

The Estimates Committee convened at 8.30 am.

Mr CHAIRMAN: Welcome, minister Burns. Before we proceed, I need to talk briefly about questions on notice. It might seem pedantic, shadow, but Hansard need us to repeat the whole question. Yesterday we had an occasion where a question was taken on notice, but because there was a commitment made to answer it during that session, a number was not given. That makes it very hard for Hansard to marry the question and answer. Any question deferred will be given a number, and we will need the shadow to repeat it completely and concisely, otherwise it is difficult for Hansard. It might make sense to us here on the floor, but it is difficult for Hansard to pair it all up.

MINISTER BURNS' PORTFOLIOS

DEPARTMENT OF EDUCATION AND TRAINING

Mr CHAIRMAN: We will start. Welcome, minister. Would you care to introduce the officials accompanying you, and if you have an opening statement would you like to make it?

Dr BURNS: Thank you, Mr Chairman. I have an opening statement, and good morning to everyone. I am sure we have been looking forward to today. Estimates is a great opportunity for everyone to find out more about very important issues to do with portfolios, and there is none more important than education.

I would like to introduce some of the officials who will be assisting in today's proceedings. First, Mr Gary Barnes, Chief Executive of the Department of Education and Training, and from within the agency, Kevin Gillan, Head of the School Education and Training Operations; Marcia Hoffmann, Executive Director, Corporate Services; David Ryan, Chief Financial Officer; Kim Jenkinson, Executive Director, Training and Higher Education; and Debbie Efthymiades, Executive Director, Strategic Policy and Performance.

Mr Chairman, education and training are top priorities of this government. Our goal is to create a smart Territory. It is at the heart of our *Territory 2030* strategy and it is the focus of the department's strategic plan for 2011-14. This government is supporting this goal with a record education budget of \$930m. There are now more than 3000 teachers, assistant teachers and principals in the Territory, more than ever before. Since 2002, we have created an extra 407 teaching staff for our schools.

Our government values teachers, and Budget 2011-12 demonstrates this with an additional \$14m, including \$1.2m for 50 specialist teacher positions, \$1.18m for support officers in transition classrooms, and \$500 000 for improved principal salaries.

This government continues to invest in education infrastructure with a total infrastructure program of \$109.9m. We have committed more than \$30m over five years for capital investment to improve schools and facilities for students with special needs. The major project for this year is the new Namarluk School at a cost of \$11.3m, \$2m of which was sourced from within DET's existing budget to create a wonderful new facility for these special students. We have also allocated \$3m for Taminmin College, \$2m for Henbury Avenue School, \$1.5m for Acacia Hill School, and around \$1m for Palmerston Senior College.

Our commitment to improving infrastructure extends to a \$33.9m investment for repairs and maintenance to all Northern Territory schools and training centres, and we will continue to roll-out the \$300 000 commitment to upgrade primary schools and group schools as part of the \$11.4m in minor new works. Our partnership with the Commonwealth government will yield a total investment of \$268.3m in education infrastructure for projects in every school in the Northern Territory. In 2011, 49 projects will be delivered at a value of \$81.2m.

Providing quality teachers and facilities is only part of the answer. We have to ensure our kids at school are attending regularly. The Every Child, Every Day strategy was launched late last year to boost attendance, enrolment and participation. It will be supported by a \$2.28m investment in 2011-12. Our attendance and truancy officers are in place. We have also tightened the legislation to make parents and students more accountable. The new laws were only enacted two weeks ago and the department is already working, and has been working all through this year, with quite a number of families to get students back to school.

Mr Chairman, the prioritising literacy and numeracy strategy in the T-9 diagnostic net has been embedded in the educational practices of our schools, and the focus on improving literacy and numeracy outcomes will continue with the help of Professor Geoff Masters. The latest NAPLAN results show that when comparing the 2008 tests to the 2010 tests, the Northern Territory exceeded the Australian average

gain for all students across all year levels for reading, spelling, grammar, and punctuation. Particularly pleasing were the results showing Territory Indigenous students made the largest gains of any jurisdiction. I acknowledge we have a long way to go, and this is why our investment in Indigenous education, especially in the early years, continues to be significant.

Along with the Australian government funding of \$120m through national partnerships, the Northern Territory government's investment includes: \$11.74m for five children and family centres; \$10.5m towards Strong Start Bright Futures program in six communities; \$5.3m for the Families as First Teachers program; \$1.1m for integrated family services in the Territory's 20 growth towns; \$3.6m for mobile preschools; \$3.18m for Clontarf and Sporting Chance academies; \$6.4m for training programs in the 20 growth towns; \$1.2m for upgrading teacher positions in very remote schools; and \$8.53m for CDEP transition and 16 FTE teacher positions.

