qualified, from a multicultural background, to sit on the Builders Practitioners Board, for example - let us know and it will be considered.

Mr STYLES: Thank you. That brings me to the next question. What programs are in place to encourage women from culturally diverse backgrounds into senior public service positions?

Mr HENDERSON: Again, I am not trying to duck shove the question, but it is a better question to the Minister for Public Employment when the Public Service Commissioner is here.

Mr STYLES: That can be a question which can be put to that particular minister. However, from Multicultural Affairs in relation to how we get around the community promoting multiculturalism and actively seeking people to give them the opportunity to apply and, if they are not, then encourage them. Anyway, we will move on to the next question.

What programs are in place to encourage women from culturally diverse backgrounds into senior private sector positions?

Mr HENDERSON: I imagine you would need to ask the Chamber of Commerce.

Mr STYLES: Thanks, Chief Minister. Are there any Northern Territory government-sponsored participants on any high-level leadership development programs?

Mr HENDERSON: Sorry, that question again, member for Sanderson?

Mr STYLES: Are there any Northern Territory government sponsored participants on any high-level leadership development programs?

Mr HENDERSON: I am not really sure what you are getting at here, but Mike is head of the Public Service. We have professional development of public servants.

Mr STYLES: Multicultural people, that is.

Mr BURGESS: I am not sure there are specific programs targeted at public servants who self-identify as being from a multicultural background. All the leadership programs - and there are many of them across the public sector - are open to all public servants: Indigenous, people from other than Anglo-Saxon background. I do not know if anything specifically targets ...

Mr STYLES: Which brings me to the next question: are there any Northern Territory government-sponsored multicultural participants on courses such as, say, the Australian Institute of Company Directors courses? Do we have any figures? Is there any identification within the department in the recording process?

Mr BURGESS: Generally, individual agencies make decisions about who they sponsor into what leadership programs, including that one. I do not have access to participation in those courses per se, but individual Chief Executives might be able to answer that question.

Mr STYLES: In the budget breakup for the proposed 2012-13 year, is there any allocation by region, or is it simply one big bucket?

Mr CURRY: We have an allocation to the Multicultural Community Services of Central Australia which gets ongoing funding from us for their operation. The grants program is run by application, and we welcome applications from everywhere, but they are judged on merit.

Mr STYLES: Is there any breakup by ethnic groups?

Mr CURRY: Absolutely no deliberate breakup. Our goal is to promote multiculturalism per se so, no, we certainly do not start with any breakup.

Mr STYLES: Right. Chief Minister, can you enlighten us as to what the current status of the Police Ethnic Advisory Group is?

Mr HENDERSON: Again, I am not trying to be difficult here, but if you can ask me that question during the Police section, I am happy to answer it there when I have my books in front of me for Police.

Mr STYLES: Perhaps I will pass that on to the leader to ask those particular questions. Can you tell us how many Community Support Workers there are in the Multicultural Council of the Northern Territory?

Mr CURRY: We funded one position titled a Community Support Worker. The organisation negotiated a change for it to be called a Community Development Manager.

Mr STYLES: A Community Development?

Mr CURRY: The committee came back to us with a job description and a proposal for the position to be a Community Development Manager.

Mr STYLES: Are you aware of how much that is costing a year?

Mr CURRY: Yes. It originated from a position within DCM that was, essentially, dissolved so we could put it within an NGO. We are funding them \$55 000 per annum specifically for that position, on top of their broader grant which would have other assistance for that position as well.

Mr STYLES: How many adult education classes are there across the Territory to assist those who have English as a second language in the context of the multicultural portfolio?

Mr CURRY: I could not give you a specific number. There are several we fund, such as the Happy Migrant Learning Centre. There were classes run through MCNT. Many organisations will create social environments where English language can be practiced and improved, not necessarily a specific program. Then you have the Commonwealth programs such as AMET and so on. I could not give you a specific figure, but it is certainly an area we are always looking for proposals from groups to fund.

Mr STYLES: What education services are available to the multicultural community so they can advance themselves in relation to obtaining jobs and making other contributions to the community?

Mr CURRY: We have recently done a mapping exercise of a vast array of programs they can utilise across different agencies at different levels of government. It is a work in progress for us, in that our view is a little disparate. It is probably not as strategic as it could be, so we are working with those agencies and with the community to ensure people know those programs exist. Quite often, people are missing out on programs because they have not been informed.

Again, one of our roles of funding MCNT is to create a connectivity so people can connect to the wider range of programs which are available.

Mr STYLES: Do we have any idea of how many people are accessing those services in your mapping?

Mr CURRY: No, I could not give you that.

Mr STYLES: Will that mapping be available on the website so we can actually have a look and see where all these services are? Will it eventually be there?

Mr CURRY: We have been working with MCNT in order that they are providing that connectivity to government. Yes, we have certainly shared it with them, and we hope they would be presenting that.

Mr STYLES: Mr Chairman, I have plenty more questions, but I am aware of the time.

Mr CHAIRMAN: Yes.

Mr STYLES: Thank you. In that mapping exercise, were you able to ascertain how many online education services are available to those members of a multicultural community who do not reside in our major centres?

Mr CURRY: I do not have it in front of me. That would come through an RTO, or an organisation such as that. I am not aware of any online service that is not just a training organisation.

Mr STYLES: Therefore, we would not have any idea how many people are accessing those services at this point?

Mr CURRY: That is not something we have determined yet, no,

Mr STYLES: How far away from being completed is the mapping of all these things that are available?

Mr CURRY: We are actually planning a workshop with the Commonwealth DEEWR agency for the end of June, which will involve the community, the various agencies, and the business sector. We are certainly looking to discuss it with them.

Mr STYLES: I am assuming that will go up on a nice website somewhere?

Mr CURRY: We are not that far down the track, but I would say it is certainly the goal. A bit past that workshop is to ensure the community is very aware of the services which they can partake in. Quite often, there is a lack of information and people are missing out on services that are already existing, which then leads them to want a specific service where one may not be warranted; it may just be a lack of information.

Mr STYLES: I am assuming that will be promoted through the Multicultural Council NT?

Mr CURRY: At the moment, we are working with DEEWR on that. DEEWR is looking at employer groups, the Chamber of Commerce, and those sorts of things. We are working on going probably directly to the community groups.

Mr STYLES: Excellent. Are you aware of any other online services directly available to multicultural people in our community?

Mr CURRY: Not that we specifically provide.

Mr STYLES: Are there any you might support financially?

Mr CURRY: We have supported websites from community organisations themselves.

Mr STYLES: How many websites would you have assisted?

Mr CURRY: There would be the MCNT and **MISPER** ones. They would fund that through our funding. We recently received an application from an organisation directly, which we supported - we thought it was a good part of our capability.

Mr STYLES: Thanks, a good idea. What about allowances in the budget to support multicultural broadcasting services across the Territory?

Mr HENDERSON: It has been an area I have had concern with for some time, given there is a bit of history here in the previous arrangement with the university that concluded some years ago. As I understand it, that particular group is very close to getting back online with another radio station. I was speaking to some of those people last weekend at the Glenti. The final scheduling times have not been determined. There are still some issues to work through, but we would certainly be very supportive of getting as many multicultural groups on radio as we possibly can. We think we are very close to getting an arrangement to get that group which ceased broadcasting from the university, back on air.

Mr CHAIRMAN: At this point, we will be breaching for lunch. Will we be returning to Multicultural Advancement after lunch?

Mr STYLES: No.

Mr CHAIRMAN: In that case, that concludes consideration of Output 4.2, Multicultural Advancement. Output 4.3 is split between two ministers. Question regarding housing works, town camps, SIHIP and stimulus funding will be answered by the Minister for Public and Affordable Housing on Thursday, 14 June 2012, under Output 3.2 Remote Public Housing. Questions regarding social support spending will be answered by the Minister for Central Australia on Tuesday, 19 June 2012.

We will returning after lunch at 1 pm to Output Group 5.0, Territory Development, Output 5.1, Major Projects.

The committee suspended.

OUTPUT GROUP 5.0 – TERRITORY DEVELOPMENT Output 5.1 – Major Projects

Madam DEPUTY CHAIR: Chief Minister, welcome back. We will commence the afternoon session. I understand the committee will now be considering Output Group 5.0, Territory Development, Output 5.1, Major Projects. Do you have an opening statement you wish to make?

Mr HENDERSON: No, let us get on with it.

Mr ELFERINK: Thank you, Chief Minister. For the sake of people who do not understand what is going on, Terry has been suddenly called away for a short time. I will be sitting in his chair and running through his questions for him, with the indulgence of the committee, of course. I am sure the minister and staff will appreciate that, sometimes, the burdens of the job drag you away.

Chief Minister, do the debt figures in the Northern Territory budget include the capital cost of the Darwin Convention Centre in the same way they appear for the new Darwin prison?

Mr HENDERSON: Member for Port Darwin, excuse me for not being a registered accountant in how those figures are presented. I am sure you asked the Treasurer these questions yesterday. The numbers are as the numbers are in the budget books. I am not a professional accountant, and cannot go into details as to exactly how they compare with other parts of the budget.

Mr ELFERINK: Perhaps you could throw it to your CEO for some guidance?

Mr HENDERSON: Are you an accountant as well?

Mr BURGESS: I am not sure I could do it justice.

Mr HENDERSON: This is really a technical question for the Under Treasurer.

Mr ELFERINK: How much has the government spent, to date, on the Darwin Convention Centre in yearly contributions?

Mr HENDERSON: Obviously, we have numbers in the budget to date, but if you want to go back four years ago, over to Mike and Shelley.

Mr BURGESS: The government grant that flows through to the Darwin Convention Centre payments is around \$13m a year.

Mr ELFERINK: Can I put my hands on it in the budget books, or do I have to go to each budget book each year? Whereabouts can I find the line item?

Mr BURGESS: I do not know that it is broken down to that extent; it forms a component.

Mr ELFERINK: Am I able to put that question on notice to get an exact number?

Mr HENDERSON: Yes, I am happy for that.

Mr ELFERINK: In fact, there are several follow-up questions and suspect I will get the same answers.

Question on Notice No 3.07

Madam DEPUTY CHAIR: Could you repeat that question, please, member for Port Darwin?

Mr ELFERINK: How much has the government spent to date on the Darwin Convention Centre in yearly contributions? How much has the government spent to date on community infrastructure activities in yearly contributions? What revenue has been returned to the budget and where does it appear?

Mr HENDERSON: A point of clarification, member for Port Darwin. I am not trying to be difficult. We are looking at the budget appropriations in 2012-13. You are looking to go back a number of years, which I do not know how easy or difficult it is to get this information ...

Mr Elferink: It should not be that hard.

Mr HENDERSON: Mike has just found something.

A point of clarification. This was one of the 27 questions you asked. I did not pay attention to all of the debate yesterday. This is one of the 27 questions, and there is a response prepared here, I understand, by the Treasurer. I do not know if that was handed to you yesterday.

Mr ELERINK: Yes, it did circulate. I confess that I had not seen it yet.

Mr HENDERSON: You asked the question and all of the answers are contained in what was tabled yesterday.

Madam DEPUTY CHAIR: That negates your request for a Question on Notice, I would say.

Mr ELFERINK: Yes, it would appear at this stage, yes.

Mr HENDERSON: If you could double check and, if there is more information you require ...

Mr ELFERINK: Can we leave the question as a question on notice?

Madam DEPUTY CHAIR: For the benefit of Hansard, I just need to note that that is question No 3.07.

Mr HENDERSON: I am not trying to be difficult, but the question was: do the debt figures in the Northern Territory budget include the capital costs of the Convention Centre in the same way they appear to be for the new prison? There are details there.

How much has the government spent to date on the Convention Centre in yearly contributions? There is an answer there on the table.

Budget for the Chief Minister contains towards management of the waterfront precinct and the operating payment for the Darwin Convention Centre - how many years will this payment be made? There is an answer there.

Including the community costs of the infrastructure such as the wave pool? The answer is there.

Can the government confirm the way the Convention Centre was constructed means it does not have a 5-star environmental rating? An answer is there - and more.

I think, John, it has been answered.

Mr ELFERINK: Unfortunately, I have just stepped into this.

Mr HENDERSON: That is okay. I am just trying to be helpful to save time.

Madam DEPUTY SPEAKER: So that question on notice is not required. Next question.

Mr ELFERINK: In previous announcements, it has been indicated a Marine Supply Base would be a BOOT project, being built and operated by private operator, and ownership later passed to government. What are the current financing and operating arrangements for the Marine Supply Base, and why will the government now spend \$76m in 2012-13 to commence its construction?

Mr HENDERSON: I will flick to Mike for a bit more detail in a moment. However, we did go to the marketplace seeking expressions of interest for a public private partnership for the MSB for a whole range of reasons, particularly given the state of credit markets and international finance.

We could not attract the equity we were looking for to support the development of the Marine Supply Base, so government made the decision that despite not being able to, at this particular point of time, have guarantees of revenues and business for the Marine Supply Base, we would stump up the money and get on and build it ourselves with, obviously, the private sector operators, or a consortium, putting in some money and having the concession rights to operate the base. That is a bit of background, and to Mike for the detail.

Mr BURGESS: Further to what the Chief Minister has explained - and going on from what you mentioned were the figures in the budget papers. The overall capital cost of the Marine Supply Base is about \$110.5m which includes \$6m worth of headworks to the port, which will improve services to the East Arm Wharf as well. The Territory contribution to that is \$90.5m, private sector contributions \$20m.

The figures that appear in the current year's capital works is \$70m to go towards costs that will be incurred this year in building the base, plus \$6m for headworks. Some funding was expended in the current financial year and the balance will appear in the 2013-14 financial year.

Mr ELFERINK: You went to the marketplace, Chief Minister, and could not find, basically, somebody to do it? Did anybody get close?

Mr HENDERSON: I will hand to Mike for the details.

Mr BURGESS: It attracted a number of bids that were short listed. There was an announcement about a preferred bidder towards the end of last year, which was ShoreASCO Consortium.

It was through that big development process that it became clear to the parties and the government that the amount of equity the private entity was able to access for the project did not return the value to government it was seeking, so a decision was made to change the method of approach for the Marine Supply Base.

Mr ELFERINK: Did they get close?

Mr BURGESS: Close, but not close enough, in our view.

Mr ELFERINK: I noticed the government is stumping up \$90.5m – basically, the lion's share of it. It strikes me as a bit surprising that somebody got close and, all of a sudden, government came in and stumped up such a large slice of the deal.

Mr BURGESS: In much the same way as the government's taken a view about the amount of risk going forward, some of that risk was not able to be capitalised or borrowed from the private sector. The government has a strong belief in this project and the amount of business which will be generated out of it.

One of the changes ...

Mr ELFERINK: Stronger than some of the private players.

Mr BURGESS: Yes.

Mr HENDERSON: I have faith in our economy.

Mr ELFERINK: It is not our money, though.

Mr BURGESS: One of the changes to the way in which the project will now be delivered is the government will retain the revenue which is generated. We will own the asset, retain the revenue. The operator's view about the revenue that would be generated is, in the first 15 years, on the base case, it will generate in excess of \$60m.

Mr ELFERINK: So in the first 15 years. What is your percentage return then? Let us say for the 15 years, but, in the next few years. Obviously, this thing generates revenue. Your input is \$90.5m. That is the taxpayers' exposure, effectively. You are expecting \$60m over 15 years. What is the percentage annual return on your investment?

Mr HENDERSON: I might help while Mike's trying to do the mental arithmetic around this. This just is not a commercial decision. If it was purely a commercial decision then, obviously, there is not the appetite in the private sector to make that investment.

Mr ELFERINK: That is right.

Mr HENDERSON: This is about the multiplier effect to the broader economy. So, in government policy for why we would make this investment when the private sector, at this point in time - given the state of risk aversion by the banks in the global financial markets - was we have a unique opportunity to position Darwin as the service and supply hub for the offshore industry to the northwest. Now is the opportunity on the back of the INPEX decision to seize a competitive advantage.

Whilst there may not be a direct economic and commercial return to the Marine Supply Base, government is very confident we will see significant investment in the broader economy as a result of this decision. That is certainly supported by all industry analysts who have applauded the government in taking this move. This is one of the things that, at the end of the day, was a government decision. The appetite was not there in the private sector. Government decided, for broader policy reasons, outside of purely commercial reasons, to go ahead with the investment.

Mr ELFERINK: And the return on the investment is?

Mr HENDERSON: Again, we ...

Mr ELFERINK: That is all right. I thought somebody was going to do arithmetic for me. I can do it later if that is a problem. Have you in any way committed to subsidise, or given any guarantees to a proposed operator of the Marine Supply Base? You have a business partner, and there will be an operator into the future, I imagine, unless government is going to run it. Who is running it?

Mr BURGESS: ShoreASCO has a licence to operate the facility for 15 years with the potential to extend that by a further five years.

Mr ELFERINK: Other than the \$90.5m, have you given any other further subsidies or guarantees to the operator?

Mr BURGESS: I am not aware of any financial guarantees.

Mr ELFERINK: No, that is all right. I am asking you if that is what you have done. I see much head shaking. That is all right. Do you have a cost-benefit analysis available for examination from the committee?

Mr BURGESS: A number of cost-benefit analyses were done that looked at whole of return to the economy and those ...

Mr ELFERINK: Can we table them, Chief Minister?

Mr HENDERSON: I am advised it is okay to make that information available.

Mr ELFERINK: If we can get that commitment, I would be obliged to you, Chief Minister, thank you.

What was the value of the land provided by government for the Marine Supply Base, and on what basis has it been provided?

Mr HENDERSON: Brendan, would you like to come and join us?

Mr LAWSON: Brendan Lawson, Executive Director, Strategic Projects Implementation Office within the Department of the Chief Minister. The land is retained by the Territory under the operating arrangement. The ShoreASCO Consortium will operate on the basis of a lease over the land, hence, there has not been any transfer of the value of the land to any other party.

Mr ELFERINK: What is the leasing arrangement? Are they paying a certain amount for the lease and, if so, how much?

Mr LAWSON: The facility will return to the Territory at the completion of the lease. The operator will receive an operating payment throughout the term of the lease as an operating contract.

Mr ELFERINK: Are they paying for the lease at all? Is there any money exchanged? How much are they paying for the lease?

Mr LAWSON: The operator is not paying a lease for the land.

Mr ELFERINK: Okay, essentially, they are the tenants for a peppercorn rental, I presume, or something like that, for the next ...

Mr LAWSON: They are the tenants for the period.

Mr ELFERINK: For the next 15 years, with an option of five more?

Mr LAWSON: That is correct.

Mr ELFERINK: Okay, and then we pay a subsidy on top of that to keep them there. Is that correct?

Mr LAWSON: There is an operating contract where they are required to deliver certain services for which they receive a payment. In addition to that, there are incentive arrangements under the terms of that operating arrangement to share the upside of anything beyond the normal requirements of the contract.

Mr ELFERINK: So, there are two components to this? There is a base payment and an incentive package. Is that correct?

Mr LAWSON: That is correct.

Mr ELFERINK: Can you tell me what the base payment is?

Mr LAWSON: The operating fee is based on \$524 000 per quarter.

Mr ELFERINK: And the incentive package is a formula of some sort?

Mr LAWSON: Yes, it is.

Mr ELFERINK: Based on a percentage?

Mr LAWSON: Yes.

Mr ELFERINK: What is the percentage, or what is the formula?

Mr LAWSON: It is a sharing above a level which must be achieved on the basis of 90% of the upside comes back to the Territory and 10% goes to the operator.