We all recognise the need for education to begin even before formal schooling years, and that is why we will continue to support families with young children through our \$4.2m subsidy which offsets the cost of childcare.

We are equally focused on students completing school and being job-ready, or ready to go onto higher education. The government's target of 10 000 apprentices and trainee commencements over four years from 2009 onward is well on track. Apprenticeship and traineeship initiatives will receive funding of \$24.6m in Budget 2010-11. A further \$1.3m will help apprentices and trainees with work expenses, while \$1.5m will be made available for eligible employees in the private sector to encourage employment of additional apprentices and trainees. Additionally, \$3.5m will fund VET programs in urban and remote schools and just under \$1m will help students move from school to work. We will also allocate \$3m to increase the number of students who gain an NTCertificate of Education and Training.

In conclusion, I have outlined a comprehensive policy and strategic framework with dollars behind it. I welcome the inquiry of the Estimates Committee into this portfolio area.

Mr CHAIRMAN: Are there any questions to the opening statement? This is a good opportunity if you have any outputs you are not sure about, or clarification on where anything might fall, to ask.

Mr CHANDLER: Minister, I would like to clarify a couple of things. I have questions in regard to a number of areas. Where should I be asking them? NAPLAN, special education, Indigenous rural and remote specific questions, and some of these questions scope both private and public education. I am asking whether we could tackle some of those straight up before we move to the individual outputs.

Dr BURNS: I am willing to. Non-government education is a separate output area under the budget, but I will leave that to the Chair. I might take advice from Mr Barnes. You mentioned Indigenous education; that would be in the first output area would it, Mr Barnes?

Mr BARNES: Gary Barnes, Chief Executive. The first output area is around the early years, which probably sits better with government education, which appears later on.

Mr CHAIRMAN: We are in your hands to an extent, minister.

Dr BURNS: We will try to deal with the member's question straight up, and when we get to those output areas he might have more specific questions.

Mr CHANDLER: I do, but there are quite a few questions that fit within general education.

Mr WOOD: Can I seek clarification on homelands learning centres. Does that have a place in the world?

Mr BARNES: It would be in government school output area.

Mr WOOD: Overall? A general one?

Mr BARNES: Yes.

Mr CHAIRMAN: In some respects Output Group 1.0, without necessarily being a specific output number. If you are saying it fits into government education without a specific output, it should be similar to some of your questions?

Mr CHANDLER: Yes

Mr CHAIRMAN: Perhaps I could suggest the way to proceed is we are into agency whole-of-government area at the moment for questions and maybe we start there. If they get too specific, we can defer some of those to output specific numbers where we might bring other witnesses forward, but we can at least deal with some of them now and that way as we go you will get direction, shadow, about exactly which output they come under.

Dr BURNS: The shadow had a question during the appropriation debate about non-government education and the apparent decrease shown in BP3 on page 97 from \$166.8m to approximately \$140.69m from 2010-11 to 2011-12. I imagine that is one of your questions.

Mr CHANDLER: I read in the notes it was primarily to do with the BER funding.

Dr BURNS: However, let us launch into it.

Mr CHAIRMAN: Yes, member for Nelson.

Mr WOOD: Can I ask the shadow if we can work the way we did yesterday.

Mr CHAIRMAN: That is a flexibility of the committee. What we have been allowing, minister, is where there is a certain line of questioning the shadow has been following, at the end of that we allow the member for Nelson to ask some questions while you have the witnesses and your folders open to that page, rather than coming back to it later.

Mr CHANDLER: Excellent.

Mr CHAIRMAN: Can we extend that courtesy, shadow?

Mr CHANDLER: Sure . My first question is in regard to Nemarluk School moving to Alawa. The recent process of moving Nemarluk School and constructing a new special education school at Alawa has created quite a stir in the community, perhaps based more on the process instigated by you and your department than the school itself.

Minister, can I say from the outset I applaud any government for investing in good educational infrastructure, even more so when that infrastructure is for some of the most vulnerable members of our community. I have spoken to many people about this issue and none have any problems with the school being relocated to Alawa. However, there have been some problems with the process of consultation and the approach government employed throughout. Minister, it is that process I hope you can clear up today because I have been provided with some pretty damning evidence about that process, the time lines involved and the clear reluctance by you to consult with the community.

I would like to go through a time line with you in accordance with the evidence I have in front of me and seek your comment and advice.

Dr BURNS: Do you have something to table, member for Brennan?

Mr CHANDLER: I can table all these papers later; they are all your documents.

Ms Scrymgour: Table your file of questions.

Mr CHANDLER: I am hoping you will correct me along the way. On 19 November 2009, the then Education minister, Paul Henderson, announced a \$30m package for special education, including \$5.6m for the redevelopment of Nemarluk School. That release also mentioned \$10m for a new special education unit in Palmerston which appears to have dropped off the radar in this year's budget - more on that later. Internal NTG minutes of 25 November 2009 state, through the NTG announcement, it has been made clear Nemarluk School would remain on the current site.

Minister, on 9 December 2009, you sent a letter to the then acting chairperson of Nemarluk responding to her earlier e-mail regarding the development group. On 8 January 2010, you responded to the COGSO president in regard to the Nemarluk redevelopment group. In neither of these two letters did you mention Alawa as a preferred site. Had you made a decision to move Nemarluk School to Alawa before these letters were sent?

Dr BURNS: I am a little amazed, member for Brennan, you have gone to this issue the way you have, politicising something that should not be politicised. When you assert there is this groundswell of public opinion in Alawa against this school, I completely rebut that.

Let us get some parameters correct and get to the truth of this matter. There was a public meeting where probably 80 to 100 people attended. In relation to the numbers who were for and who were against, there was a polarised group numbering fewer than 10 or 15 people vehemently against this project. Indeed, since this issue was first raised publicly a number of people have changed their mind. When I was in Katherine last week one of those people who wrote to me at that time approached me and congratulated the government on this project and the way it is shaping up. Even amongst that very hard polarised group who are against the project for their own reason - and I respect that; some of those people I have known for 20 or 30 years; however, those people will never be for this school.

I believe there is a groundswell of support in Alawa for this school. I made it very plain at that meeting that, yes, I was the one who drove this project because soon after I became minister for Education I visited Namarluk School and was very concerned about what facilities I saw for the children. I was lobbied, I had discussions with the school council which made it very plain that, although they had been allocated some money - I believe it was \$4.8m you alluded to - by the Chief Minister in that budgetary process, they had received some preliminary engineering advice that most of that money would be swallowed up in engineering works for the classroom, or whatever they built through that.

It was around that time I asked the CEO to start investigating the possibility of relocating Namarluk School. Bearing in mind Palmerston is getting a new special school, I thought it was appropriate a special school be placed in the Casuarina-northern suburbs area. I did not dictate a site; I did not say it was going to be Alawa school. I simply asked the CEO to investigate what land or facilities may be available in the northern suburbs, which he did. He reported Alawa was suitable on the basis there was a site that can take up to 300 kids. I believe the enrolment is between 150 and 180 currently at Alawa school, but there is quite a large site which would be suitable for the development of the special school. On that basis, the department started to proceed.

My aim was always, given the state of the facilities at Namarluk, for those kids to have a new facility as soon as possible. So, yes, member for Brennan, I take responsibility for getting the whip out. I acknowledge we could have done our initial consultations with the residents in that area much better. Bearing in mind, under the *Planning Act* that land is zoned as education land and, provided the building does not exceed any of the planning guidelines under the Northern Territory *Planning Act*, we could proceed to build what was planned. You can have a house on a house block and build what you want as long as it fits within the *Planning Act*. So it is with that school.

There was a notion within the community that, somehow, this land was parkland or recreation land. It has always been used for that and people will continue to be able to use it for that, but it is a lease for the purposes of education. I acknowledge it could have been done better in the initial stages, but I believe with all the work done since then - the community has been engaged; a committee has been set up. Some people remain dissatisfied, but the bulk of residents remain satisfied with this development and can see the worth of this development.

It is important. I cannot really say too much more than that, except to say there is no conspiracy theory. All that was involved was goodwill; there was no intent to deceive anyone or pull the wool over anyone's eyes. I take responsibility because I felt it was very important to relocate Namarluk School.

Mr CHANDLER: Minister, thank you. I do not disagree with what you are saying. I know you have acknowledged the consultation could have been done better. I need to emphasise from the outset no one I have spoken to is against this school; it is for all the right reasons. It is desperately needed to provide adequate services for children with special needs, but it is the process I wanted to talk to. You said there are no conspiracy theories. I take you for your word, but I have some information I want you to clear up. I have information that suggests you had a meeting on 13 March where you were heard to say you had made a decision to move the school after attending the Namarluk School Christmas party in December 2009, and you then instructed your department to progress.