Mr ELFERINK: So there is a further 10% commission. This is revenue or after profit?

Mr LAWSON: I do not have the detail of that in front of me. I think it is on the revenue stream.

Mr ELFERINK: So, 10% of the revenue is their cut above the \$524 000 per quarter?

Mr LAWSON: After they have achieved the ...

Mr ELFERINK: Their benchmarks in their side of the contract?

Mr LAWSON: Correct.

Mr ELFERINK: Do you have a valuation of the land? I am not saying you have asked for anything - just the valuation. Surely, there is a valuation of the land there somewhere. You must know what it is worth.

Mr LAWSON: There will be a process for determining the value of the land undertaken by the Valuer-General.

Mr ELFERINK: Okay.

Mr LAWSON: I do not have that information.

Mr ELFERINK: Do you have a valuation from the Valuer-General somewhere? Has it been done?

Mr LAWSON: I do not have it.

Mr ELFERINK: Has it been done?

Mr LAWSON: I understand it is to be done on the basis of the property at the completion of the construction phase.

Mr ELFERINK: So just that I have this right, how big is the piece of land?

Mr LAWSON: It is about 8 ha.

Mr ELFERINK: You have 8 ha of land which has not yet been valued. The taxpayer is up for \$90.5m of a \$110.5m project, of which you expect \$60m worth of revenue over 15 years. The company which is your partner in this stump up \$20m; you pay them \$524 000 per quarter; and they get 10% of the revenue that is generated from that. Is that about right?

Mr LAWSON: As I said, I am not a 100% sure of what base the 10% incentive is generated against.

Mr ELFERINK: May I ask you to double check that and, if there is a requirement for a correction, you can advise the committee through the Chief Minister?

Mr LAWSON: Sure.

Mr ELFERINK: That is a pretty generous deal, Chief Minister.

Mr HENDERSON: As I said, we have a policy intent to become the service and supply base for the offshore industry. As I explained before, we sought significant private sector investment in doing this. That was not forthcoming as a result of two things: the lack of risk appetite by major banks and financiers around the world, and the lack of, at this point in time, guaranteed revenue. It is one of those decisions - a policy decision - made on a broader aspiration that has significant industry support.

I am very confident when the history is done that, yes, government has taken a risk going into this space, but very confident based on knowledge of the industry, feedback from the industry of what is going to happen over the next 10 years in northern Australia, with over \$200bn worth of investment offshore and onshore in the LNG industry, that Darwin will be a major beneficiary of the flow-on service supply maintenance and support of that investment.

Those guarantees are not there today, but I am very confident with our competitive advantage in our proximity to those fields. We are closer than Perth, we are closer than Singapore, so the operating costs are going to be lower for companies which invest in Darwin to do that work. The fact that investment is being made in a capital city which will be better able to support a workforce, I am very confident it is the right decision.

Obviously, if you believe government should not be in that business - well, that is a policy position for the Country Liberals to take. However, the policy position of the government is we are about securing the economic future of the Territory. Yes, we have the lion's share is the partner in this investment.

The other thing is, member for Port Darwin, as that revenue, I believe, will far exceed those base-case estimates and, over time, a future government may decide to sell down their equity. That would be a decision for a future government at a future time.

Mr ELFERINK: Over the 15 years of \$524 000 per quarter, we will be paying them \$31.44m for being there, plus they get to walk away with 10% of the revenue stream.

Mr HENDERSON: As I said, member for Port Darwin, we did go to the market and ...

Mr ELFERINK: Yes, the market did not like that.

Mr HENDERSON: Exactly. We can have a difference of opinion here. I believe very strongly it was the right decision for government to make, because the only way we are going to see that investment guaranteed coming to the Territory - and it is not just in the operating revenues of the Marine Supply Base; it will be all of the service and supply, support, and the maintenance of the engineering businesses that will establish in Darwin, or Territory businesses that will grow as a result of this investment.

In broader economic value-adds, my advice is additional NT goods and services content of approximately \$4bn over 30 years will occur as a result of the Marine Supply Base. This excludes wharfage and stevedoring fees. Cumulative impacts of the Marine Supply Base and related spin-offs within the Territory economy over 30 years will increase gross state product by over \$1.47bn, cumulative employment impacts will be of an additional 5537 employees, and there will be additional NT payroll tax revenue of around \$166m over that 30 years.

In the broader nett economic impact, any analysis would say the greater nett economic impact far outweighs the initial investment by government at this point in time.

Mr MILLS: Thank you, Chief Minister. I am now me; John was me a while ago. Can you table those projections?

Mr HENDERSON: I have just read them, but we can table that.

Mr MILLS: Do I have to say that again formally?

Mr HENDERSON: No, no, we have tabled it.

Mr MILLS: Chief Minister, the community talks a bit - and I am not suggesting this is an unwise step to take but there have been discussion around alternatives. Granted, the market did not appear to be interested and needed an inducement to start here. Are you aware of any other proposal which has attracted market interest in the development of a Marine Supply Base?

Mr HENDERSON: I was just checking with Mr Burgess. Certainly not in Darwin, no.

Mr MILLS: Of any other - not necessarily in Darwin - proposal to establish or develop a Marine Supply Base with private investment in the Top End?

Mr HENDERSON: There were rumours going around in regard to some private sector investment on the Tiwi Islands, but there was never any specific proposal delivered to government. I have never seen anything specific or met with any potential proponents. There were rumours around, but there was no official approach to government at any point - even to this point.

Mr MILLS: Are you aware, Chief Minister, there was an approach made to this company by one of your ministers?

Mr HENDERSON: I am not aware of any approach by any other company entity in wanting to invest in a Marine Supply Base. All I have heard is rumour to that effect - no official approach.

Mr MILLS: Would it surprise you that there had actually been advance negotiations on the Tiwis for development of a Marine Supply Base to the point that one of your ministers flew to Singapore to meet the board?

Mr HENDERSON: I can only go on the advice I am given. If you are talking about a particular minister - obviously, if it is not minister Lawrie and it is not me, then you have opportunities to speak to any other minister. However, my advice is the Territory government has never had any official dealings with any proponent with any specific business proposal to establish a Marine Supply Base in the Northern Territory. We have never received any specific proposals. I, as the lead minister in this, have never been approached by anybody with any proposal for anywhere in the Northern Territory.

Also, Leader of the Opposition, we went to the market to test the market. I would have thought if there was any serious proposition from anybody to invest in a Marine Supply Base, they would have responded to that particular expression of interest.

Mr MILLS: They did respond to the approach of one of your ministers going to Singapore to discourage the proposal to establish an alternative Marine Supply Base. I am surprised you are completely unaware of that, Chief Minister.

Mr HENDERSON: I am telling you, on the advice I have, we have never received an approach. Obviously, this is a major project, and the Major Projects Division lies within the Chief Minister's Department. It has hardly been a secret that I have been keen to attract value-added economic opportunity to the Northern Territory as a result of securing the INPEX project. I would have thought, if there was any serious proposal to invest in such facilities in the Northern Territory, then those people would have made themselves known to me and my department - I am very easily accessible - and nobody has.

What I am aware of is there were rumours around a company looking to do something on the Tiwi Islands, but I am not in the business of hunting down every rumour I hear. Until you mentioned it here today, it has completely slipped my mind. If anybody is serious in investing \$100m in the Northern Territory I would of thought one of the first doors they would knock on is the door of the Chief Minister, and they never have.

Mr MILLS: Well, Chief Minister, I make a policy of checking on rumours, and this is far more than a rumour - so much so that I went to Singapore to meet those who said they were approached by one of your ministers to discourage their interest in their development on the Tiwis - and that was minister Vatskalis.

Mr HENDERSON: I am not in the business of talking about individual companies here, but I would be more than happy to meet with any business which feels they have not been accorded an opportunity in the Northern Territory. I would have thought, again, any serious investor with a serious business proposal to invest in the Northern Territory - I have been in this job for nearly five years now and previously the main

economic minister. The first thing these companies do is knock on the door of the Chief Minister - and nobody has knocked on my door.

Mr WOOD: Madam Chair, could I just ask for clarification because I find what you are saying – is this Singapore issue not related to the approach that the Tiwi Shire Council had from a Singapore company about a gas distillation plant?

Mr MILLS: No.

Mr WOOD: It is not that?

Mr MILLS: No, it is about the upgrade of the port, Port Melville, and about the extension of that upgrade into the establishment of the Marine Supply Base.

Mr HENDERSON: All right, I will have a chat to the local member later. For the official record, while we are talking about this - and thank you, member for Arafura - the other thing is the local member always beats a path to my door if there is a serious investment proposal for the Tiwi Islands. The local member would know about it and, knowing Marion the way I do, she would be bashing down the door to me to encourage me to meet with people. I do not know where all this is coming from, Leader of the Opposition ...

Mr MILLS: I am surprised at what you do not know. It actually was listed on the Singapore stock exchange; it has been reported widely in the financial media. Chief Minister ...

Mr HENDERSON: You say it has been reported widely ...

Mr MILLS: I will get it for you.

Mr HENDERSON: Please do ...

Mr MILLS: I am surprised you knew nothing about it.

Madam DEPUTY SPEAKER: Order!

Mr HENDERSON: ... because nobody in government, in my agency, knows anything about an investment proposal for the Tiwi Islands for a Marine Supply Base. I would have thought if a company was serious ...

Mr MILLS: Sure, you have said that.

Mr HENDERSON: ... as opposed to mining the share market, they would have made a serious proposal to the Territory government, and they have not done that.

Mr MILLS: Are you able to list the groups of those – you went out to the market and you put out expressions of interest and some of them came and went on tours to have a look at what could be a Marine Supply Base. Are you able to provide a list of all those who were approached and actually came at any time to look at anything related to a Marine Supply Base?

Mr BURGESS: There were a number of people who came to Darwin to research the opportunity and we received three formal bids through the EI process. I will just ask Brendan to list who they were.

Mr LAWSON: Yes, there were three bidders who actually submitted expressions of interest and went into the formal submission process. For the sake of record, ShoreASCO was one, Toll was another, and the third POAGS.

Mr MILLS: Was there an approach made to any other? These were the ones which responded to the expressions of interest; did you go out to seek specific interest from a delegation from Singapore?

Mr LAWSON: No. There was a public invitation to participate, and these were the parties which responded to that invitation.

Mr MILLS: There was a delegation came from Singapore to have a look at the site at the invitation of the Territory government. Who were they?

Mr LAWSON: I have no knowledge about that.

Mr HENDERSON: Brian O’Gallagher can maybe help to shed some light on this. Whoever these people are, they certainly have a very strange way of doing business; that is all I can say.

Mr O’GALLAGHER: Brian O’Gallagher, Executive Director, Major Projects, Asian Relations and Trade. I can recall when I was involved on the project we did a wide range of industry consultations about marketing the opportunity. Obviously, the call for expressions of interest was also publicised through the public media and so on. During a range of our visits overseas - when we were in Malaysia, we spoke to a range of Marine Supply Base operators there telling them about the opportunity. We were trying to cultivate some interest in the bidding process.

When we were in Singapore - I was there with Paul Tyrrell who was the Chair of the Marine Supply Base project - we went to see Toll Marine, which was a potential candidate and did actually submit a proposal. We also visited Kim Heng Marine and Thomas Tan H. H. & Co and had a look at their operations and did a presentation there, also trying to encourage them to put in a proposal because they already had some activity here in Darwin and we thought there may be some synergies there.

Mr MILLS: No one came as a result of that? There wasn’t a delegation, you say?

Mr O’GALLAGHER: No, no. We gave a presentation to those companies.

Mr MILLS: Here?

Mr O’GALLAGHER: In Singapore. As a result of that, Toll did actually submit a proposal and that was short listed into the bidding process. Kim Heng Marine did not take the public opportunity available to submit a proposal.

Mr MILLS: You are saying there was not a delegation that visited from Singapore or Malaysia and had a look at the project?

Mr O’GALLAGHER: Mr Mills, I guess a lot of people came in on their own bat. They would go down to the port, do their own investigations - maybe not formally through us, but they were obviously doing their own due diligence and research. I am aware a number of those happened. I am aware of some people from Malaysia who came down and did that.

Some proponents would actually seek a formal briefing and, during the bidding process, the expressions of interest process, there was an open workshop for everyone to come and get a public briefing on that. There were then public tours organised down to the port to view the potential site and so on. That was all done under the auspices of a probity auditor.

Mr HENDERSON: I make a point here, having worked with Mr O’Gallagher for many years now, again it just goes back to whoever is talking to you, Leader of the Opposition, regarding their bona fides. All the feedback I get from around this nation and overseas is our government is the most open and facilitative government in trying to attract investment. It is well known in the industry if you are looking to do things in the Northern Territory, particularly in this field, the first people you go and talk to are the Chief Minister’s Department – it has a Gas Task Force and a Major Projects Group.

I am not aware, on any occasion, where an approach has been made where people have not been given every insistence in trying to secure that investment for the Northern Territory. Whoever these people are, obviously, have not gone through the channels everybody else goes through. If they are aggrieved, I am happy to meet with them. However, we could not have gone through a more open and transparent process in what we were trying to achieve. Everybody in the industry knew what we were proposing. Whoever these characters are obviously, to my mind, unless they can demonstrate otherwise, were not serious because if they were serious, they would have approached the appropriate agency. They had an opportunity to put in an expression of interest and never did.

Yes, in the recesses of my mind, there were some rumours about some people doing something on the Tiwi Islands, but there was certainly never any formal approach to me. I am sure if the local member was aware of people seeking to invest tens of millions of dollars on the Tiwi Islands she would have been beating a path to my door to encourage me to meet with them.

Mr MILLS: Yes, thank you. Chief Minister, through you to Mr O'Gallagher, are you aware then of the visit of a minister of the government to meet the Ezion Board in Singapore?

Mr O'GALLAGHER: I am aware that possibly minister Vatskalis, as part of a visit through Singapore, may have met with Ezion. We were not party to it. It may have been part of a broader investment promotion of the Territory as a whole, but I am not aware of any details of that.

Mr MILLS: You are aware of Ezion?

Mr O'GALLAGHER: I recall seeing something from Ezion in the financial press, and I remember talking to various people about that. Some people had the view it was a bit of a financial play, because there was capital raising going on. Other people were just not aware of what it meant at all.

Mr HENDERSON: The other thing I say, Leader of the Opposition, is my colleague, the minister for Resources, is the most energetic minister in this field. Whenever he goes anywhere and meets with anyone, if there is any sniff of any investment in the Northern Territory as a result of a particular visit, he is straight round to my door, full of excitement, jumping out of his jellybean skin, talking about people looking to invest in the Territory. If he did meet with these people - and he meets with many hundreds of business people; Kon is well known as being one of the great promoters of investment in the Northern Territory, particularly in the resources sector - if he was excited about an opportunity he would have come and spoken to me about it. Up to this point in time, I had never heard of Ezion.

Mr MILLS: The story here, though - I am trying to test this - is, rather than going there to encourage the investment, it was to discourage the investment and the interest because government already had an investment and a project on foot inside the harbour. So, the purpose of it, rather than encourage, was to discourage. That is what I have heard. I have heard the rumours but I try my best to check these out, and that is why I am asking these questions now.

Mr HENDERSON: That is fair enough. I can also say this was the most open, transparent process in seeking to partner with the private sector, and any company - any company - that was serious would have come along and introduced themselves to the appropriate government agency. If it was the Department of the Chief Minister, through the Major Projects group, that was running this project. They would have made themselves known, they would have expressed an interest, they would have availed themselves of all of the briefing opportunities and tours - and they did not do that.

As Mr O'Gallagher was saying, if there were things going on in trying to raise capital in the marketplace, one of the things I have learnt in my time in this job is companies are always looking to establish some sort of bona fides with government, particularly when they are looking to boost their share price and raise capital. They certainly did not come to me. This whole thing is a bit of a storm in a tea cup, but I am happy for you to ask questions of the Resources minister.

Mr MILLS: I will, Chief Minister. It was just the opportunity to ask these questions that I have not been able to ask until now. Thank you.

Madam DEPUTY CHAIR: Member for Nelson, do you have questions to Output 5.1, Major Projects?

Mr WOOD: I certainly do. Just a follow-up question from what I just mentioned to the Leader of the Opposition. Has anything come of a proposal that was put, I think to the Tiwi Shire Council, about the possibility of a gas distillation plant being developed at Pirlangimpi, or 'Pur-lun-gapi', as they sometimes say? Is that going any further?

Mr HENDERSON: The advice from Mr Burgess is they have made no approach to the Gas Task Force and we have been unable to ascertain any information about this group whatsoever.

Mr WOOD: I do not know how to handle this one, because I left it out of policy advice and public sector coordination. I was recently rung by a person in a housing company who said the effects of the higher labour wages for INPEX is starting to take effect straightaway. He said what is happening is this is flowing on to the cost of building a house, because now he has to pay more money for his labourers, and his plumbers are paying more money for their labourers. There is a cost increase that is incurring in relation to building housing now. Has the government looked at those effects? Is it doing something to try to alleviate what I call the negative effects of this major project?

Mr HENDERSON: Thank you, member for Nelson. I have not heard any specific allegation that the construction costs are going up as a result of the lack of a workforce. Just a minute ago, we were debating the fact there was a whole range of building and construction companies in that middle tier, and their subcontractors are actually hurting at the moment because there is not the work to go around. We cannot have it both ways.

What we absolutely are aware of is the housing needs across the Territory. That is why we have the Housing the Territory policy. Very specifically to accommodate the workforce around INPEX is the workers' village that is being built now. We have also put out for expressions of interest to develop a short-stay workers' village at land at Batten Road. We are in the final negotiating phases now with a preferred bidder on that particular project.

I am also aware of a couple of private developers who are also looking at opportunities to build similar short-stay workers' villages ...

Mr WOOD: Pardon me, Chief Minister. The point is – and I can give you the name of the company; I will not do it publicly because I do not have permission to do it – he is saying the cost of building housing - not houses - on the normal public market is increasing because now the cost of labour is going up. I know the cost of labour which has been quoted to me for the Howard Springs accommodation village is a minimum of \$44 an hour for unskilled labour.

What is happening, of course, is we are starting to get people put their hand up and move away. To compete with that, obviously, this builder was saying: 'For me to pay those sorts of rates, I have to charge more for the house'. I am asking whether the government is looking at what I call the downside of INPEX, and seeing if it can alleviate those costs which will hurt people who are trying to buy a house.

Mr HENDERSON: Yes, absolutely, member for Nelson, it is front and centre in my mind. There is cause and effect here. We are going to see, in a full employment economy we have at the moment, a significant number of people - as I said the other day, I dropped into the INPEX job shop and, already, 2000 people have walked through that door lodging their resumes, really keen to start work on this particular project and earn the big money.

That is why we are negotiating with the Commonwealth government the first regional migration agreement that will enable those businesses such as the business you mentioned - I am happy to chat to them offline - once they have exhausted being able to recruit from the local job market and the national job market to be able to bring people in from overseas. I am acutely aware this is going to be a major consequence of this project: backfilling for small and medium businesses, their employees who are going to, quite rightly, aspire to earn the big dollars.

We are very close. Minister Lawrie has carriage of that particular negotiation with industry associations and unions. I am very hopeful we will conclude those with agreement with industry associations and unions going forward. Yes, I am acutely aware of the problem. I have not been specifically advised it is putting up building costs today, but it has the potential to unless we can address the labour shortage issues.

Mr WOOD: Chief Minister, on a different area altogether. There is a development of a new large phosphate mine on the Barkly Highway and a proposed iron ore mine near the Limmen National Park. What support is your government giving to the development of these major projects?