Dr BURNS: Hold on. What I said at that meeting was I attended the Christmas party, I looked at the facilities, I had discussions with the school council, and I was thinking about the relocation. It is not as if bang, suddenly we are relocating it. I do not think I said that at all, and that was never what I did. I was not that prescriptive about it, member for Brennan. I then had some discussions with the CEO. I am not in the business of promising things I cannot deliver, particularly to parents with children with special needs. I

needed to do some homework. The bottom line for all of this comes down to money. As I have said, \$4.8m had been allocated for works. I have already explained how most of those works would be swallowed up by civil works, and there was a reliable view on that.

The other challenge to the CEO, apart from looking for prospective sites in Darwin and the northern suburbs, was to come up with a plan and work with Treasury about how we might find the money to fill out, because \$4.8m is not going to buy you a school. In the end, we got to about \$10m, and now we have stretched it to \$11.3m. I can assure you I, metaphorically, grabbed the CEO, he was turned upside down, and I looked inside his pockets and every dollar available was pushed towards this school.

The other proviso was, and I made it very plain to the department, of the \$30m allocated for renovation and works on special schools, and new special schools throughout the Territory, none was to be diverted towards Namarluk, because I picked up on concerns from other special schools. They say: 'Namarluk looks like getting another school; we are not going to miss out on our funding'. I assured those schools that was the case.

A bang decision was not made when I attended that Christmas function. From memory, the member for Fong Lim may have also been there at the Christmas function, or it could have been an opening of a new classroom. He lobbied me about the urgent need to have a new - that could have been at a later function - it was in my mind, but Alawa was not in my mind. It was in my mind to relocate that school, and the sooner the better.

Mr CHANDLER: Minister, I then draw your attention to an incoming minister briefing December 2009. In the last part of that briefing - I found it interesting in the current situation - the preferred option by the respective school communities is to relocate to Alawa. Can you explain, talking about Christmas 2009 and the fact you are thinking about Alawa and were going to instruct your department to do some work, yet the incoming minister briefing, December 2009, says that is the preferred option by respective school communities when it is obvious no communication had even been had at that stage with the communities?

Dr BURNS: All I can say, member for Brennan, is I have mentioned a couple of functions - I am trying to recall when I became minister for Education. I think it was 4 December 2009. I would have to question the date on that brief.

Mr CHANDLER: Incoming minister briefing December 2009. I assume that would be a briefing put together for you as the incoming minister.

Dr BURNS: I recall going to a function which might have been a pre-Christmas function. It was a function around the time I became minister. There were a number functions. The Christmas party might have been one of those functions; however, the idea about relocating the school crystallised. I might hand to Mr Barnes to give further detail.

Mr BARNES: Member for Brennan, the situation at Alawa was we had a stand-alone preschool building at Alawa which was separate and at the other end of the footprint of the land. The preschool building was about to be decommissioned because the school had decided to build a preschool close to the early childhood years classrooms with BER money. The department and its officers were looking at a range of options for what might become of that preschool facility. Because we all knew something eventually would need to be done with Namarluk, one of those options was relocation. Another option we were looking at was to establish a regional presence for the Darwin region at that location. We were canvassing a number of options for a decommissioned building. There is already a building on that footprint up the other end of Alawa. It is true to say no decision in respect to the relocation of Alawa took place until later in 2010.

Once we had done some strong due diligence around the absolute best location, the Alawa footprint, as far as a parcel of land goes, was found to be, by and large without any capacity to refute, the largest parcel of unused land of any of the schools in the northern suburbs by a considerable amount. We had it on our radar, but the minister tasked me with the job of coming up with options for the \$4.5m - and there is already \$300 000 in NTG money as well - the best use of that money later in 2010. We brought forward a number of options, including a master planning process for developing a new school in a staged approach on the Namarluk site. When we had gone through that due diligence - and the minister referred to the fact that we had engineers and quantity surveyors involved - it became evident that putting \$4.5m or \$4.8m into the Namarluk site, given the headworks that would need to take place under the planning convention so that we overcame issues of building in a tidal flood area, that would not be a good use of taxpayer money to have the majority of that investment chewed up with headworks. At that time we were tasked to have another very close look at whether there were greenfield sites that we could access, as well as existing school sites.