Mr HENDERSON: There is no financial support or cutting corners support through the Major Projects Division. Both of those projects have now been accorded major project status. It is just ensuring those companies get access to the right people regarding the red tape issues. However, there is no support in any shortcutting of environmental or approvals issues. It is just ensuring those processes do not get bogged down in government as they do in some bigger governments.

Mr WOOD: Would the development of Weddell be regarded as a major project?

Mr HENDERSON: It certainly will be when we get to the point of serious investment, yes.

Mr WOOD: Would the government consider the Land Development Corporation managing the development of Weddell? I ask that because I have been impressed by the track record of the Land Development Corporation. When you see what it has done at East Arm and the quality of the development - even if you come from a gardening background you will see there is a requirement to have adequate landscaping around large industrial blocks. John Coleman has done a fantastic job in developing

that as a first-class industrial area. I wonder if someone with that expertise and vision could be involved in the development of Weddell.

Mr HENDERSON: The short answer is that is certainly one of the thoughts on the table at the moment, in partnership with the private sector. One of the things we did with the LDC a couple of years ago was to change the legislation that constructs the entity to allow it to partner with and deal in residential land as well as commercial land.

The first big development it was involved in was Zuccoli, with a private sector partner. I agree with you, John Coleman and his team have done a fantastic job with the LDC, and will be right up there in government's future decision-making as to what type of entity will be given the rights to develop Weddell. However, no final decisions have been made.

Mr WOOD: I wonder if we should sort out the pronunciation of 'Zook-o-li' rather than Zuccoli.

Mr HENDERSON: I have always called it Zuccoli and no one has corrected me to date.

Mr WOOD: Well, Eugene Scaturchio has much to answer for. I did Italian and it would be 'Zook-o-li'.

Mr HENDERSON: I will talk to my mate, Franco, tonight and see what he thinks.

Mr WOOD: We do not want things like Malak left as they are when it should be 'Muluk' - we have unknown tribes of people.

Minister, in relation to Ord River Stage 3, does the government see that as a major project it has in its sights?

Mr HENDERSON: Not at this particular point in time. There are still significant issues to be resolved in relation to native title issues in that Keep River area. I understand that remains unresolved.

I have to be totally honest here; any capacity for significant government investment in infrastructure to support Stage 3 is not there at the moment. Whether it is there for future governments will be for future governments to determine. However, with all the infrastructure needs across the Northern Territory - economic and social infrastructure - greenfield development in a very remote part of the Northern Territory where native title issues are still to be resolved, and there is a lack of appetite in financial markets to support the development of Ord Stage 3, I cannot see it getting up and running any time soon unless the federal government has a serious appetite to invest in infrastructure. I do not believe the private sector is there, and the native titles issues are still to be resolved.

Mr WOOD: I might raise that with the minister for Resources because I have been approached by a major company. As an add-on to that - this is also part of the debate regarding Ord River Stage 2, where the Chinese wanted to grow sugar cane. From the government's policy perspective what is the government's opinion on the purchase of land in the Northern Territory by overseas companies?

I know we have a record of that, because Tipperary was owned by the Americans a long time ago. What is the policy of the Northern Territory government in relation to land purchases by overseas companies?

Mr HENDERSON: The policy position is as long as the transaction is approved by the Foreign Investment Review Board, the Territory government will support it. We are open for business, we are open for investment. We are part of the Asia region in the Asian century, and some of the scare campaigns run against Chinese and Asian investment is xenophobic, if nothing else.

At the end of the day, that is why we have the federal government looking after national interests. If that transaction is approved by FIRB, our government does not have a problem with it.

Mr WOOD: That is all the questions I have.

Madam DEPUTY CHAIR: Member for Arafura.

Ms SCRYMGOUR: If I could ask a local member question. Chief Minister, I have sat here and waited for the CLP, because it is an important electorate question and I know all bush members feel this way.

We have heard the Leader of the Opposition say one thing and the member for Fong Lim say the complete opposite in relation to the negotiations with Blue Mud Bay.

Are you able to provide an update on just where we are in these important negotiations in relation to Aboriginal people's rights to their waters?

Mr HENDERSON: Thank you, member for Arafura. This has been, obviously, a key issue for this term of government, given the High Court decision which acknowledged Indigenous rights to intertidal waters overlying Aboriginal land. It was an historic decision by the High Court. We, as a government, immediately accepted the decision from the High Court and, in a spirit of good faith with relevant land councils, determined to work through a win/win solution with those traditional owners through the land councils to provide for permit-free access for recreational and commercial fishers, given the traditional owners had rights to introduce permits for access if required.

I have made commitments in parliament and publicly to advise of the cost of the agreements which have been reached. We now have agreement for about 90% of the recreational fishing effort in the Northern Territory, where recreational fishers will not require individual fishing permits. The majority of anglers can go fishing, as they have always done, without a permit in the Victoria, Daly, Adelaide, South Alligator, West Alligator, Roper and McArthur Rivers, as well as Bynoe Harbour, Darwin Harbour, Shoal Bay, and Chambers Bay.

There has been criticism about why it has taken so long. This was a very complex issue to resolve, without precedent, affecting over 80% of the Northern Territory coastline - more than 6000 km with over 2000 traditional owners. We had to work through a consultation process, and I certainly acknowledge the work, particularly of the Northern Land Council in facilitating those negotiations.

For example, the McArthur River agreement took five meetings and over two years to complete, but that is because I have always said, from Day 1, we will do this with respect for the High Court decision.

In regard to how much this agreement will cost, both the Daly and McArthur River agreements were, basically, given the tick of approval through the full land council meeting a few weeks ago for the Daly River - \$153 000 per annum is provided as a value for recreational fishing activities.

Through the recreational fishing survey in 2009-10, in consultation with the land council, a formula has been derived to identify what the value is of the recreational fishing which takes place in those intertidal areas. For the Daly River, \$153 000 per annum, \$13 000 also per annum to recognise the amount of fishing tour operator activity in the Daly.

The agreement includes \$300 000 per annum for the establishment of a local marine ranger program, and \$100 000 as a one-off payment for the purchase of a boat and a vehicle.

In recognition of the level of activity and the changing weather, the agreement also includes a two-year riverbank erosion study to be conducted by a consultant at an estimated cost of \$100 000. The traditional owners also further agreed, in principle, for an upgrade of the Woolianna boat ramp.

Of course, the Daly River is one of the most heavily fished, iconic rivers in the Northern Territory, and this agreement has been broadly welcomed by the traditional owners in that area, particularly of their commitment to caring for country and an expansion of their marine ranger program, and also their aspirations to actually get into the fishing tour operator business, and agreeing to an upgrade of the boat ramps will enable them to do that.

The McArthur River agreement includes \$45 000 per annum as the value for recreational activity, \$10 000 per annum for commercial fishing activity, and \$1000 per annum for fishing tour activity. An amount of \$20 000 per annum is provided for an agreement to enhance the well-established marine ranger program. Other costs will be associated with the erection of signs and the establishment of fishing camps in the region.

More meetings with traditional owners are planned for June and July. Obviously, I am not going to entertain what those costs might be until there has been a completion of those agreements.

I can also say negotiations with Anindilyakwa Land Council remain positive with the recent Indigenous protected area proposal consistent with government's objectives for the settlement, and the Tiwi Land

Council – again, my door is completely open for the Tiwi Land Council to come in and be part of a win/win negotiation with government.

I commend officers in my department and Justice and Fisheries for the great work they have done with traditional owners and the Northern Land Council in the reaching this agreement. I contrast that with the absolute complete lack of respect for the traditional owners which has been shown by the opposition. I have genuinely tried to negotiate a win/win outcome here for traditional owners and for Territorians ...

Mr Elferink: You took them to the High Court, for God's sake, mate. You lost!

Members interjecting.

Madam DEPUTY CHAIR: Order! Order! Member for Port Darwin! The Chief Minister has the call, thank you.

Mr HENDERSON: For the Leader of the Opposition to go to the full land council meeting and stand there with his hand on his heart - with the members for Braitling and Macdonnell - and say we respect – the CLP, an incoming CLP government respects - the rights of traditional owners, wants to work with traditional owners to get an agreement. Then, the day after, the prospective Leader of the Opposition, Dave Tollner, was in the media saying we should be off to the federal government and the Deputy Leader of the Opposition to amend the *Aboriginal (Northern Territory) Land Rights Act* so those traditional owners' rights should be taken away by an amendment of the *Aboriginal (Northern Territory) Land Rights Act*, was totally disingenuous - totally disingenuous.

I said to the full land council meeting when I spoke to them on this issue: 'Be very careful about what the Leader of the Opposition will say because he will come here and say one thing to you. He will come here and sprinkle sugar and say nice things and give you commitments about the respect he has for traditional owners. Then, in Darwin, in different forums, they will say another'. That is exactly what has occurred.

Leader of the Opposition, going into the election in August, you need to make it very plain to traditional owners and Aboriginal people across the Northern Territory about whether you will abide by the agreements I have negotiated in good faith to provide for permit-free access for recreational and commercial fishers, and whether you will continue to try to reach agreement around the remaining coastline of the Northern Territory under the same principles, or you will tear those agreements up and go to the federal parliament seeking legislative amendment or federal intervention into that High Court decision. You cannot have it both ways. You cannot tell Aboriginal people one thing and recreational fishermen in the northern suburbs another.

I have been open and transparent. These are the costs associated with the agreement. I believe they are reasonable. They have been negotiated in an atmosphere of respect for the traditional owners. I look forward to concluding agreements with the Anindilyakwa Land Council and with the rest of the coastline of the Northern Territory. The door is open, member for Arafura, for the Tiwi Land Council to come back to the table so we can get a good outcome for the Tiwis as well.

Madam DEPUTY CHAIR: Output 5.1.

Mr ELFERINK: We are moving on, are we?

Mr WOOD: Madam Chair, I need a point of clarification when you have a minute.

Mr ELFERINK: I just want to confirm the cost of these deals. This is the Daly and the McArthur you have just read out, Chief Minister. Is that correct?

Mr HENDERSON: Those are the two that have just been ratified at the full NLC.

Mr ELFERINK: Okay, so just over a 10-year period on the back of an envelope – and, I am sorry, I may have some of the figures not entirely right. It is just shy of \$5.5m for 10 years?

Mr HENDERSON: Well, you do the sums. I have given you the numbers.

Mr ELFERINK: Is it \$5.5m for 10 years?

Mr HENDERSON: I am not doing the maths here. I have given you the per annum agreements for each of those. You do the maths. It is very clear. I have said I would make this transparent; I have made it transparent.

Mr ELFERINK: I take that as a yes, then.

Mr HENDERSON: No. Do not say take it as a yes. I am saying ...

Mr Elferink: Well, then just answer the question, for goodness sake!

Madam DEPUTY CHAIR: Order! He is trying to answer the question, member for Port Darwin.

Mr Elferink: No, he is not; he is simply saying go back and check the record.

Madam DEPUTY CHAIR: Thank you. Chief Minister, you have the call.

Mr HENDERSON: I have given, openly and transparently, the costs of the negotiations to date. Obviously, people can do their extrapolations, whether it is over 10, 20, 30 or 50 years – whatever. The very clear responsibility the CLP has is whether it supports this negotiated outcome, or whether, if it was an incoming government, they would tear these agreements up and seek to intervene through the federal parliament into the High Court decision of Blue Mud Bay.

Madam DEPUTY CHAIR: Any further questions on Output 5.1?

Mr ELFERINK: Hang on!

This is really the effect of Commonwealth legislation, because I have read, particularly the decision in relation to the Full Bench of the Federal Court which, basically, was upheld by the High Court. The issue is not actually of native title, it is of land rights, it is a land rights act that has generated this ...

Mr HENDERSON: Absolutely.

Mr ELFERINK: Being a federal Commonwealth act, have you asked the Commonwealth whether or not they are going to actually kick in the can for this?

Mr HENDERSON: Of course, we asked the Commonwealth for financial support in ...

Mr ELFERINK: And what was their response?

Mr HENDERSON: ... all our aspects of Indigenous issues in the Northern Territory. To date, we have not been successful in negotiating funding from the Commonwealth. But, to be fair to the Commonwealth, if you look at the investment they are making through Stronger Futures over the next 10 years, this agreement pales into insignificance against the Commonwealth investment in the Northern Territory. Yes, we have tried, we have not been successful to date. My responsibility was to get a win/win outcome; we have managed to achieve it.

Mr WOOD: A point of clarification. In the annual report, *Territory 2030* comes under this Territory Development section, but we do not have a home for it. Is it - and I think the 2030 needs some ...

Mr HENDERSON: Apparently, 2030 does sit here.

Mr WOOD: Yes, I know that, but according to our – I did not see it turn up as a line item, so it can be included as the whole.

Madam DEPUTY CHAIR: Anyway, we have had that clarification, so if you have questions to ask, you can ask them.

Mr WOOD: Okay. You are supposed to be planning to reach a certain goal by the year 2030.

Mr HENDERSON: I am just inviting Terri Hart up to the table, who has carriage of the implantation of *Territory 2030* across government.

Mr WOOD: She has a big job.

Mr HENDERSON: They are not responsible for achieving all of the targets, but coordinating and making sure government agencies are focused.

Mr WOOD: No, I know that. There are 125 strategic targets – is that right?

Ms HART: No, 128.

Mr WOOD: If I was to ask how many of those 128 targets were on target, could someone tell me, please?

Mr HENDERSON: Yes, I am sure Terri will speak very eloquently in a moment. This is the first strategic plan for the Northern Territory, open and transparent. It has come from the community, it has not come from government, and we absolutely agree to a report card every two years.

A report has just been released, and a very fine document it is as a progress scorecard. There are some areas where this is a traffic light system – red, amber, green. There are lots of greens, there are numbers of ambers, and yes, there are a few reds. I will let Terry talk to those. Can I just make it very clear before Terry does, that these targets here are not about what the government is going to achieve.

Many of these targets will require partnership between government, the private sector, not-for-profit organisations, Indigenous people - a partnership between government and community. These are targets the government cannot achieve alone.

Ms HART: The 2012 progress scorecard was released in early May, after an independent assessment by four of the former *Territory 2030* Steering Committee members. The scorecard reported that 50 targets were rated as making progress; two targets were rated as achieved; 27 targets were rated as having baseline data or no data; 40 targets were rated as too early to assess; seven targets were rated as complex and/or challenging; one target was rated as highly problematic; and one target was rated as requiring attention.

Mr WOOD: What is the one that was highly problematic, please?

Ms HART: The independent assessment panel rated - I will quickly confirm it, but I am sure it was the road safety target.

Mr WOOD: Right. Do you know what the target was and why it is problematic? Sorry.

Ms HART: That is okay, I will get the scorecard up for you.

Mr HENDERSON: Whilst Terri is looking at it again, there are many targets and a lot of data to be collected. Terri, are you going to talk about this a bit more?

Ms HART: The overall target is to improve driver, passenger, rider, and pedestrian safety on the Territory's roads. That was rated as highly problematic. The assessment reported that road safety remains an area of concern for the Northern Territory as highlighted by the fatality and injury rate data that is available.

It should be noted the Territory faces unique road safety challenges compared to other jurisdictions. The Territory is the most sparsely populated jurisdiction in Australian, encompassing a large geographical area with rural and remote populations, including a large Indigenous population with limited public transport options and a significant proportion of unsealed roads.

There are two actions sitting within that target. The first action is to reduce the Territory's fatality rate to the national rate by 2030. That was given a rating of complex and/or challenging. There are not statistics available against that action.

The second action is to reduce the Territory's injury rate to the national rate by 2030. Again, that was given an assessment of challenging, and there is some data sitting against that.

Mr WOOD: I will not ask you about every strategy. In that case, that does not mean we are going to give up; it just means they are saying the target you set is unlikely to occur because of the difficulties in trying to achieve that change.

Ms HART: When the assessment panel looked at the targets, one of the issues they considered was in being statistically valid, it would be quite unwise to claim progress, even if we had two or three years of data. Where a target had a target date of 2030, we would certainly need a few more years data to be able to claim progress or not.

Mr HENDERSON: The other point, member for Nelson, it is two years into a 20-year plan.

Mr WOOD: Have we done a household survey as well?

Ms HART: Yes, we have.

Mr WOOD: Is that included in that?

Ms HART: There are some targets in here in which the information from the survey is included. The actual survey report is available on the Department of Chief Minister's website.

Mr WOOD: Is the Climate Change Policy part of the 2030?

Ms HART: There are some targets within the *Territory 2030* strategy that relate to climate change, but the Climate Change Policy is a discrete strategy in its own right.

Mr WOOD: For the reports on climate change I need to deal with the department, rather than you?

Mr HENDERSON: The Environment minister.

Mr WOOD: That is all right. I do not think it is worth me asking any more questions. I had better get a hold of a copy of that, and maybe ask you next year - if I am here.

Mr HENDERSON: I am very confident you will be, member for Nelson. Maybe seeking a briefing from Terri and her team, I am sure they would be wrapt to give you a briefing about the great work they do.

Mr WOOD: I make no comments. Anyway, it is a major statement, a major policy, and it needs at least some airing at this Estimates. Quickly, does it have a budget? Is there a person? I know Terri is there, but if I was to look in here would I find a budget item for 2030?

Mr BURGESS: Mr Wood, the 2011-12 budget for 2030 was \$1.1m, and the 2012-13 budget is \$0.8m.

Mr WOOD: For the sake of me following things through annual reports, are those figures found anywhere, because they are not in the budget? Are they in the annual report? If not, should they be so we can match up what the expenditure is for those various outputs?

Mr BURGESS: We follow the structure for the budget papers that puts things at a fairly high level. Regarding the breakdowns, I am more than happy to give you that type of information.

Mr WOOD: Would you be able to table that? Is it in tables?

Mr BURGESS: The numbers have been recorded.

Mr WOOD: I did not know whether there was anymore. That is all the questions that I have.

Mr HENDERSON: A point of clarification on this, Mr Wood. This is not just about Terri, her team and their budget. All Chief Executive Officers now have written into their contracts of employment a No 1 priority is to ensure all agency strategic and operational plans are aligned to working with the community to see the successful implementation of these targets.

This is not just about a budget line item within Chief Minister's. It is a key outcome required of every Chief Executive across the public service to ensure all strategic and operational plans - comments are required for every ministerial brief, every Cabinet submission, about how that particular item moves towards progressing one of the 128 targets in *Territory 2030*. It is broader than just budget line items in the Department of the Chief Minister.

Madam DEPUTY CHAIR: Thank you. That concludes consideration of Output 5.1. I note Output 5.2, Asian Relations and Trade, was part of the Minister for Asian Relations and Trade appearance yesterday.

OUTPUT GROUP 6.0 – GOVERNMENT BUSINESS SUPPORT
Output 6.1 – Support to Ministers and Leader of the Opposition

Madam DEPUTY CHAIR: We will now move on to Output Group 6.0, Government Business Support, Output 6.1, Support to Ministers and Leader of the Opposition. In the absence of the Leader of the Opposition, thank you, member for Port Darwin.

Mr ELFERINK: Chief Minister, how many people on the fifth floor in the ministerial suites have an SAO rating as their job descriptor?

Mr BURGESS: Some of the statistical information about administrative makeup of the department, ministerial offices, and Leader of the Opposition's Office is contained in the answers to written questions. In regard to your specific question, in March 2012 in the ministerial and Leader of the Opposition Offices there were 12 people at the SAO2 level.

Madam DEPUTY CHAIR: Further questions, Leader of the Opposition?

Mr MILLS: How many of those have vehicles as an entitlement?

Mr BURGESS: Good question. I do not know if I can answer that.

Mr MILLS: We are happy to have that on notice.

Madam DEPUTY CHAIR: We will see if we can find the answer first.

Mr BURGESS: To get to that level of detail will take a bit of work.

Mr MILLS: What is that yellow piece of paper for?

Mr BURGESS: we do not have it for ...

Mr Elferink: A very small piece of work.

Mr BURGESS: Or a very small bit of work, because there may be none.

Mr MILLS: Happy to have that on notice.

Question on Notice No 3.07

Madam DEPUTY CHAIR: Can you repeat that as a question on notice, please, Leader of the Opposition.

Mr MILLS: What was the first part of the question?

Mr ELFERINK: How many SAOs in the ministerial suites have vehicles allocated to them?

Madam DEPUTY CHAIR: For the purposes of Hansard that is question No 3.07.

Mr BURGESS: If I may, can I just correct the previous answer because I did not give you the correct number for SAO1s, which is 17.

Madam DEPUTY CHAIR: Further questions? No further questions to Output Group 6.1.

Output 6.2 – Legislation Production

Madam DEPUTY CHAIR: We will proceed then to Output 6.2, Legislation Production.

Mr MILLS: No questions.

Madam DEPUTY CHAIR: No questions.

Output 6.3 – Support to Administrator and Government House

Madam DEPUTY CHAIR: Output 6.3 then, Support to Administrator and Government House. Any questions?

Mr MILLS: No questions.

Mr ELFERINK: She is a very good Administrator.

OUTPUT GROUP 7.0 – COMMUNITY SUPPORT **Output 7.1 – Community Support**

Madam DEPUTY CHAIR: The committee will then proceed to Output Group 7.0, Community Support, Output 7.1, Community Support.

Mr MILLS: No questions.

Madam DEPUTY CHAIR: Member for Nelson.

Mr WOOD: I have questions on the waterfront. How much does it cost to run the wave pool, including wages per year?

Mr HENDERSON: Hang on. We have a bit of confusion here.

Mr WOOD: I am the lead agency on this.

Mr HENDERSON: I do not know how the Chair deals with it ...

Madam DEPUTY CHAIR: This was under an earlier output?

Mr HENDERSON: It was under Territory Development.

Mr WOOD: Well, let me have a look.

Mr HENDERSON: With indulgence from the Chair, I am happy to take the question.

Madam DEPUTY CHAIR: Thanks, Chief Minister. This is not entirely clear in the budget report on page 30.

Mr HENDERSON: Gerry, I am happy to take the question.

Mr WOOD: Okay, because it does get a mention under Community Support under Key Deliverables, so I think we are in the right area. I just want to know how much it costs to run the wave pool, including wages. What is the total cost, please?

Mr HENDERSON: We will just ask Pat Coleman from the Waterfront Corporation to come and assist us with this line of questioning. G'day Pat. We have Pat Coleman. I am not sure of your explicit title. Is it Director or Chief Executive of the Waterfront Corporation.

Mr COLEMAN: Pat Coleman, Chief Executive of Darwin Waterfront Corporation.

Mr HENDERSON: Costs to run the wave pool.

Mr COLEMAN: These are to 31 March figures, obviously. Direct costs, excluding depreciation and overheads, was \$1.029m.

Mr HENDERSON: Those are the direct costs. Obviously, there is revenue and there is also a subsidy.

Mr WOOD: I was going to ask, does that include lifesavers?

Mr COLEMAN: Yes.

Mr WOOD: What is the income?

Mr COLEMAN: I can give you a further breakdown of that number, if you like.

Mr WOOD: I am doing a bit of cash accounting rather than accrual here. Basically, I want to know how much it costs to run it and how much revenue we get back on it.

Mr COLEMAN: Okay. Direct costs, \$1.029m; revenue, \$500 000 and \$766, so \$501 000.

Mr WOOD: How is the shortfall fixed? You have a shortfall – you are out \$500 000?

Mr COLEMAN: That results on a operating subsidy of \$528 000 which comes out of the general ...

Mr WOOD: Is that part of the \$18.2m the government gives?

Mr COLEMAN: That is correct. It is part of the \$3.9m that is over and above the grants for the Convention Centre.

Mr WOOD: Right. When I see on page 43 of your annual report it says, 'Operating grants and other contributions Northern Territory government for 2011, \$18.2m', the subsidy for the wave pool comes out of that amount?

Mr COLEMAN: That is correct.

Mr WOOD: Is that operating grants and other contributions money meant to have a limited life? In other words, how long will the government contribute to putting that sort of money into the waterfront?

Mr COLEMAN: Can you just clarify, are you talking about the whole \$18.2m?

Mr WOOD: I have here on page 43 of your annual report, a line item under 2011 says, 'Operating grants and other contributions, Northern Territory government'. The total money from them is actually \$16.8m – I beg your pardon - which is slightly down from the previous year. The Territory government is giving you a grant to keep the waterfront operating. I am just wondering how long is that expected to keep going?

Mr HENDERSON: I can answer. Obviously, from a policy perspective, that will be up to the government of the day in how much it wants to support the maintenance of public amenity and public assets there. Decisions could be made on pricing for access to the wave pool. A future government may decide they are going to go to full cost recovery and, instead of charging \$5 ,charge \$20 - whatever. Really, those are decisions that ministers and government make as part of the budget process.

Mr WOOD: I look at that in relation to whether Darwin City Council eventually wants to take over that area. If they see a figure of \$16.8m, they might say they are not interested yet. I am just looking at what the future would be in relation to government subsidies.

Mr HENDERSON: Pat can clarify the payment side in a moment. I would like to put on the public record that I have spoken to the new Lord Mayor of Darwin, Katrina Fong Lim, about absolutely being open to a discussion with Darwin City Council for them to take over the responsibilities for the delivery of services and the maintenance of public infrastructure. Longer term, if that could be negotiated appropriately to ensure those assets are maintained into the future for the city, that would be a great outcome. Certainly the new Lord Mayor is, obviously, getting her feet under the desk and has taken that message on board.

That would be a point of negotiation, I suppose, between government and the council in what those financial arrangements might be. The only reason we do not have local government involved down there at the moment, and we had to establish the corporation, was previous local government under a previous Lord Mayor was absolutely opposed to the development of the Convention Centre there, had a different view that the Convention Centre should be built next to somebody's commercial property here in Darwin. As the Chief Minister, I have put that option back on the table for Darwin City Council, for negotiations. We are ready to talk whenever they want to talk. Pat, you had some clarity around some of those numbers?

Mr COLEMAN: The \$16.868m you refer to includes, roughly, \$13m or \$12.8m associated with the Convention Centre in operating payments and so on. They are paid annually for the life of the concession, which is 25 years.

In any consideration for Darwin City Council, the balance of the \$16m, which is \$3.9m, is what goes towards the direct operations of the precinct, and \$1.8m or thereabouts of that \$3.9m is involved in environmental cleanup issues associated with the remainder of Stage 2 development.

What that comes down to in the Darwin Waterfront Corporation's costs of operations, the amount that the council would be looking at and comparing things to is in the order of \$1m to \$2m. It is not the \$16.8m they would be looking at. They would be looking at how they would be able to supply the same services against that amount of money.

Mr WOOD: This is a question I always wonder when I go down there at 7 o'clock at night. How much do you get from car parking fees and how much does the Darwin City Council charge you to collect those fees? Or do they just collect the fines and that is their reward?

Mr COLEMAN: Just bear with me for a tick.

Mr WOOD: Can you change the car parking times to 7 pm, 6.30 pm in the evening, not 10 pm?

Mr HENDERSON: Do you park down there, Gerry?

Mr WOOD: If you have to go the Convention Centre you have to go up to the ...

Mr HENDERSON: It is a beautiful walk.

Mr COLEMAN: Revenue for 2011-12 to 31 March was \$440 000.

Mr WOOD: \$440 000? That is what you get from car parking fees?

Mr COLEMAN: Yes.

Mr WOOD: How much does Darwin City Council collect in fines? Any idea? How do they get paid?

Mr COLEMAN: I stand to be corrected, but I do not believe we have had any recovery in fines to date.

Mr WOOD: The Darwin City Council operates the car parking for the waterfront - their inspectors?

Mr COLEMAN: There is a small amount of revenue from infringement notices ...

Mr WOOD: Right. That is what I meant.

Mr COLEMAN: ... which is the distinction between fines ...

Mr WOOD: I am talking about people who have parked when they should not have parked without paying a fee.

Mr COLEMAN: I do not believe I have that level of detail, but I could get that to you if you wish.

Mr WOOD: I am not overly worried. The arrangement is that Darwin City Council inspectors go around and check to ensure you have your ticket on your windscreen, and then they write out a ticket.

Mr COLEMAN: That is correct.

Mr WOOD: When they write out the ticket, who do you pay, Darwin City Council or the waterfront?

Mr COLEMAN: It comes to the waterfront via the council.

Mr WOOD: Via the council. Do you collect all that money, and then you pay them the contract for doing the job?

Mr COLEMAN: That is correct.

Mr WOOD: Well, if you have those figures, I would not mind.

Madam DEPUTY CHAIR: Do you want that as a question on notice?

Question on Notice No 3.08

Mr WOOD: The question on notice will be: minister, can you supply the figures for how much revenue is collected by Darwin City Council for people who have not paid their parking fees? How much does it cost to employ Darwin City Council inspectors to do the job?

Madam DEPUTY CHAIR: For the benefit of Hansard, that is question No 3.08.

Madam DEPUTY CHAIR: Further questions, member for Nelson?

Mr WOOD: No, I am right.

Mr ELFERINK: A couple of questions on Stage 2 particularly. We know about the ongoing commitments. Now, the Northern Territory government has basically chucked - what is it? - \$2m a year at the Darwin university for the next building to be built in Stage 2. Is that correct? Is it \$2m? It is coming in over 10 years, I think it is, it is \$20m all up.

Mr HENDERSON: We are just getting the numbers. We will confirm those numbers, John.

Mr BURGESS: I believe you are correct ...

Mr ELFERINK: Right, \$2m over 10 years?

Mr BURGESS: That is the grant that is made to Charles Darwin University for a range of things. It has been increased by \$2m a year.

Mr ELFERINK: Is that going to secure them 4000 m² of the next building to be built down there?

Mr BURGESS: It is to support the development of the Business School.

Mr ELFERINK: Chief Minister, the questions I have - all the paperwork I can read is there is no requirement for the developer, which is Toga, to actually complete until 2020. I am curious about that, because the sunset clause is built into some of the contracts for the people purchasing the apartments there. These are for Building 6 I believe it is - I will stand corrected on that - and have sunset clauses of December 2013. I suspect very much that Buildings 4, 5 and 6 will not be built by then, so I presume there is some negotiating going on behind the scenes. Can you, perhaps, Mr Coleman, cast some light on what is happening down there, and when you expect getting a schedule of when those buildings will be rolled out on the waterfront?

Mr COLEMAN: The 2020 date you refer to is, in fact, the sunset date for the whole project. Essentially, what that means is anything not completed by that date will not get done by Toga, and all rights to development will lapse at that time.

In Stages 4, 5 and 6 - which are the immediate Stage 2A, Buildings 4, 5 and 6 - yes, each individual stage within the greater stage, if you like - and there are seven or eight of them, depending on where things are at any time in master planning. Each one of those will have its own sunset dates built in. In the case of Buildings 4, 5 and 6, because of the passage of time the existing sunset dates, which you correctly identified, were about to lapse and required some negotiation.

Mr ELFERINK: My understanding is, though, basically, the project just has not advanced as quickly as originally expected. Would that be a fair comment?

Mr COLEMAN: That is correct because of market take-up.

Mr ELFERINK: Okay, that is good. The Northern Territory government has a buy-in to this. They get - what? - 15% or 18% slice of each residential unit sold?

Mr COLEMAN: The Northern Territory government gets a land payment which is based on 18% of gross revenue.

Mr ELFERINK: Gross revenue. Okay, so what is that worth in today's dollar terms? What is it worth in nominal dollar terms?

Mr COLEMAN: Per stage or for the whole?

Mr ELFERINK: Well per stage and overall, if you like.

Mr COLEMAN: I do not have those numbers with me. We previously advised - I stand to be corrected - they were in the order of \$240m.

Mr ELFERINK: \$240m nominal or in today's dollar terms?

Mr COLEMAN: Nominal.

Mr ELFERINK: Do you know what that is in today's dollar terms?

Mr COLEMAN: No, I would have to do that calculation.

Mr ELFERINK: \$240m? Could I put that question on notice, if that suits you, Chief Minister?

Question on Notice No 3.09

Madam DEPUTY CHAIR: Can you repeat that question please, member for Port Darwin?

Mr ELFERINK: For Stage 2A, Buildings 4, 5 and 6, the value in today's dollar terms and nominal dollar terms for the government's 18% stake in the - what is it, the gross?

Mr COLEMAN: Gross sales revenue.

Mr ELFERINK: Gross sales revenue. Okay. If those figures could be provide, please.

Madam DEPUTY CHAIR: And for the benefit of Hansard, that is question No 3.09.

Mr ELFERINK: All right. With the slowing down, is there going to be any redesign of the building? Now the sunset clauses are up for negotiation, has Toga indicated any changes to the future design of any of these buildings?

Mr COLEMAN: Buildings 4 and 5 essentially remain the same as they were. They have gone back in for development approval because of the passage of time. Other than some variations to their original approved design, they are pretty much the same. Building 6 has to undergo a complete redesign in the mix of numbers of one-, two- and three-bedroom units.

Mr ELFERINK: Okay. So, we are going to see more three-bedroom units, are we?

Mr COLEMAN: No, you are likely to see more one- and two-bedroom.

Mr ELFERINK: More one- and two-bedrooms. How many one-bedroom units were there in the original design of Building 6, and how many are there now?

Mr COLEMAN: Again, I have to take that on notice. I do not have that information.

Mr ELFERINK: Perhaps I will make the question on notice slightly broader. Actually, are the designs complete yet?

Mr COLEMAN: No, not for Building 6?

Question on Notice No 3.10

Mr ELFERINK: Not for Building 6. In that case, I will rephrase the question. Question on notice is: minister, can you please provide details of the changes of the building mix to the original design for

Building 6, and the proposed subsequent design for Building 6? Is that adequate for your purposes, Mr Coleman?

Mr HENDERSON: Can I just get a point of clarification here. Because there has not been a landing on the design of Building 6 yet, it is probably a bit pre-emptive, given that it has not concluded yet. I am not trying to ...

Mr ELFERINK: If that is the answer, I will accept that answer.

Mr COLEMAN: I can tell you now what the previous mix was, but I cannot tell you what the redesign mix will be, because it has not been ...

Mr ELFERINK: Can we leave the question sitting on notice? If the fact is it has not been settled yet, then can we have that as the answer for the question on notice. Perhaps that is the easy way to go?

Mr HENDERSON: I am happy to do that.

Mr ELFERINK: Yes, I am just trying to find out what is going on down there; it is nothing more spectacular than that. All right, me done.

Madam DEPUTY CHAIR: Thank you. For Hansard, that is question No 3.10.

Madam DEPUTY CHAIR: I understand, Leader of the Opposition, you have no questions in relation to Output 7.1, Community Support.

Mr MILLS: Correct.

Madam DEPUTY CHAIR: Member for Nelson.

Mr WOOD: No, I thought I was doing that actually.

Non-Output-Specific Budget-Related Questions

Madam DEPUTY CHAIR: Are there any non-output-specific budget-related questions in relation to Department of Chief Minister? No.

Thank you. That concludes consideration of all the outputs groups relating to the Department of the Chief Minister. Chief Minister, on behalf of the committee, thanks to you and your officers for appearing today. We will take a five-minute break before moving to Police, Fire and Emergency Services.

The committee suspended.

NORTHERN TERRITORY POLICE, FIRE AND EMERGENCY SERVICES

Madam DEPUTY CHAIR: All right, we will get started. Welcome again, Chief Minister, this time as the Minister for Police, Fire and Emergency Services. I invite you to introduce the officials accompanying you and, if you wish, to make an opening statement as well.

Mr HENDERSON: Thank you, Madam Deputy Chair. I welcome Commissioner John McRoberts; Deputy Commissioner Shayne Maines; Audrey Ko, Executive Director of Corporate Services; Steve Rothwell, Director of Northern Territory Fire and Rescue Services, who is here for his first Estimates hearing; Peter Davies, Director of Northern Territory Emergency Service; and Rose Hallett, Director of Finance.

I have a statement, but in the interests of the committee, we will just open it up to questions.

Mr MILLS: I would have liked to have heard your opening statement. However, I guess that statement has already been made substantially by you and your government. Given that the crime stats have been removed from circulation as they have been in the past, and a community survey has been circulated by the

Labor Party, you do not want anyone to talk about law and order or crime as an issue in this next Territory election.

Is law and order an issue of concern to you? This community survey asks community members what their concerns are on a range of issues, but does not mention law and order. It does not ask their view on law and order. I assume from that, law and order is not such a big concern for you, Chief Minister, or would you prefer people not talk about it?

Mr HENDERSON: This is going to be interesting if we are going to proceed over the next couple of hours with that line of questioning. I am here to talk about the appropriation to this agency in this year's budget. What surveys ALP candidates are circulating is not an issue for government; it is an issue for the party. I am here to take questions on the appropriations for Police, Fire and Emergency Services, the great results that our members of the tri-service are getting throughout the Northern Territory, and the tremendous work they do every single day across the Northern Territory. I am happy to take comments on the budget. However, I am not engaging in broader debate about what ALP candidates are circulating in surveys in the community.

Mr MILLS: Your face is on it, Chief Minister.

Mr HENDERSON: That is good, but I am here as the Minister for Police, Fire and Emergency Services to debate the budget.

Mr MILLS: There we go, let us not talk about crime, though. Chief Minister, my first question on the budget is in respect to the agency outputs and if you received funding for new or expanded initiatives in either 2011-12 or 2012-13. I assume one of those would be the Commonwealth injection recently, but I would like to have some details on that or any other initiatives.

Mr HENDERSON: Well, if I could just hand over to ...

Madam DEPUTY CHAIR: Sorry, Chief Minister, if I could just move we are then going to Output 8.1, Community Safety and Crime Prevention, Leader of the Opposition? Or are you still in ...

Mr MILLS: What we normally do is just go through whole-of-agency.

Madam DEPUTY CHAIR: Whole-of-agency questions on budget, then we go through outputs.

Mr MILLS: Yes. Generally, we have gone through line of questions and that is at the end of it.

Madam DEPUTY CHAIR: Yes, but following the outputs. I am just checking this question you are asking relates to Output 8.1. Yes?

Mr MILLS: Yes.

Madam DEPUTY CHAIR: Yes, thank you. Sorry, Chief Minister you have the call.

Mr HENDERSON: Thank you and yes, the Leader of the Opposition, the negotiations with the Commonwealth government for the extra police resources to deal with any potential serious incident at the detention centre is a significant increase in the appropriations to police this year. I will hand over to the Commissioner to talk a bit more about that.

Commissioner McROBERTS: Thank you, Leader of the Opposition. Good afternoon to all members of the committee.