What to do with Namarluk has been on people's radar for some time now. The minister is right in saying you walk into the facility and see the crowded nature. I attended the meeting with the member for Fong Lim, in whose electorate it was back in 2009, and again in 2010, and this has been a concern for the parents of the school for a number of years.

Mr CHANDLER: I am not questioning the fact it is a good thing we are having a new school built; it is the time line. I feel sorry for the minister because the information from the department of Education to the minister in December 2009 says the preferred option by the respective school communities is to relocate to Alawa. The minister has been given information. If I was the minister reading that I would assume the department had already consulted with the school communities.

Dr BURNS: I can only reiterate what I have said, member for Brennan: new minister in December 2009 - I have forgotten the exact date - and attended a number of functions at Namarluk School. I was the one who, in consultation with the school council, set the department the task of looking for some sites in the northern suburbs. We can go around this for the next seven hours if you like. That is my recollection. It is the right thing to do. I am sorry if there are some residents in Alawa who still do not agree with it and are still picking holes in it; however, it does not do anyone any good to keep raking over this issue. I can assure you everything I have done in relation to this matter has been done in goodwill. Once again, I acknowledge the consultation process and engagement with the Alawa residents in the initial phase could have been done better. I come back to the point that no firm decision was made on this matter until well into 2010; mainly because it is no good flying kites unless you have the funds to build the school. That is what takes the time. I had to ask the department to look at its budget, look at the overall budget for the Territory, and see whether we could do this.

There was another complicating factor in this project. Given the fact we had \$4.8m and the school was probably going to cost at least \$10m, one idea I floated with the Alawa School Council was trying to do the school in two phases; however, the council, and the parents, were of the view it would unsettle the kids if they moved onto a new site and there were works going on around them, particularly kids with severe autism - they would become disturbed and it was better for them to move onto a completely new site and not have works going on around them.

I was then faced with the task of finding all the money in one financial year, bearing in mind the budget was looming down. We needed a decision by the close-off of budget as well, or pretty well nailed down. Much work was happening in the first half of 2010 and into 2011. I cannot add anything to that. You can go through chapter and verse and receive ministerial briefs; however, I can look you in the eye and say when I tasked the department to come up with a site I did not have Alawa in mind. I had no site in mind apart from Darwin and the northern suburbs. That is all I can tell you. The department came back with Alawa as a prospective site; however, there more work needed to be done than just having a prospective site.

Mr Barnes, do you have something to add?

Mr BARNES: Member for Brennan, I have been advised the first significant consultation that occurred with both councils around Alawa as the preferred site with the capacity to deliver the funding occurred with the new school councils of both those communities - with Namarluk on 13 September 2010, and shortly after with the Alawa School Council to determine their preparedness to move in that direction. Those were the first significant discussions when we knew we could deliver something.

Dr BURNS: I ask the member for Brennan to table the brief he is alluding to, please, because I am being told something contrary by my department to what is being asserted in the brief. I am very interested to see that brief, sooner rather than later.

Mr CHANDLER: No problems. You are right, minister, we could go through letters and so forth between you, minister Lawrie and different Chairs but I would – I was trying to focus on the time line and the communication between the schools, which were at odds with your advice through the department. That is what I was trying to highlight.

Dr BURNS: Let us look at this incoming brief. I would be interested to peruse it, member for Brennan.

Mr CHANDLER: I might move on. Same subject, but about the lack of consultation. It would appear there was a reluctance, perhaps arrogance, in regard to consulting with the Alawa community. An e-mail dated 3 September mentions the next step is to consult with the community. What is remarkable in this e-mail is it mentions the following: 'The minister has confirmed he does not need to be present'. Minister, why do you not think it is important to consult with the community?

Dr BURNS: Are you referring to consultations with the Alawa School Council?

Mr CHANDLER: No, with the community.

Dr BURNS: Can you table that as well? We will bring Mr Baillie forward.

Mr BARNES: Member for Brennan, Alan Baillie is the Executive Director who looks after the Darwin region. Alan has been directly involved from day one in all of the consultation that has occurred both with school councils and the community. With the committee's indulgence, I ask Alan to provide for the record the detailed consultation that has occurred.

Mr BAILLIE: Alan Baillie, Executive Director, Darwin and Katherine Regions. Member for Brennan, the first consultation with Namarluk School Council was in September 2010, followed by Alawa School Council. This was consequently followed by Alawa School Council and Namarluk School Council and school community invites to further consultation with regard to the possibility of the relocation.