The new or expanded initiatives include \$7m for the 2011-12 Budget for the Department of Immigration and Citizenship agreement and \$22m for the 2012-13 Budget: for the Berrimah Fire and Emergency Services complex, \$5.3l, and \$2.2m in capital; for resourcing of the Forensic Science Branch to increase our capability, \$0.7m; for the review into the youth justice system and police participation in funding for two additional Diversion Officers in Katherine and Tennant Creek, \$0.3m; for the Gapuwiyak Police Station \$6.2m; and for the Ramingining Police Station to be constructed, which are multipurpose facilities, \$7.08m.

Mr MILLS: How much Commonwealth money is there in those?

Commissioner McROBERTS: A significant amount.

Mr MILLS: How much?

Commissioner McROBERTS: If you bear with us while we just do the maths.

Mr MILLS: Sure.

Commissioner McROBERTS: \$35.3m.

Mr MILLS: This is funding for new or expanded initiatives?

Commissioner McROBERTS: Yes.

Mr MILLS: Right. Are you able to advise what was the existing or current cost of initiatives prior to the increase?

Mr HENDERSON: I would have thought you just need to look at last year's budget in what was allocated last year.

Mr MILLS: Yes. I want to go down into a little more detail because it is not just a matter of money. We want to go further to what the money is being spent on. Is it a response to increased cost of the service, the standard of the service, or the increased reach of the service?

Commissioner McROBERTS: Leader of the Opposition, in the case of the Department of Immigration and Citizenship agreement, that is a new initiative which will see the recruitment of an additional 94 police officers to service the greater Darwin metropolitan area, and be a response capability for incidents that should occur at immigration detention facilities.

In respect of the Fire and Emergency Services complex at Berrimah, that is under construction and due for completion some time in August. The fire station will open in August; the Emergency Services complex will open in September. That is work under way.

Regarding the Forensic Science Branch that work is continuing to expand our capability to ensure we can meet, primarily, our judicial services obligations.

For the youth justice system, that is work one of your former colleagues was involved in. We are now increasing our capacity in both Tennant Creek and Katherine to ensure we have police officers who participate in diversion programs for young people, hopefully, to keep them out of the criminal justice system.

In the case of the Gapuwiyak and Ramingining Police Stations, they are the construction of new, multipurpose police facilities to replace the Themis containerised complexes which currently stand in those two towns.

Mr MILLS: Thank you, commissioner. Is it 92 additional police personnel which are being provided through the ...

Commissioner McROBERTS: Ninety-four.

Mr MILLS: Ninety-four. I recall this time last year we had a report on the protracted negotiations with the Commonwealth. On what basis is 94 the number? How did you arrive at that number?

Mr HENDERSON: Before handing over to the commissioner, obviously, this was an issue which was of very real concern to me as the minister regarding our ability to respond to any significant event at the detention centre. In discussion with the commissioner, I requested the commissioner put together a proposal to take to the Commonwealth which would give the commissioner confidence that, in the event there was a significant incident and potential break-out from the detention centre, he would have the ability in staffing resources to deal with the subsequent incident.

I requested the commissioner to put a proposal together we would then take to the Commonwealth to seek that support for the Commonwealth to fund those additional resources, because they are only required as a result of the Commonwealth facility here. That was the task the commissioner took up. How he arrived at the number of 94, I will hand over to John.

Commissioner McROBERTS: When we developed the proposal for the Department of Immigration and Citizenship, we essentially looked at what our current capability is to ensure we continue to provide the citizens of the Northern Territory with our services. We looked at the likelihood of having to respond to the immigration detention centres. We conducted an in-depth analysis, which we essentially offered to the department as a bronze, silver or gold service model. We provided three separate levels of service the Commonwealth was invited to examine. They were, basically, for maintaining a response capacity 24/7, but over different periods of time, and there were various additional services we offered to provide.

One which they did not accept was for Northern Territory police officers to investigate offences that occurred inside their property, which is, in fact, Commonwealth land. The Commonwealth elected to select a model which, arguably, is between silver and gold. We were very satisfied that capacity increase to our police force would enable us to comply with the service level agreement we had entered into with DIAC.

Mr MILLS: Chief Minister, is that the reason for the delay in the review?

Mr HENDERSON: It is certainly one of the reasons. There were two issues regarding the efficiency and effectiveness review I announced last week. At the time of the last Estimates Committee, and at the time of the Police Association AGM, there were two outstanding issues to be resolved. One was ongoing Commonwealth commitment to the extra 60-odd police officers as part of the Stronger Futures package being worked up. We certainly did not have clarity from the Commonwealth that they were going to continue with that funding. Also, there was this very real concern I had in regard to our ability to respond to serious events at those detention centres.

I took the decision in many meetings, not only with the commissioner, but the Police Association. Until those issues have been resolved regarding the certainty of Commonwealth funding going forward, then any review would be pointless, because we would not be understanding the number of police who were available for deployment. As soon as those two issues were resolved, and further negotiations in reference with the association and the commissioner, that decision was made and concluded last week.

Mr MILLS: Thank you, Chief Minister. I understand from your response, commissioner, the negotiations with the Commonwealth - I am assuming you can go and say 'We want 94', and, 'Yes, all right, you can have 94 between silver and gold, and different levels'. Would it have been of some assistance if the review had been conducted to allow the argument to be strengthened for, perhaps, increased level of support for the Northern Territory?

Mr HENDERSON: Before the commissioner answers, no. At the end of the day, I had assurance from the Commonwealth minister that funding would be forthcoming from the Commonwealth. He understood my concerns but, of course, like any minister, you want to ensure the business case is right and is sound, and the costs are appropriate.

In that particular assessment, we did not know the numbers we were talking about. However, what we did absolutely appreciate - and the Commonwealth appreciated - is it needed to do something. How big that something was, was an issue of analysis of need by the commissioner, and argy-bargy with the DIAC to get to a landing.

At the end of the day, I am the minister, I call the shots, and decided until we had certainty of Commonwealth funding for the number of positions, any review would be a bit of a pointless exercise because it would be a review conducted without certainty of the number of positions which were being funded in the police force.

Mr MILLS: All right. Chief Minister, given these negotiations started well over 12 months ago and, since then, the additional demands on Territory services are not just police, but in the upholding of community safety in fire service, and the demand Wickham Point has on the fire service, do I assume there are negotiations on foot with DIAC regarding the capacity to monitor the fire call-outs for Wickham Point, so it is not a disadvantage to Territory provision of fire service protection?

Mr HENDERSON: I have concerns which have been raised with the relevant authorities in regard to the call-out provisions as a result of the fire alarm monitoring we do through NTFAST and the department. Those issues are being worked through at the moment regarding the requirement to respond to every single false alarm that takes place out there. There is an issue. I believe the first thing to get right is to get their alarm system working properly so we do not have so many false alarms because, at the end of the day, nobody wants fire trucks running backwards and forwards to false alarms. That is an issue that is being worked through at the moment.

The issue here is one of risk. Those premises have been designed to comply with all of the Australian Standards in design and internal fire repression systems. That has been built to the highest standards. We are waiting for those discussions to conclude in regard to the number of false alarms we are getting from that facility.

Mr MILLS: Do I assume from that there are no negotiations with the Commonwealth at this point?

Mr HENDERSON: Not at this point in time because of the level of risk. We believe if the fire alarm system is working as it should do, in only going off when there is a genuine issue to be addressed, then we should have the capability to be able to respond, given the internal processes and safety procedures Serco has in place.

Mr MILLS: How many call-outs were there since last ...

Mr HENDERSON: I do not have that data.

Mr MILLS: Do not know?

Mr HENDERSON: I do not have that information with me. Do you have it, Steve?

Madam DEPUTY CHAIR: Can I just check? Would that be against Output 11, Fire Prevention and Response Management?

Mr MILLS: Yes, but it was feeding off the capacity of Northern Territory Police, Fire and Emergency Services to provide basic safety and support for Territorians in the face of the demands the Commonwealth requirement has placed on the overall service, which leads into negotiations with the Commonwealth to ensure we are adequately covered and compensated.

It appears the police are up and running, high profile, and have made significant progress. I am always mindful of the tri-service and the fires. They also have a story to tell, and I hope they are at the same level of concern to the Chief Minister.

Mr HENDERSON: The advice I have - and the commissioner advises me there has been a significant improvement in these numbers - in the last 12 months an average of 10 responses per month since opening in November 2011: 12 alarm activation due to steam sauna, steam room causing false alarm; two alarm activation due to workmen/occupier activities causing false alarm; one alarm system suspected malfunction fault in wiring; six cooking fumes, toast or foodstuffs; one call-out despatched and cancelled en route; two false alarms caused by incense, candles, sparklers, smoke machine etcetera; two heat detector malfunction causing false alarm; one odour - petrol or gas, domestic or LPG; and 11 smoke detector malfunction causing false alarm monitored by NTFAST.

An average of 10 per month, but that has been reducing significantly as they have worked on their system to prevent those false alarms.

Mr MILLS: What is the longest call-out?

Mr HENDERSON: Again - Steve?

Mr ROTHWELL: One hour.

Mr HENDERSON: One hour.

Mr MILLS: And the average length of call-out.

Mr HENDERSON: We would have to take that on notice.

Question on Notice No 3.11

Madam DEPUTY CHAIR: Can you repeat that question, please, Leader of the Opposition?

Mr MILLS: What is the average length of call-out from leaving to returning to the station?

Mr HENDERSON: For Wickham Point.

Mr MILLS: Wickham Point, yes.

Madam DEPUTY CHAIR: For the purposes of Hansard, that is question No 3.11.

Mr HENDERSON: I also point out the additional investment the government is making in the new fire station at Berrimah - a brand new fire station. An extra 22 firefighters are being recruited, and additional equipment will also assist in the capacity to respond to a genuine incident at the detention centre.

Mr MILLS: I do not have any argument there; it needs to be responded to. My point is dollars are important and, if that increased demand is being placed on the Territory because of the Commonwealth, I hope we are going to get it from the Commonwealth.

Mr HENDERSON: Absolutely. All the costs associated with responding to those false alarms are borne by the Commonwealth.

Mr MILLS: All of them are?

Mr HENDERSON: Yes.

Mr MILLS: Yes, but can you tell us about the impact this has on the ability of the Territory Fire Service to fulfil its obligations to Territorians?

Mr HENDERSON: Well, its obligation ...

Mr MILLS: Granted they are going to pay something for it, but it is only a limited resource.

Mr HENDERSON: My advice is no Territorian has been disadvantaged as a result of responding to these false alarms so far.

Mr MILLS: How do you determine that, Chief Minister?

Mr HENDERSON: On advice. The whole issue here is one of risk. If you are going to go to the Commonwealth asking it to invest in people and infrastructure in the Northern Territory, you have to do it on a proper risk evaluation because the Commonwealth will have its officers crawling all over the brief as well. You have, potentially, up to 1500 people at Wickham Point, a significant incident of disruption and a potential break-out of the facility. The risk associated with the Northern Territory Police Force to be able to respond to that was very clear, very obvious, and one which could be documented and presented to the Commonwealth.

The level of risk for the Northern Territory Fire Service to respond to a genuine, significant fire at Wickham Point which would endanger the lives of people is a lower level of risk, given that facility is designed to the highest standards under the Building Code of Australia. It has internal fire suppression equipment and also a management capacity to respond to fires. There is a different level of risk.

In regard to the false alarms, the issue which needed to be fixed was their system out there. I gave you some examples of when the alarms went off when they should not have gone off. If the Commonwealth is going to invest in fixing that system so there are fewer false alarms - and that is what they are doing - those incidents have decreased, and the cost to the fire service in physically responding is met by the Commonwealth.

I have received no advice from the commissioner or the head of the fire services department that Territorians are, in any way, under any disadvantage regarding our capacity to respond around Darwin, Palmerston, and the rural area in the event of a structural fire.

Mr MILLS: Thank you, Chief Minister. You have spoken broadly about risk. I understand the argument, but what specific mechanism do you have in place to measure that risk?

Mr HENDERSON: What I have is professional people who are running the fire service here who provide advice to the commissioner through to me.

Mr MILLS: The advice you have received is there is no heightened risk by the demands which are placed on the system by the call-outs at Wickham Point?

Mr HENDERSON: The advice is, if the feds can fix up their alarm system, there is no heightened risk - significant but would require significant investment from the Commonwealth. We are building a brand new fire station with an extra 22 firefighters and additional vehicles at Berrimah which could be part of response capability to a fire at the detention centre - a capability that does not exist today but will exist around October this year.

Mr MILLS: Has the Commonwealth contributed?

Mr HENDERSON: No, because that is a responsibility for the Territory in regard to the broader growth in that area. It is an additional capability we could deploy if we needed to, but the risk assessment of having to deploy that is minimal as a result of the facility being constructed to the highest building code of Australian Standards and the internal fire repression systems they have.

Mr MILLS: You have that advice. All right, we will leave that on the record.

Chief Minister, what are the priorities for upgrade or replacement for the general standard of police facilities throughout the Territory for the next three years?

Mr HENDERSON: We have budgeted what we have budgeted for this year. Those decisions are taken every year during the budget cycle. Obviously, the department has a minor new works program and a repairs and maintenance program every year. Regarding new facilities, those are issues which have developed between the commissioner and me, and decisions are made by Budget Cabinet.

We cannot say in two year's time we are going to be building this new police station and this new police station. Those decisions will be taken in the context of that particular year's budget, depending on competing bids and on the capacity of government.

Mr MILLS: Sorry, are you saying there is no longer-term plan to monitor the status of current facilities and to prioritise needs going forward?

Mr HENDERSON: There is, but those decisions are taken on an annual basis, based on the budget capacity of government and competing bids. There is always a wish list of infrastructure that needs to be upgraded, as there is with Health facilities, Education facilities, as with all areas of government.

Mr MILLS: Can you describe your Asset Management System?

Mr HENDERSON: I cannot. I do not know if the commissioner can or somebody can.

Commissioner McROBERTS: We have a master accommodation plan of our capital assets. Each year, we have a minor new works program to ensure our premises are maintained. We are currently in the process of examining what police stations, in particular, and Fire and Emergency Services facilities will be required or will be required to be replaced in the future. That is something, as the Chief Minister said, we need to negotiate on a regular basis to ensure we can replace these police stations or improve these facilities.

For example, at the moment we are building Ramingining and Gapuwiyak Police Stations. The Tennant Creek Police Station Stage 1 is now complete and officers are in the new facility. Stage 2 has now commenced. We are in the process of building new facilities at the Peter McAulay Centre for the newly established Metropolitan Patrol Group as part of the 94 additional officers. We hope to start work on the Greatorex Building in Alice Springs in the near future so staff can move from the current Alice Springs Police Station. We are in negotiations with the Commonwealth to decide where to build new police stations, particularly focused on Yuendumu rather than Imanpa. We are also in negotiations with the Central Land Council to build a new police station at Alparra.

Mr MILLS: Do I assume, commissioner, there is a strategic plan?

Commissioner McROBERTS: Yes, there is.

Mr MILLS: To guide the decisions as to whether it is this one or that one?

Commissioner McROBERTS: Yes, there is. That is why we have a Master Accommodation Plan.

Mr MILLS: Master Accommodation – that is of police facilities, police stations?

Commissioner McROBERTS: It is for all tri-service capital assets.

Mr MILLS: Right. The question then is: what are your priorities for the next three years?

Commissioner McROBERTS: There are significant priorities. It is something I have been discussing with the Chief Minister to decide what facilities could be accommodated by Budget Cabinet. But, clearly, right now, my biggest focus is to get our people out of the Alice Springs Police Station and into the Greatorex Building. That is a facility that needs to be replaced.

We are currently in negotiations - I should also have mentioned - with the Tiwi Land Council on replacing the very poor facility we had at Milikapiti. We continue to monitor what is a high priority based, as much as possible, within our appropriation and what other funding I can secure out of Budget Cabinet.

Mr MILLS: Can you advise issues that your agency may have experienced because of the failed implementation of the Asset Management System?

Commissioner McROBERTS: No, I cannot answer specifically about the failure of the Asset Management System, Leader of the Opposition. I can tell you with some confidence that we monitor very closely all of our assets. We have a very robust system of ensuring we know what is going on, particularly with our capital assets. Whilst it would be nice to replace a number of police stations immediately, I go and seek funding wherever it is possible.

Mr MILLS: This relates to an existing system that is experiencing some profound difficulty – ‘functional inefficiencies’ I think was the term used by the Auditor-General this morning – and to existing work and the payment to contractors for that work. The system appears to be malfunctioning. It is across a range of agencies. We have a fair bit of building going on at the moment, and I am seeking advice on what impact that has had on the work you have described, with the payment of contractors.

Commissioner McROBERTS: The advice I have, Leader of the Opposition, is it has not actually impacted on us at all. It is a system which is used by another government agency that services Police, Fire and Emergency Services, but it has not had any direct impact on our operations.

Mr MILLS: Thank you. Police Auxiliaries. I note in the budget papers at this time last year there were 110.98 Police Auxiliaries, 22.4 Police Auxiliaries First Class, and 8.6 Senior Police Auxiliaries. This year, there are 54.41 Police Auxiliaries, 15.29 Police Auxiliaries First Class, and 62 Senior Police Auxiliaries. Has there been a wholesale promotion?

Mr HENDERSON: Before the commissioner answers that, I was very pleased to be at a graduation last week where we saw quite a few new auxiliaries graduate, along with ACPOs and other officers coming from interstate.

Mr MILLS: I might go into those as well, but there seems to be ...

Mr HENDERSON: I go to many graduation ceremonies. It is fantastic.

Mr MILLS: Fine. Me, too, I like them as well. However, we digress.

Mr HENDERSON: I am just saying we recruit many people.

Mr Elferink: I mention at this stage I quite like football.

Mr MILLS: There has been a significant change in the levels in 12 months. Please explain.

Commissioner McROBERTS: There was an incorrect classification last year.

Mr MILLS: Oh, really? Do you mean they were walking around with the wrong rank?

Commissioner McROBERTS: They were not walking around with the wrong rank, but in the reports we provided there was an accounting error in the actual ranks.

Mr MILLS: So, they have not actually been promoted then?

Commissioner McROBERTS: No. Some have, but not the numbers you ...

Mr MILLS: Not at that level. Can you please provide a breakdown of the number and rank of police officers currently working in Alice Springs, as well as a similar breakdown for this time last year?

Commissioner McROBERTS: As at 31 March 2012, there were 190 established positions in Alice Springs, which includes frontline patrol, regional investigations, and specialist services including the Drug Unit, the Dog Operations Unit, and the Substance Abuse Intelligence Desk.

Mr MILLS: The question was, a breakdown of the number and rank of police officers currently in Alice Springs, as well as a similar breakdown for this time last year?

Commissioner McROBERTS: In 2010, Leader of the Opposition, there were four Superintendents, seven Senior Sergeants, 16 Sergeants, 11 Senior Constable First Class, 122 Constables, nine Aboriginal Community Police Officers, and 16 Police Auxiliaries.

In 2012, at the same time, there are three Superintendents - and I need to highlight the reason there are three Superintendents is there is also a substantive Commander in Alice Springs who was not in the position last year; seven Senior Sergeants; there are now 22 Sergeants – an initiative we took last year to increase our supervisory capacity in Alice Springs; five Senior Constable First Class, 127 Constables; 13 Aboriginal Community Police Officers; and 13 Police Auxiliaries.

Mr MILLS: Thank you, commissioner. Commissioner, how many of those positions you have just described are currently not filled, and at what rank?

Commissioner McROBERTS: There are 15 vacancies in Alice Springs as at 31 March 2012. I do not have the figure today but, of course, 15 vacancies is a very fluid number in policing because, on any day, there are a number of officers who are transferring. In addition to the figures we presented for 31 March, 14 recruits went to Alice Springs since that date to increase establishment.

Mr MILLS: Thank you, commissioner. What period of time in total during the past 12 months was the Alice Springs Police Station not operating or allocated positions filled?

Commissioner McROBERTS: It is quite possible on any given day we may be under or we may be over establishment because of how we deploy our staff on an as-needs basis, where the priorities are, where the demands in the region are and, indeed, police officers who may be absent from the region on training, away on leave, sick leave or, more importantly, on transfer in or out of the region.

Mr MILLS: Is it possible to identify the amount of time in total the Alice Springs station was not operating with all allocated positions filled?

Commissioner McROBERTS: No, we could not do that manually. It is simply not possible because we operate on the PIPS system and the movement of people. For example, as I said, we could have full establishment today, but some officers are dispatched to Yuendumu to assist with issues there, or some officers may be on leave or on training.

Mr MILLS: Going to officers who may be on leave. You listed the allocations, and in that allocation there were 15 vacancies. How many of those would be on long-term leave, and are they factored in the numbers provided?

Commissioner McROBERTS: Leader of the Opposition, what do you mean by long-term leave?

Mr MILLS: People who hold the position but are on leave.

Commissioner McROBERTS: Any type of recreational leave?

Mr MILLS: Long service, long-term sick leave, stress.

Commissioner McROBERTS: I do not know those numbers. Ordinarily, that would not be a number we would capture. The Officer-in-Charge of the Alice Springs Police Station has an establishment, and it is

the responsibility of that individual to ensure he or she has the requisite number of staff available at any one time to best service the citizens of Alice Springs.

Mr MILLS: Thank you, commissioner. Chief Minister, in the last sittings of parliament you said: 'I have decided it is time for a different approach to the problems affecting Alice Springs'. Describe what was wrong with the previous approach.

Mr HENDERSON: First of all, responding to the previous line of questioning before getting to this question, the police force is like any other business, on any given day on any given station, as opposed to any government department or business in the Northern Territory. Some people are not at their desk or at work for any given reason. It is not unlike any other workplace where people take leave, are on training, or might be deployed somewhere else temporarily. There is nothing unusual about not having every established position on deck every day of the week, because that is just not the real world in which people operate.

In regard to Alice Springs, I made those comments very much in consultation and discussion with the Police Commissioner for some time. I had concerns about public safety and public order issues in Alice Springs and, after many discussions with the commissioner and the head of the public service, we determined a new approach was needed for Alice Springs because, at the end of the day, in the old approach you were talking about, all of the issues police deal with are consequential issues as a result of alcohol harm and abuse, and family and community breakdown where kids are roaming the streets at night. We are certainly not going to solve the problem throwing ever-increasing police resources at the problem.

In discussion with the commissioner and the head of the public service, we decided - the commissioner or I decided - the commissioner would lead a whole-of-government task force on a very clear mission to get children out of harm's way and off the streets of Alice Springs - in a whole-of-government way, understanding why those children are on the streets, why their parents and carers are allowing them to roam the streets at night and get into trouble, and also, deal with the consequences of antisocial behaviour and crime around town.

I took advice from the commissioner that this was not just a policing issue; that additional policing alone was not going to solve this problem and we needed a joined up task force approach to really get to the bottom of the issues affecting Alice Springs.

We have seen some significant advances over the last few weeks in better cooperation and collaboration between police, FACS, Education and truancy officers, and also the non-government sector and the Commonwealth in regard to dealing with these issues.

I decided the commissioner was the person with the authority, and also the operational capacity and capability to lead a whole-of-government task force. That is why I acted the way I did as Chief Minister.

Mr MILLS: Chief Minister, you made the claim there have been significant improvements since you recognised there needed to be a change of approach. How do you measure those improvements?

Mr HENDERSON: I forget the numbers off the top of my head, but in relation to the numbers of young people who have had direct interventions between themselves and their family, the last report I saw, John, was 165 across Alice Springs - both with families in Alice Springs and also with family members in communities around Alice Springs. We have seen a significant number of kids attending school as a result of the work of truancy officers, and the call-outs to police in relation to antisocial behaviour have decreased since those operations have been running.

Mr MILLS: Chief Minister, the question was how do you measure it? Do you have some data?

Mr HENDERSON: I have just mentioned 165 young people's families.

Mr MILLS: How does that compare with this time last year?

Mr HENDERSON: I do not have those figures for this time last year because we did not have the joint approach between Education, FACS, police ...

Mr MILLS: How do you know it is an improvement?

Mr HENDERSON: I have said there has been a significant improvement because there has been a great reduction in young people roaming the streets at night in Alice Springs and ...

Mr MILLS: How do you measure that?

Mr HENDERSON: On advice from the commissioner that there has been a significant reduction in the number of young people roaming the streets at night in Alice Springs.

Mr MILLS: You do not have any empirical way of measuring the claim?

Mr HENDERSON: The operation did not start until four weeks ago.

Mr MILLS: You made the claim that it is a significant improvement.

Mr HENDERSON: That is the advice ...

Mr MILLS: How many children have been taken into custody in that period of time?

Mr HENDERSON: I do not have the custody figures, but for 165 young people, as a result of being on the street late at night, there has been direct intervention into those families where those kids are roaming the streets and plans put in place with those families ...

Mr MILLS: Describe the intervention. What do you mean by 165 children receiving intervention? What does that mean?

Mr HENDERSON: FACS workers finding out who is responsible for the care of those children and actually visiting family members or, as a result of kids being taken off the street and into the safe house, requiring families to collect their children from the safe house.

Mr MILLS: This was not occurring before?

Mr HENDERSON: Not in the explicit joined way it is occurring now.

Mr MILLS: Do you have figures for the previous month?

Mr HENDERSON: I have the figures I gave to you.

Mr MILLS: You have only given me the figures for the month to establish your claim that it has been an improvement but nothing to substantiate, by comparison, to any other month.

Mr HENDERSON: I will ask the commissioner to further elaborate because the advice I am receiving is there is a significant improvement in reducing the number of young people on the streets and the number of call-outs to antisocial and crime events in Alice Springs.

Mr MILLS: We are at the stage where people have had enough of assurances; they need facts.

Mr HENDERSON: I am giving you facts. I will hand over to the commissioner.

Madam DEPUTY CHAIR: Commissioner, you have the call.

Commissioner McROBERTS: Thank you, Leader of the Opposition. There is no doubt the more coordinated approach is having very significant benefits. That is feedback I receive on a regular basis from other government agencies, in particular Chief Executive Officers. Indeed, when I attend the coordination meetings in Alice Springs, the advice I receive from senior officials from other government agencies is the more coordinated approach - more coordinated than it has ever been - is reaping rewards.

It is also worth noting sometimes a considerable amount of effort can be put into prevention activities, but prevention activities are very difficult to measure. We can say with some confidence the Youth Street Outreach workers are now working very closely with police to identify youngsters, particularly under the age of 16 out on the street after 10 pm who are not going without some intervention from the authorities. They are, in the first instance, being escorted home. Where there is no safe place to take them or responsible adult to leave them with, they are being taken to the safe house and the Department of Children and Families can, no doubt, report more on that.

We are taking a greater role in working collectively and collaboratively with our colleagues in the Education department, identifying why there are numbers of children who wander the streets in Alice Springs when they should be at school, recognising that without an education prospects of employment are severely reduced, and the prospects of engaging or having conflict with the criminal justice system are increased.

We are working very closely with non-government organisations in Alice Springs, particularly Tangentyere and men's Congress to ensure we provide services to those vulnerable people who otherwise end up in our watch house. For example, we now have a service where, rather than just see people released from the watch house each morning after they have been held for protective custody, we take them - or we at least invite them to go - to the sobering-up shelter where they are provided with some meals and the Health Department provides them with some counselling services.

We are seeing a significant reduction in the number of protective custody incidents since the operation has been going. We have seen a reduction in the number of alcohol-fuelled incidents, the number of antisocial incidents and, indeed, we are pleasingly seeing a reduction in the number of unlawful entries in Alice Springs.

Mr MILLS: Thank you, commissioner. All I have heard is impressive. All I am seeking is, perhaps at best, an assurance there is going to be some empirical way of measuring progress, because it is not hard to measure activity, but the results of that activity is of something of greater interest to the people of Alice Springs.

Chief Minister, what assurances can you provide us now that there will be an explicit and independent measuring of the result of all this activity so your plans can actually be substantiated by evidence? I am assuming there will be evidence, but we have to be able to move beyond the assurance of someone describing activities, and not knowing whether, in fact, there has been an improvement or not - crime stats.

Mr HENDERSON: All of those various categories the commissioner spoke about are reported every year in the police annual report by region. In all of those issues, you will be able to compare the 2012-13 annual report from the Police Commissioner with the 2011-12 and your report should be able to go to the tables for Alice Springs for those two areas and get a very clear understanding of whether there has been an increase or a decrease in those various capitals.

Mr MILLS: I certainly hope so. Chief Minister, before leaving Alice Springs, can the figures which were described by the commissioner as to the allocation of rank levels in Alice Springs in 2010 and 2012 be tabled, please?

Mr HENDERSON: The commissioner has given those figures. Those figures are there to put in your table.

Mr MILLS: What about the 2011 figures then? Why are they missing?

Mr HENDERSON: I believe you asked for those last year, so they would have been provided last year.

Mr MILLS: You have a very good memory. I would not mind having a look at those figures.

Mr HENDERSON: The commissioner did go through to 2010-11, 2011-12.

Mr MILLS: Yes, 2010 and 2012.

Mr HENDERSON: Those are the comparisons. He read them out before.

Mr MILLS: I asked for the previous year.

Commissioner McROBERTS: I confirm that the data I gave you regarding Alice Springs staffing is 2010-11 financial year, 2011 up until 31 March 2012. It is year-on-year.

Mr MILLS: Okay, thank you. I thought we were missing a year. Chief Minister, how many police officers have been injured during the course of duty in the last 12 months?

Mr HENDERSON: I will defer to the commissioner.

Commissioner McROBERTS: That is a question we will have to answer on notice, if we may.

Answer to Question on Notice No 3.11

Commissioner McROBERTS: I just share with you in response to your question No 3.11 that the average length of call-out to Wickham Point from leaving to returning to the fire station is 40 minutes.

Question on Notice No 3.12

Madam DEPUTY CHAIR: Can you just repeat that question for Hansard, please?

Mr MILLS: Predicting that the next one may also require being on notice, I will add if I may, how many police have been injured during the course of duty in the last 12 months, and how many of these have been directly related to an assault?

Commissioner McROBERTS: If we may take that question on notice? Of course, we cannot say with absolute confidence whatever the number will be because the figure we give is the figure of officers who chose to report it in accordance with our policy. If they choose not to, then I cannot capture it on data.

Mr MILLS: I understand.

Madam DEPUTY CHAIR: For the benefit of Hansard, that is question No 3.12.

Madam DEPUTY CHAIR: More questions?

Mr MILLS: Oh, yes. Something has been brought to my attention; the issue of a case of a Marcellus Majindi of Nguuu who was recently awarded more than \$100 000 for wrongful arrest and for being assaulted while in the custody of police. What were the grounds for not appealing this very large compensation claim?

Mr HENDERSON: Again, I will defer to the Police Commissioner to respond to that question.

Commissioner McROBERTS: We took advice from the Solicitor-General that our prospects of appeal were slim. He is the senior law officer in the Territory and, on that basis, the appeal was not lodged.

Mr MILLS: Has any police action resulted - an internal response to this issue, disciplinary action?

Commissioner McROBERTS: Yes. There is disciplinary action under way, not complete, and there is also an opinion being sought from the Director of Public Prosecutions.

Mr MILLS: Can I ask a questions without ...

Mr WOOD: There just may be a correction there. We do not think the victim comes from the Tiwi Islands.

Mr MILLS: Right.

Mr WOOD: Port Keats, we think.

Mr MILLS: Okay. Is there currently an MOU in place between Corrections and the police regarding the custody of prisoners in police cells?

Commissioner McROBERTS: Perhaps if you will indulge me in allowing my Deputy Commissioner to answer this question.

Mr MILLS: He has come all this way. Give it a go.

Deputy Commissioner MAINES: Shayne Maines, Deputy Commissioner. At this point, no, there is not a memorandum of understanding. There has been discussion between the Acting Assistant Commissioner for the Metropolitan Area with Corrective Services but no formalised MOU has been reached at this point.

We are looking at alternative arrangements for overflow of prisoners, but there is no MOU in place at this stage.

Mr MILLS: How long do you think this will continue without a formal agreement between the two?

Deputy Commissioner MAINES: We are currently not housing prisoners on behalf of Corrective Services until we actually have an MOU. There were some overflow prisoners in the Alice Springs watch house. That practice has been ceased. Until we actually have a memorandum of understanding, it will not occur.

Mr MILLS: I have heard - and there are networks and I would like to have this dealt with - the Avon Downs Police Station is closing down. Is this true?

Mr HENDERSON: There has certainly been no decision taken.

Mr MILLS: Are there plans to?

Mr HENDERSON: None that have been presented to me.

Mr MILLS: Is it being considered?

Mr HENDERSON: I defer to the commissioner regarding consideration, but there has been no decision made.

Mr MILLS: What is the status of it?

Commissioner McROBERTS: My role as commissioner and Chief Executive Officer is to ensure my appropriation is spent as wisely as I possibly can to ensure we deliver quality services across the Northern Territory. There are a number of considerations I take into account when I am considering what we do in future service delivery.

I have been looking at Avon Downs over the past two years to ensure we are best spending the money we currently assign to that police station, but no decision has been made. It is something that needs careful consideration. It needs extensive consultation with residents in the area, which has not occurred. It needs extensive consultation with the Police Association and the members who are out there. One thing which is of note is Avon Downs Police Station was built many years ago at a time when a police station which now exists at Alpurrurulam did not. I need to consider, in the fullness of time, where the most strategic place is to put all our resources. However, as I said, I have not yet reached a landing on that.

Mr WOOD: Can I ask a question based on that?

Madam DEPUTY CHAIR: Certainly, member for Nelson.

Mr WOOD: We have cross-border arrangements with Western Australia and South Australia in the southern part of the Territory. I believe Camooweal has a police station as well. Do we have any arrangements, or considering any arrangements, to have cross-border considerations between the Queensland and Northern Territory Police to use our resources - Queensland and our resources - as efficiently as possible?

Commissioner McROBERTS: Thank you, Mr Wood, for the question. Yes, that is certainly a possibility. However, the first thing we need to understand is Queensland has elected, at this stage, not to be a participant in the cross-border justice initiative. There is no capacity for us to operate in Queensland as we do with Western Australia and South Australia. Unless the Queensland government was to agree to that, then we would not be able to do that.

Having said that, that does not preclude us from appointing Northern Territory police officers as special constables in Queensland, and vice versa, so our officers can go across the border. I must say I have personally been at Avon Downs when Queensland police officers have been on patrol and visited that particular police station. At the moment, as part of our considerations, we have looked at the facilities that are available at Camooweal. The police station is very run down - it is not a particularly good facility for expansion - and there is no housing available in Camooweal that would meet the standards required to put Northern Territory police officers in.

The other thing about Avon Downs, of course, is there is no power or water there, so everything we do is by generators.

Mr MILLS: Seems like it is doomed. The line of questions I asked were on the assumption you had made an opening statement so they were general ...

Mr HENDERSON: I was trying to facilitate debate ...

Mr Mills: That is fine.

Mr HENDERSON: ... and not waste time with an opening statement.

Mr MILLS: No, that is fine. That is the end of my questions relating to your opening statement, Chief Minister. After this, I would go into output specific, which was the Community Safety and Crime Prevention, so that leaves it open for general.

Madam DEPUTY CHAIR: This is whole-of-agency questions. I thought we were in the output, but we are not; we are in whole-of-agency.

Mr WOOD: I will ask these in general, because I am not sure where – I will be pulled up by Madam Deputy Chair, I am sure, if they are not in the right place.

Mr MILLS: I will stick up for you – as long as you do not take too much time.

Mr WOOD: Chief Minister, I have a question on accommodation. The accommodation at Berrimah - 'Knuckey Lagoon' where it really is - station – what is the status and how much of that accommodation is actually used?

Commissioner McROBERTS: It is all used. There is no spare capacity at Berrimah. In fact, that is one of the reasons why we are currently constructing the new facility for the Metropolitan Patrol Group, which will house 60 officers as part of the 94 out of the Commonwealth DIAC deal.

Mr WOOD: I visit those accommodation units at least three times a year, because I leave something there, and there are quite a few of those units which are empty - the ones that back onto McMillans Road. I know because I visit them, and they are vacant - quite a few of them.

Commissioner McROBERTS: I beg your pardon, Mr Wood, I thought you meant the office accommodation at Berrimah, as opposed to the residential and visiting officer accommodation.

Mr WOOD: No, I do not visit the office accommodation. The residential accommodation, sorry.

Commissioner McROBERTS: I would like to know why you were visiting our residential accommodation.

Mr HENDESON: It is his electorate; he was dropping his newsletter off.

Mr WOOD: I am the member for Nelson and they are my constituents.

Commissioner McROBERTS: It is the case that from time to time there will be apartments available. That is just the nature of our business, Mr Wood. We have X number of apartments; we use them for officers who are attending training courses. We may have a gap between one course finishing on a Friday and another course starting on a Monday or the following week. We, on an as-needs basis, make those units available to others. In more recent times, we housed, I think, between 12 to 15 officers from East Timor who were in the Territory participating in a Fisheries' crocodile management course and the limited ...

Mr WOOD: So they did not have far to go?

Commissioner McROBERTS: They did not. I am very pleased we made that accommodation available to our friends from East Timor to use. But, we need to train our officers, particularly those who come from regional or remote areas. That is where we house them.

Mr WOOD: I was probably looking at the more – there is more permanent accommodation there. That is the area that does not seem to have very many people in it at the moment, I do not know whether there are people living away from the barracks, or is there a reluctance to use some of that accommodation?

Commissioner McROBERTS: There is no reluctance to use that accommodation. Officers' personal circumstances change on a regular basis and, from time to time, officers avail themselves of that accommodation rather than within the private rental market. But, there are no surplus apartments there that we do not, at some stage, have to use.

Mr WOOD: By the way, I do not disturb anyone. I know many people work on shift work, so I do not ...

Mr HENDERSON: I am just wondering whether the East Timorese got your newsletter, Gerry, and what they thought of it. I think they would have been very impressed.

Mr WOOD: In relation to the new building next to the accommodation units. What is the building that is being constructed at Berrimah at the moment by Sunbuilt for?

Commissioner McROBERTS: I think you are talking about the two-storey accommodation complex?

Mr WOOD: Yes.

Commissioner McROBERTS: We are hoping to commence an Indigenous cadet scheme. That was advanced planning to be able to attract young Aboriginals into Police, Fire and Emergency Services. We continue to be hopeful we can achieve that.

Mr WOOD: We need something like that at the abattoirs as well, and places where we can encourage it. You will be encouraging remote Aboriginal people to come to join in that cadet scheme?

Commissioner McROBERTS: Mr Wood, that is still in its infancy, but we are very keen to better represent the cosmopolitan community of the Northern Territory in the Police, Fire and Emergency Services. Everything we do from a marketing, branding, and recruiting perspective is particularly targeted at Indigenous men and women. Indeed, in addition, we are very keen to see a far greater ethnic spread throughout the tri-service.

Mr WOOD: Thank you, commissioner. I am happy to say the uniforms are still khaki in the north. What is the status over the changeover from khaki to blue?

Mr HENDERSON: I am sure the commissioner will answer in a moment. This is probably the last time that ...

Mr WOOD: And they look so nice; they look so Territorian.

Mr HENDERSON: ... some of these fine gentlemen will be appearing before Estimates in the old uniform. I have to say I still get taken aback a bit when I am in Central Australia and see one of our fine officers there in the blue uniform. A bit of an adjustment needs to take place. All the advice I have is that, from Central Australia anyway, people are rapt with their new uniforms and ...

Mr WOOD: It keeps them warm down there.

Mr HENDERSON: I am sure it is not universal, but a vast majority of people are really happy with their new uniforms. Yes, it is a change for police, but there was democracy at play. There was a ballot that was held and a significant majority of members chose the new colour and the new design. I will flick to the commissioner for the timing of rolling this out in the Top End.

Commissioner McROBERTS: The uniform has been distributed throughout the southern region, which is everywhere south of Elliott to Kulgera, both east and west. We expect to roll it out into the northern region - which is Katherine and all the regional areas north of Katherine, east and west – sometime in July. We expect when we turn the next financial year in August, we will roll it out into the Greater Darwin region.

Mr WOOD: I gather in Queensland police have the option of staying with khaki in northern Queensland. Will our police have the option if they wish to use khaki?

Commissioner McROBERTS: With respect, Mr Wood, that is not the case. There is no khaki uniform in Queensland police.

Mr WOOD: Oh, misinformation. I might have meant Western Australia.

Mr MILLS: It used to be Western Australia. Not anymore?

Mr WOOD: They have spread the gospel from Western Australia to the Northern Territory. I will move along ...

Madam DEPUTY CHAIR: Member for Nelson, could I ask a quick question out of interest? I am sure this has been addressed in earlier media inquiries, but what happens to the old uniforms, commissioner?

Commissioner McROBERTS: The old uniforms are almost non-existent already. By staging the roll-out to be fiscally responsible we have drawn down on almost all the uniforms. There may be some items left over, and we already have an agreement in place with Correctional Services, whose staff wear a very similar uniform, to distribute at cost to them, so we will have no remaining stock that is wasted.

I am also pleased to say we are currently exploring opportunities for uniforms that are surrendered by police officers to be donated to a developing nation, probably in the region somewhere around Cambodia.

Madam DEPUTY CHAIR: Is it compulsory to surrender uniforms?

Commissioner McROBERTS: We are in the process of developing a policy on exactly how that will work. We believe there is some merit in allowing our officers, for the sake of posterity, to retain some items. There are some who have clearly indicated they would like to do that, and it is a most reasonable request. However, we need to manage that carefully in accordance with a determined policy so we know what is going on. We would also like to, from a humanity perspective, make a donation to a country that is perhaps not as fortunate as Australia.

Madam DEPUTY CHAIR: Thanks, commissioner. Sorry, member for Nelson.

Mr WOOD: Looks like I have to go to Cambodia to reminisce. They will probably make a decision to go to blue.

Chief Minister, your annual report, page 7, talks about corporate governance. Under Agency Profile you have listed the core functions. Do you have any non-core functions? Usually, when you have core functions you have non-core functions. Do the police have only core functions?

Commissioner McROBERTS: Mr Wood, that is an interesting question and I will answer it on this basis: one might argue police in the Northern Territory engage in tasks on behalf of our citizens which, arguably, are not, and perhaps should not, be core police business. It is clear across Australia, and indeed in western democracies, there has become an insatiable demand for police services. Communities expect police to do pretty much everything no one else will, or they believe the police should be doing.

I do not have a definitive answer as to what our core business is. It is a moving feast. However, I can say with great confidence the Northern Territory Police prides itself on being the only truly 24 hour, seven day a week response agency. No matter what your problem as a citizen of the Northern Territory is, we will turn out to assist you.

Mr WOOD: Thank you. In relation to housing police, Budget Paper 3 highlights talk about \$1.8m allocated for police overnight facilities at Mount Liebig, Areyonga and Robinson River, averaging out to \$600 000 per facility. Is it possible some of that money could not be given to local Aboriginal organisations to build those facilities? I refer specifically to Robinson River, which I have mentioned many times in parliament. It has the capability to build facilities and possibly use that \$600 000 more efficiently?

Mr ELFERINK: Under Bill South you get the same thing for \$200 000.

Mr WOOD: That is right. You would probably get three of them

Mr ELFERINK: And they get a new swimming pool.

Mr HENDERSON: Gerry, can you name those again? Are you saying we are renting?

Mr WOOD: No, no. There is \$1.8m allocated for police overnight facilities at Mount Liebig, Areyonga and Robinson River. I am presuming you are building facilities?

Mr HENDERSON: That is the capital item to construct.

Mr WOOD: That is right. I am wondering, because we are always looking for employment in Aboriginal communities, whether that money could be used for local people to construct the facility. I use the example of Robinson River, which has the capabilities.

Mr HENDERSON: I will take that on board. If that has not gone to tender, I do not see anything would preclude the community at Robinson River if they have an appropriate business entity in bidding for that work and, if they were to win that work, obviously not only build the asset but maintain it. It is an interesting question, member for Nelson, and I will get onto it. I do not know if we have let the tender, but I certainly do not have any policy issue as to why those communities could not build and maintain that facility, as long as they have the capability to do the job.

Mr WOOD: I mention Robinson River because they have the track record.

On another issue, are we able to say how much money is budgeted for police housing? Is there a figure of what is the cost of housing police in the Northern Territory?

Commissioner McROBERTS: A lot.

Mr WOOD: I know.

Commissioner McROBERTS: Member for Nelson, if you would indulge us to gather the figure, it just needs a little work because there are two methods – well, there are essentially three methods for providing housing: one is a housing allowance for officers who choose to purchase their own home; the other is accommodation in the Darwin or the greater Darwin region; and, of course, there are housing entitlements in the remote areas including those who are housed at Themis stations. If you could just bear with us, we will get the calculator out.

Mr WOOD: In the meantime, I hope this does not cross over the other question. There was \$10.25m higher than anticipated employee expenses - this is in the Treasurer's Annual Financial Report, so you may not have it there - including overtime, police housing entitlements, and workers' compensation. Why was there an increase in those expenses of \$10m?

Commissioner McROBERTS: Member for Nelson, we are in the business of unexpected activity in respect to overtime. One of the things we pride ourselves on is making sure operational capacity is maintained to provide services. We, from time to time, incur more overtime than we would like. However, the fact is when we turn out to a job it needs to be completed in accordance with standard operating procedures. We need to ensure - particularly if we are investigating a crime - the job is completed in accordance with our evidence-gathering procedures so we do not risk damaging the integrity of an investigation. Overtime is, once again, something we have great difficulty in monitoring from time to time. But, I can tell you it is something we monitor on a weekly basis, and we ask people to do whatever they can within their resource base to ensure we operate within it.

Regarding the rental properties, we are subject to the private rental market fluctuations, particularly in Darwin and Alice Springs. From time to time, we see rises we have not been able to predict, so there are pressures on our budget as a result of the median and expected prices of renting properties for our officers.

Mr WOOD: The last question. Again in the Treasurer's Annual Financial Report it says \$654 000 was transferred to the Department of Children and Families for the Alice Springs Youth Action Plan. Where did it come from within your budget?

Commissioner McROBERTS: That was an agreement with the Department of Children and Families that police would no longer effectively deal with that as a core function, and we transferred that over to the Department of Children and Families. It was a negotiated agreement based on it was felt that providing the level of service that some young people in Alice Springs required, would be best delivered by non-police personnel.

Mr WOOD: A follow-up question. I know you say you do not regard that youth section as core, but you did have a conference - I think it was this year - with the International Blue Light Police and Citizens Youth

Club which we hosted. Constable First Class Ward Tucker said it was fantastic to host the annual conference in Darwin, for the only second time in the history of the Blue Light NT. We do not seem to give much recognition to the Police and Citizens Youth Club in the Territory so, do you not regard that type of activity as the core function? How do you feel that Police and Citizens Youth Club fits into your core or non-core functions as a police agency?

Commissioner McROBERTS: Mr Wood, I may, first of all, address the issue about Alice Springs and the transfer of the funds. It may be I have been taken slightly out of context.

It was an agreement with the Department of Children and Families that the services which were to be provided to high-demand vulnerable young people in Alice Springs would be best delivered by a non-police practitioner. That was based on advice from the Edmond Rice Foundation, if I recall correctly, and other practitioners who understand the needs of disadvantaged young people. I did not mean it was non-core business to assist young people with some of the challenges they have in life.

I move to police and citizens. First of all, that is an independent entity outside the tri-service, and I have no capacity to influence its operation. What I can say is we are absolutely committed to doing whatever we can within our remit to provide avenues for young people which will enable them to grow into healthy adults, to have a vision and a self-determination for their own future, and to participate in whatever activities we can that contribute to the overall delivery of services which prevents them from coming into contact with the criminal justice system.

I have a significant number of exhibits here which I could table, which show the outstanding work our men and women, particularly in remote communities, are doing every day towards supporting young people throughout the Northern Territory to enable them to grow up to be freed from the dim prospects of entering the criminal justice system. I must say, if I may, I am very proud of the outstanding work our people do with Blue Light Discos and other proactive activities.

Mr WOOD: Would you be able to table that, please?

Commissioner McROBERTS: Yes, it is with pleasure that I will table those.

Mr WOOD: There was going to be a response, but if they are not ready yet we can get it later.

Madam DEPUTY CHAIR: We will have that response to housing costs before the end of session, I am sure. Member for Port Darwin, you have some questions?

Mr ELFERINK: Yes, seeing we have had a wide-ranging discussion, why don't I just join in? Minister, you will be doubtlessly aware of some concerns I have expressed recently in the public domain about resources and demands on resources, particularly by the courts, for things called contested mention files. Whilst I understand why contested mention files were created, they seem to be having the opposite effect of what was intended. The original intention was to lower the number of hearings. I get the sense the number of hearings has probably gone down. However, it now seems to be a standard fishing exercise by defence lawyers to pursue a contested mention when they are presented with a client.

The problem I have with this is a contested mentioned, from a police officer's point of view, is essentially the same as a hearing file in the evidence that has to be gathered. The number of these full files that are now being required of operational police is having the effect of taking them off the road. I seek your comment on that and, if possible, can you lay down some tracking of how many hearing files have gone forward and how many contested mention files we have seen since the system was introduced?

Commissioner McROBERTS: From 1 July 2010 to 31 March 2011, there were 1379 contested charges.

Mr ELFERINK: 1379?

Commissioner McROBERTS: Yes. For 1 July 2011 to 31 March 2012, there were 2060 contested charges.

Mr ELFERINK: Right. And so far this year?

Commissioner McROBERTS: I am sorry?

Mr ELFERINK: That was to March 2012, was it?

Commissioner McROBERTS: Yes.

Mr ELFERINK: All right. So, you gave me like with like to March?

Commissioner McROBERTS: Yes, the previous period we reported on last year. It is important to acknowledge the number of contested charges is commensurate with an increase in the number of charges police officers lay.

Mr ELFERINK: How many charges are police officers laying? How many files or how many people are they arresting, like with like, to measure it over the same period?

Commissioner McROBERTS: The number of successful charges that went to court for the same period as the 1379, there were 9851, and for the same period for the contested charges of 2060, there were 10 106.

Mr ELFERINK: Yes, a ratio, I do not think you can quite - that is probably about a 70% increase in contested mentions, and - what would you say? - about 15%, 20% increase in the number of successful matters?

Commissioner McROBERTS: Sure. It is worth noting that police have no control over the number of matters that are contested; that is a right the individual has, in accordance ...

Mr ELFERINK: Which then raises my issue, because it actually does have an effect. The way I see it is, in the past, if a client who had come before a court chose to plead not guilty, then the defence had to prepare their hearing. If, however, you then have a lawyer simply saying, 'Contested mention, send the file off to the coppers', then the resource drawdown is almost exclusively the police force's, not the defence lawyer's. An arrest file is not a trial; it is simply an assertion of the facts by police that somebody may choose to plead guilty to.

If a person wants to contest an element in an arrest, while they can plead not guilty, the concern I have is this actually has the effect of shifting an enormous amount of weight on to the police force they did not have in the past. The consequence is coppers on the streets are being bound up by a substantial amount, and a substantial increase, in these contested mentions. That is what I am getting feedback on, and it is supported by the numbers you have just given me.

I understand your desire to remain professional, but there must surely come a point where the balance between the demands of the court system on the police and the expectation of the public on the police are at a point where the police have to determine where the priorities are. You could argue this as a resourcing issue, you could triple the number of police, and you could deal with all these contested mentions to your heart's content. I would not suggest that for a second, but you can see where I am coming from.

Surely, we can send a signal back to the courts, or to the defence lawyers, saying: 'If you want to contest something, plead not guilty, because we are not going to go running around unless we are going to have a full hearing'.

Commissioner McROBERTS: Thank you, member for Port Darwin. That really is a matter for the Chief Magistrate particularly, who issues practice directions. No doubt, that is something which has been agreed to. I will be cautious in saying this, but I suspect it has been agreed to with the Criminal Lawyers Association, but it is not something that I, as commissioner, debate, purely as a mark of respect to the judicial process.

Mr ELFERINK: However, as the alternative Attorney-General to the Northern Territory, it is something I am aware of. I am not entirely sure I am comfortable that the practice directions, as issued by the Chief Magistrate, are actually being followed. However, that is a matter for me and the Chief Magistrate, not a matter for you to comment on.

Madam DEPUTY CHAIR: Any further general questions?

Mr ELFERINK: I will say one other thing. This issue has been raised by Vince Kelly as well, specifically in relation to the media release which was issued by the Police Association on the review which was announced. Clearly, Vince is of the impression it is something that should be within the purview of

consideration regarding demands on police. Chief Minister, will you commit to having this part of this issue reviewed along with the rest of the issues raised in the review?

Mr HENDERSON: Member for Port Darwin, the whole concept of the review is to see as much support as possible for frontline policing. That will go to all of the administrative issues police face. I certainly have no problem at all with this particular issue, if there are administrative efficiencies that can be built into the system being considered by the review. There are no problems at all with the Police Association raising that with Mr O'Sullivan and Mr Keelty.

Mr ELFERINK: I also make the observation, Chief Minister - and I mean this entirely out of respect - that whilst I appreciate the Chief Magistrate may have certain expectations upon police in the evidence they provide, if you allow yourselves to simply subordinate yourselves to the Chief Magistrate's expectations, you lose a certain amount of control of your executive function or your administrative function over the executive, if that happens. It is a point which needs to be considered and remembered when next dealing with the Chief Magistrate on this particular issue.

Mr HENDERSON: Obviously, you have very firm opinions on that matter, and I am sure you can take them up with the Chief Magistrate.

Mr ELFERINK: I certainly will. Unfortunately, I am also worried about the coppers on the streets - who are not on the streets.

Madam DEPUTY CHAIR: Thank you. That concludes consideration of the agency-related whole-of-government questions on budget and fiscal strategies. Before we move to Output 8.1 we are just going to have a brief break for no more than five minutes, please.

The committee suspended.

OUTPUT GROUP 8.0 – COMMUNITY SAFETY AND CRIME PREVENTION

Output 8.1 – Community Safety and Crime Prevention

Madam DEPUTY CHAIR: We are resuming at Output Group 8.0, Community Safety and Crime Prevention, Output 8.1, Community Safety and Crime Prevention. Leader of the Opposition.

Mr MILLS: Thank you. I have some questions regarding the recording of alcohol-related assaults. Chief Minister, when did the recording of alcohol-related assaults begin?

Mr HENDERSON: I refer to the commissioner.

Commissioner McROBERTS: Thank you, Leader of the Opposition. I must confess I do not know. It was, to the best of my knowledge, well before I was appointed commissioner. If you will permit me to get some advice on that.

Mr MILLS: Yes, I would appreciate that. I thought you were going to get some advice. A conversation for another day, is that what you mean?

Commissioner McROBERTS: No, we will, hopefully, have an answer before we conclude today. I just do not know that right now.

Mr MILLS: Chief Minister, what is the process for determining whether an assault is alcohol-related?

Commissioner McROBERTS: It is a definition attached to the PROMIS task, and there is an assessment made by officers who are attending the particular incident.

Mr MILLS: How high is the degree of subjectivity over that judgment?

Commissioner McROBERTS: I am confident it is as high as can be, given humans are involved. Police practitioners are trained to be able to assess the state of intoxication of an individual. It, no doubt, forms part of the *res gestae* of the event and is part of the evidence gathering and the interviewing of witnesses. In some cases, for the more serious offences, we might even do some type of victimology and

track where both the victim and the offender have been prior to the crime allegedly being committed. I believe it is a statistic that is reliable enough for us to take note of.

Mr MILLS: Is an assault classified as alcohol-related only if the alleged perpetrator has been consuming alcohol?

Commissioner McROBERTS: Yes, we are interested in the person who is alleged to have committed an offence and whether he or she is affected by liquor at the time of the alleged offence.

Mr MILLS: The reverse of that is if the victim is intoxicated and the perpetrator is not. Is this an alcohol-related assault?

Commissioner McROBERTS: No. We are counting offences by individuals, so we are focused more on the person who allegedly commits the offence.

Mr MILLS: Is there an official policy regarding the classification of alcohol-related assaults?

Commissioner McROBERTS: No, I do not believe there is a policy as such, but it is certainly a part of training. When a police officer is lodging an event on the police Real Time offence management information system there is a field he or she needs to complete to identify whether an offence is alcohol-related or not.

Mr MILLS: That is like a box to be ticked?

Commissioner McROBERTS: Indeed.

Mr MILLS: Is there a form of words which are in place to guide an officer in being able to determine whether it fits within the bounds or not?

Commissioner McROBERTS: That is all part of the very intensive training delivered to police officers during their 30 weeks at the Police College. It is training which continues through in-service training courses and, no doubt, it is training that takes place as part of on-the-job activity through mentors, supervisors, and guidance of more senior officers.

Mr MILLS: Is there a degree to the consideration of the relationship between the presence of alcohol and the assault; that is, if someone has just had a beer but it is not determined whether that person is under the influence of alcohol and has committed an offence? Is it in that space whether it is alcohol-related because of the presence of alcohol, or alcohol-related because the presence of alcohol has contributed to the change of behaviour?

Commissioner McROBERTS: It is a decision based on the observations of the professional police practitioners attending the incident who form a view based on all the evidence available to them that alcohol contributed to the commission of the offence, or may have contributed and, indeed, the person's behaviour was as a result of consuming alcohol.

Mr MILLS: Thank you, commissioner. Chief Minister, some time ago the Ombudsman reported on the use of section 128 of the *Police Administration Act* regarding taking people into protective custody. One of the concerns she raised related to the method used by officers to determine whether someone was intoxicated. It was the Ombudsman's view that in some circumstances the legislative criteria of someone being seriously affected by alcohol was not being met prior to a person being taken into custody. Are you satisfied the criteria for determining whether an assault is alcohol-related is sufficiently rigorous?

Mr HENDERSON: As a result of the Ombudsman's observations, and in consultation with the commissioner, legislation was passed through the Assembly to give very clear interpretation to police with regard to taking people into protective custody. I am satisfied the issue which was raised by the Ombudsman has been dealt with. Obviously, for how that operates in practice, I will hand over to the commissioner.

Commissioner McROBERTS: Yes, we did seek an amendment to the legislation to enable our officers to have more clarity around how they applied the provisions of section 128 of the *Police Administration Act*. Of course, that legislation provides police officers with the power to take vulnerable people to a place of safety. It is something police officers, when applying, consider the circumstances and where best that individual can be taken - and the police watch house is the place of last resort.

Ideally, we take them home or to another safe place where they can be properly cared for. Wherever possible, we will use the services of a sobering-up shelter. As I said, from time to time, there is a need to take people to the watch house for their own care and protection.

Mr MILLS: Thank you. Chief Minister, I accept in response to the question about how long this classification has existed, that advice will be provided. Are you aware whether the classification of a type of assault as being alcohol-related was on the initiative of police or of government?

Mr HENDERSON: My memory does not extend back to when this particular classification came into play. Obviously, we try to ensure there is national consistency in regard to the recording and reporting of offences to enable comparison across jurisdictions. Obviously, those things change from time to time. We are getting the information. You do not have to be a genius to work out whether domestic violence incidents and assault incidents in the streets are alcohol-related or not. Regarding public policy requirement to try to reduce crime, as well as a responsibility for police to keep the peace and investigate criminal offences, and the information police collect of the prevalence of alcohol in regard to assaults and contributing factors to antisocial behaviour, there is no doubt in my mind around 80% of all police work in Alice Springs, for example, is alcohol-related, and the majority of assaults are alcohol-related as well.

Trying to reduce the abuse of alcohol is very much public policy. That is why we introduced the Banned Drinkers Register and other reforms. You do not have to be Blind Freddy in the Northern Territory to understand the impacts of alcohol. Specifically when that classification came into play, I do not know.

Mr MILLS: I acknowledge the commentary, Chief Minister, but I am just going down to some specifics related to the classification and how it is applied. Are you able to provide a breakdown of the number of assaults recorded in the Northern Territory for the period of April to June 2011?

Mr HENDERSON: Again, I defer to the commissioner for current numbers. The majority of the data we have is up to 31 March.

Commissioner McROBERTS: If you are happy to take nine-month blocks?

Mr MILLS: Sure.

Commissioner McROBERTS: We will first of all talk 1 July 2010 to 31 March 2011. Can I just confirm what exact offences are you interested in?

Mr MILLS: Assaults.

Commissioner McROBERTS: Total offences against the person is broken up into homicides and related offences, acts intending to cause injury, and sexual assault. If we talk more specifically about the type of offences you are referring to, 5168 for the first period I mentioned, and for 1 July 2011 to 31 March 2012, 5354, an increase of 3.6%.

Mr MILLS: Are these numbers able to be classified whether they are domestic violence-related or not?

Commissioner McROBERTS: We have to be careful we are comparing apples with apples, because some of our statistics are calendar years, some are financial years, and for the benefit of Estimates hearings we typically close off on 31 March each year. I just need to exercise some caution in that we have to be seen to be reporting on the same periods.

It would require some work to be able to give you comparative data for a specific period. It is not beyond the scope to do that, but I do not actually have that with me now.

Mr MILLS: All right. What is your best offer in like for like; that is, number of assaults, the number of those assaults which were domestic violence-related, and alcohol-related? I, like you, would like alike.

Commissioner McROBERTS: For the year 2011 - that is the 12 months ending 31 March 2011 - there were 6576 recorded assault offences, of which 3547 are listed as being domestic violence-related, which is 53.9%.

Mr MILLS: Alcohol-related in that?

Commissioner McROBERTS: For the same period, 4009 were alcohol-related. There are 1231 where we cannot definitively say that alcohol was a contributing factor. We believe a minimum of 61% of the assaults were alcohol-related, and a maximum of 79.7% were alcohol-related.

Mr MILLS: That is 2011 up until 31 March this year?

Commissioner McROBERTS: No, up to 31 March 2011.

Mr MILLS: Right. Do you have the year before that?

Commissioner McROBERTS: Yes. For recorded assaults, it is 6443, of which 3386 were domestic violence-related, making that 52.6%; 3851 were alcohol-related; and 1386 are unknown. We can say a minimum of 59.8% were alcohol-related, and a maximum of 81.3%.

Mr MILLS: There has been an increase from 2010 to 2011?

Commissioner McROBERTS: There has been an increase in the minimum and a decrease in the maximum.

Mr MILLS: The numbers I wrote down for 2010 were 6443 total assaults, and for 2011, it was 6700?

Commissioner McROBERTS: I beg your pardon. I thought you were talking about the last issue I raised, which was the percentages that were alcohol-related.

Mr MILLS: Okay, so there has been an increase year-to-year global?

Commissioner McROBERTS: Yes, we have gone from 6443 to 6576 total assaults.

Mr MILLS: Thank you. How many people who have been issued with Ochre Cards have been charged with disqualifying offences in the last 12 months?

Commissioner McROBERTS: Sorry, could you repeat that question?

Mr MILLS: How many people who have been issued with Ochre Cards have been charged with disqualifying offences - disqualifying them from holding an Ochre Card - in the past 12 months?

Commissioner McROBERTS: Seven people have been refused Ochre Cards.

Mr ELFERINK: Refused?

Mr MILLS: These are people who have had them and did something that then disqualifies them from having one?

Commissioner McROBERTS: No, there are seven people who have not been granted them upon application.

Mr MILLS: Right. What about anyone who has been issued an Ochre Card who has been disqualified from holding that in the course of the 12 months?

Commissioner McROBERTS: That is a revocation, and we have one. The holder has had the card revoked.

Mr MILLS: How many cards are in circulation?

Commissioner McROBERTS: Around 50 000. To be exact, Leader of the Opposition, 52 782.

Mr ELFERINK: That is a quarter of our population.

Commissioner McROBERTS: Yes, of course, member for Port Darwin. There are employee cards and there are volunteer cards - there are two different categories.

Mr MILLS: What is the process for disqualifying an Ochre Card holder?

Commissioner McROBERTS: We have established, through the legislation, a screening authority. The screening authority will, in the first instance, invite the holder or the applicant to make a submission. In some cases, we request additional information. If the screening authority is satisfied the applicant or the holder is not a fit and proper person, then the card is not issued or it is revoked.

Mr MILLS: So is the onus on the card holder?

Commissioner McROBERTS: For applicants, the individual makes application and the screening authority - if you apply, for most people you will be granted a certificate or an Ochre Card. There are a number of people who, because of a criminal history in particular or, in some cases, other matters, they will, in the first instance, be invited to provide additional information the screening authority will assess as to the individual's suitability for applying.

In some cases, the individuals either do not provide the additional information or, upon receipt of the additional information, the screening authority deems that individual unsuitable for issue and they are duly advised.

In the case of the revocation, there is a process for renewal of Ochre Cards. In fact, we are moving to the first stage of renewals now. In doing that, we will review all the information we use to form the initial decision.

Mr MILLS: What is a disqualifying offence?

Commissioner McROBERTS: There is a series of offences that have already been identified but, of course, anything that would involve sexual assaults and the like. In some cases, drug offences. It is an exhaustive list, and I do not have every offence category at my fingertips now.

Mr MILLS: I am just establishing there is a list of disqualifying offences. Therefore, if anyone commits a disqualifying offence, is it automatically checked by police to see whether that person has an Ochre Card or not?

Commissioner McROBERTS: No, it is not automatic. There is no automatic facility upon which a person would have the card revoked; bearing in mind the card cannot be revoked until the person has been convicted of the offence. No, there is no automatic capacity. It would be one of intelligence or of the charge being brought to the screening authority's attention.

Mr MILLS: Therefore, it is possible for someone to slip through the cracks?

Commissioner McROBERTS: If you are convicted of an offence today and you are the holder of an Ochre Card, you could still be holding your Ochre Card tomorrow. There is no capacity for us to automatically revoke it.

Mr MILLS: At what point is the alert raised that a disqualifying offence has occurred and there is a conviction? There is no automatic checking or response on the connection between the conviction and the holding of the Ochre Card?

Commissioner McROBERTS: There is continual and regular dip sampling of all the ...

Mr MILLS: What is dip sampling?

Commissioner McROBERTS: We take a random sample of cards and we manually check them to find out if those individuals have been convicted of any of the disqualifying offences. However, there is a prospect that right now it might not be until your card is due for renewal that we become aware of an offence. For example, an individual who is the holder of an Ochre Card in the Northern Territory may go interstate - bearing in mind we have a very transient population - and be convicted of a disqualifying offence in another jurisdiction. We would not know about that until it comes to renewing the Ochre Card.

Mr MILLS: How often are they renewed?

Commissioner McROBERTS: Two years.

Mr MILLS: So, we could end up with a problem where someone who has committed an offence in another jurisdiction comes back holding an Ochre card and has a disqualifying offence?

Commissioner McROBERTS: That is possible.

Mr MILLS: Has any consideration been given to improving the system so there is a greater integrity over the expectation the community has that this Ochre Card provides that level of security they expect it to?

Commissioner McROBERTS: In the first instance, Leader of the Opposition, it is worth noting that of the 52 000 cards issued in the Northern Territory, only seven have been refused and one has been revoked. It is fair to say we have a very compliant population base seeking to work with children who are required to obtain a card. A very low percentage of people are refused, and an even lower percentage is revoked. We continue to refine the system by ensuring that, as much as possible, we conduct random samples of cardholders.

The other thing worth noting, particularly in the Northern Territory given it is a small jurisdiction, is it is most likely police will be aware a person convicted of a disqualifying offence is, in fact, the holder of an Ochre Card, and will provide SafeNT with that advice upon conviction. It is also very likely, given the close-knit community we enjoy, that somebody who is convicted of a disqualifying offence who is either employed providing services to children or who, through a voluntary capacity, provides services to children, will become known to somebody within that group of individuals.

Finally, we have the two-year renewal period. It is worth noting your prospects of being convicted for a serious offence and going for very long without your renewal are probably not great, given the criminal justice process of time from charge for a serious offence to the time of conviction, particularly if you plead not guilty, will see that cycle come around. But, there is the possibility ...

Mr MILLS: So it could be four years?

Commissioner McROBERTS: I beg your pardon?

Mr MILLS: It could span four years.

Commissioner McROBERTS: A criminal justice process could. The renewal, the dip sampling, the police officers who charge the individual with the serious offence having conducted sufficient due diligence of the individual to become aware they are the holder of an Ochre Card, as we process the individual, it will become apparent as we do the necessary checks on them, and they would be flagged.

Mr MILLS: In the interests of time – is there some further information?

Commissioner McROBERTS: My colleague reminded me also to alert you that there is a national working group currently looking at whole-of-Australia proposals to ensure the jurisdictions are well joined up. As you would no doubt be aware, we now have the National Police Certificate, a system of ensuring that one's criminal activity in another jurisdiction does not go without detection in the Northern Territory, for example. Ideally, an automated system either through CrimTrac of which I sit on the board, the National Automated Fingerprint Identification System, and other intelligence agencies could be a medium by which that might be achieved in the future.

Mr MILLS: I would like to explore this further but, in the interests of time, I want to go to CCTV. Last year, Chief Minister, I asked a question regarding the number of new cameras which had been installed. The answer was no new cameras had been installed. Have any new cameras been installed this year?

Mr HENDERSON: The advice from the commissioner is the cameras do not belong to police, they belong to DLP. I am not aware of any specific new ones which have been rolled out in the last 12 months. There have been?

Commissioner McROBERTS: There are not within this portfolio, but I can tell you from personal experience that there is now one at Coolalinga I see on a regular basis. We do not have responsibility for fixed speed or red light cameras.

Mr MILLS: It is in the allocation of community safety and crime preventions, so Chief Minister ...

Mr HENDERSON: Just a point of clarification - are you are talking speed and red light cameras?

Mr MILLS: No, I am talking about CCTV.

Mr HENDERSON: CCTV. Sorry, we misheard you. In the last 12 months ...

Mr MILLS: So, there was none last year; how many new ones this year? Last year, Chief Minister, you said that \$600 000 from the budget was to be allocated for the purchase of new cameras and cost per camera was given at \$18 000. By my calculations, there would be enough for 32 cameras. So, what has happened with the \$600 000?

Mr HENDERSON: I will have to seek some advice. Can you repeat the question?

Mr MILLS: Last year there were no new cameras. Last year, you said there was \$600 000 from the budget to be allocated for the purchase of new cameras. I asked this year whether there were any new cameras and the answer was no. In your answer last year, you said they cost about \$18 000 each and I assume that would have provided about 32 cameras. Can you please explain why the assurance and commitment of \$600 000 last year has resulted in zero cameras this year?

Commissioner McROBERTS: If I may, the \$600 000 that was in the appropriation is for the ongoing maintenance of the CCTV and the licence fees that are required. The maintenance cost of CCTV is extreme. For example, the licence to use fibre-optic cable could be as much as \$14 000 per month in certain venues. We also have to pay a licence fee to be able to transmit the data into a reception centre, then to the facility out in Berrimah.

However, there is no doubt we have some significant results based on the cameras we currently have. We have 109 cameras spread around Alice Springs and the greater Darwin region. If I may, Leader of the Opposition, I will be pleased to send some photographs from our CCTV which is proactive activity by the operators. These are not jobs where they have checked the CCTV network on advice. Rather, the operators sitting in the facility at Berrimah actually detected various things going on and directed our vehicles to respond to them.

Mr MILLS: How is the effectiveness of the service monitored? How do you know it is really working? Crime reduction - do you have stats around that ...

Commissioner McROBERTS: There are two important measures. In the first instance, the trained staff in the CCTV monitoring centre are constantly monitoring the behaviour of individuals on the cameras. They are very good at identifying people who are misbehaving, and they alert response units to be able to attend.

The benefit of CCTV, particularly in a proactive sense, is you can stop an offence from occurring which, ultimately, means you spare a victim from becoming a victim. In many cases, you are able to dissuade the individual from committing an offence and, ultimately, ending up in the lock up, in court, and becoming a burden on the whole of the community.

The other significant benefit from a criminal justice perspective is when police are investigating offences, wherever possible, the vision from the CCTV is used. When we do go to disclosure for defence counsel we are able to provide copies of the evidence which, in many cases, may result in no longer a contested hearing, but a plea of guilty.

Mr MILLS: How many arrests have been made as a direct result of CCTV?

Commissioner McROBERTS: I do not know the numbers but they are significant. As I said, I am very happy to table, for your interest, some of the still photographs taken from the system in recent times where our officers have been deployed. You will find them somewhat disturbing, somewhat shocking but, nevertheless, it shows the benefit of the system. I pay tribute to the staff who sit there 24/7 and monitor the cameras.

Mr ELFERINK: Mate, if I had known those cameras were there, I would not have done half of it.

Mr MILLS: In conclusion, the \$600 000 that was allocated for cameras last year - and my understanding was there would be new cameras put in place as a result of that - is for the paying of the licences and the upkeep of the existing system?

Commissioner McROBERTS: Yes, that is the case, Leader of the Opposition.

Mr MILLS: I assume, therefore, the \$1.75m in the allocation of this year is similar? Are there more cameras planned, or is it used for maintenance licence fees?

Commissioner McROBERTS: Yes, at the moment, this is a maintenance and replacement infrastructure program if required. The costs of maintaining a system in the climatic conditions we experience in the Northern Territory is intense. Licence fees increase, the maintenance of fibre-optic cables is a substantial cost to us each year. However, the benefits are the proof in the pudding.

Mr MILLS: Madam Deputy Chair, I will stop there. I assumed, because of the couple of breaks, we were going beyond 5 pm. My apologies, Mr Wood.

Mr WOOD: I will certainly pass on to someone I know well about the benefits of CCTV cameras and the good work the staff do. My question, quickly, is on the Ochre Card and the Safety House requirements.

I was recently asked to fill out a form to get my criminal background checked because my office is a Safety House. Why is my Ochre Card not good enough to be the person who resides at the Safety House? In other words, why can we not reduce duplication?

Commissioner McROBERTS: Sorry, Mr Wood, I was not actually aware of what the connection is of what you are asking.

Mr WOOD: I have an Ochre Card and, now, my office has to renew its Safety House requirements as a safe house for children. They said, 'We need to get a criminal check'; I said, 'I have an Ochre Card'; and they said, 'That is not good enough because we need more information'. What I am saying is, to reduce doubling up on work, why could the Ochre Card not be sufficient to give me the requirements that are needed for Safety House?

Commissioner McROBERTS: Different legislation. You raise an interesting point. I do not know. It may be, if I can be so bold to say, because the office you seek to have declared a Safety House is not your primary residence, which is the address you have used for your Ochre Card.

Mr WOOD: We were trying to reduce duplication.

The other question is in relation to teachers. When teachers are registered, they have to get a criminal check. Yet, I am told they now have to turn up with an Ochre Card. Again, it seems to be a duplication. Do you know why that is the case, or should I put that to the minister for Education?

Commissioner McROBERTS: The teacher's registration is quite separate to the care and protection of children legislation. It is a matter for the minister to answer regarding the legislation. I understand the Ochre Card was seen as a commitment to ensure everything that possibly can be done to exclude those people who are not fit and proper persons from having access to children in the course of their voluntary activities or their employment was being done.

Mr WOOD: I understand that too, but I thought it would be nice to have that one card which would cover you for Safety House and for teachers, instead of having to duplicate. Anyway, that is something whole-of-government people can look at. And we have run out of time.

Madam DEPUTY CHAIR: We have run out of time, member for Nelson, because it is just past 5 pm.

Mr WOOD: I am sad because there are two people at the back there who hardly ever get a chance.

Madam DEPUTY CHAIR: Before we close ...

Members interjecting.

Madam DEPUTY CHAIR: Sorry, we have not finished yet, not quite. There was one question around the cost of police accommodation that we were going to get, Commissioner?

Commissioner McROBERTS: Thank you, Madam Deputy Chair. I will be as quick as I can. There are two questions, if I may.

Answer to Question on Notice No 3.12

Commissioner McROBERTS: The first is No 3.12. The Leader of the Opposition asked about accident and injury reports of police officers. I can advise for the 12 months to 31 March 2012, there were 277 reports; 56 of these reports were as a result of a police officer being assaulted.

Regarding housing costs, the total amount is \$24m per annum.

Commissioner McROBERTS: If I may seek your indulgence, just finally, I spoke earlier about tendering some of the good things that our men and women are doing in remote communities. There is a series of documents.

We now have our Connect and Protect Community Forum online, a crime prevention forum operating in Alice Springs. There is the Papunya cultural afternoon, where police officers engage in cultural activities with young people. There is Hoops for Health in Ali Curung. There is a wonderful program run by the police in Gapuwiyak to get in excess of 20 people their driving licences who otherwise may have driven without their licence. It is called the Licence to Drive Program. There is the Bulman Toad Muster. I have not quite seen that with my own eyes, but I am told it is very successful. There is the Books in Home Project which I spoke about where police officers are going into schools and reading with the children as a proactive activity, and trying to break down the perceived or real barriers that exist between young people and police officers.

I must say, once again, I am very proud of the work our people do around the Territory.

Madam DEPUTY CHAIR: Thank you, commissioner. Thank you for sharing that with the members of the committee.

Mr MILLS: I thought we were getting the advice on the definition on alcohol. When did that occur?

Mr MAINES: It would appear there were a range of amendments to the PROMIS recording system, which is the Police Real Time Online Management Information System, which occurred in April 2007. It actually provided a tick box at that point to identify whether it is an alcohol-related offence.

Mr MILLS: Thank you.

Madam DEPUTY CHAIR: That now concludes consideration of all the output groups relating to Northern Territory Police, Fire and Emergency Services. On behalf of the committee, I thank all officers, including those who did not actually get to come to the desk this afternoon, and thank you, Chief Minister.

The committee suspended.