The first meeting for open community consultation was 22 February 2011. A further consultation was scheduled for 5 March 2011. However, we had some interruptions advertising the February one due to the cyclone. We then had significant involvement in advisory committees advising us with regard to any community impact of relocating to the site, which took place on 22 April and 28 April. All up, we had at least nine opportunities for people to consult and have significant input to the decision-making process.

Mr CHANDLER: Thank you. Minister, I was looking through the material I have been provided in regard to the storm surge zone which could have had an impact on the decision to move the school to Alawa from Namarluk. I understand why that is a decent decision, but you did approve to spend around \$1m of BER money on the school at the time. Why is it okay to spend \$1m on one thing and, then, not choose that site to develop?

Dr BURNS: The first thing to say is that building is relocatable and will be relocated to Alawa. Regarding the BER, decisions were made around the BER by the school council; however, the school council, in regard to the BER project, could see with the installation of that classroom they would run out of space. I have confidence that, through the construction process in the Department of Construction and Infrastructure, issues like storm surge would be taken into account in construction of the building, but that BER building will be relocated to Namarluk. It is a great facility; I attended the opening last year. That is all I would have to say.

The point I make is, through that building being placed there – in the last two or three years a wing of new classrooms had been built on the Bagot Road side and they had run out of space on that site. I received very strong representations from the school council about this, and their reluctance to spend – I will come back to the \$4.8m – that \$4.8m because most of it would be chewed up, for the want of a better word, by civil works. I am still waiting for a copy of the brief you were alluding to before. Can we have it distributed please?

Mr CHANDLER: Just on that brief ...

Dr BURNS: I would like to look at this brief if it is available, member for Brennan. Will you please excuse me, member for Brennan?

Mr CHANDLER: It shoots holes in your argument, minister.

Dr BURNS: No, I am just pointing out a couple of issues in that brief. Where does it say ...

Mr CHANDLER: Third sentence from the bottom: 'Current situation. The preferred option by the respective school communities' ...

Dr BURNS: Can we invite Ms Leanne Taylor to sit at the table? We need to deal with this issue.

Ms TAYLOR: Leanne Taylor, Senior Director, Department of Education, Planning and Infrastructure. Minister, the second page is out of sync with the first page. The first page of the incoming briefing says a project development group has been formed to progress a master plan for the upgrade of the site. That, from my recollection, is where we were at in December 2009. We were still progressing the master plan. The second page, 'current situation', to my knowledge does not appear to be attached to the incoming

ministerial briefing because it refers to preparation of a Cabinet submission, and that Cabinet submission was submitted in November and the decision is dated December 2010.

Dr BURNS: Something about this document does not stack up. Maybe the department can do some further investigation. The person who has given it to you was given it by FOI? Can I ask the department to go back through the FOI requests? That is what I was saying before member for Brennan, the Cabinet decision and the 11.3 has only just happened in the last Cabinet round, so I do not see how it could be an incoming minister's brief unless FOI knows something that I do not know.

I am not going to offer an explanation as to why it is there, but it does not fit with the sequence of events. The 11.3 did not come into existence as a figure until late in the piece. We were working around 10 as a prospective figure. For everyone's benefit, we need to settle this one.

Mr CHANDLER: I appreciate that.

Mr BARNES: Under the same release of FOI is an email dated 3 September 2010 which clearly indicates that - from Leanne Taylor to Alan - the minister has provided his support for DET to prepare a Cabinet submission around the options to redevelop Namarluk, including a preferred option to relocate to Alawa - That is 3 September 2010 - and that now is the time to consult with the broader community. It appears the FOI information has been provided out of sync in the total document.

Mr CHANDLER: You might understand my frustration, because everything else seemed to add up as far as time lines go.

Dr BURNS: I understand that. You have a document, you are asking reasonable questions based on that document, but we need to get to the bottom of it. When I was talking about the 11.3 and the sequence of events, it does not add up.

Mr BARNES: We have found the incoming brief on our official record system and the second page that has been tabled is not included. In our official records it is clearly ...

Dr BURNS: I am being advised that there are two separate documents. You have the incoming minister's brief up the front and somehow this one has slipped to the back of it. You are a bloke with integrity, and somebody has given it to you this way, and that is the way it is. There has been an error and, given the explanation I am putting forward now, you should accept my explanation of the events that happened when I became minister and how this grew into where it is.

I have acknowledged the consultation process could have been done better at the initial stages, but I believe we endeavoured, in the latter stages, to accede to people's concerns. There were a number of concerns; people had concerns the oval was going to be subdivided - I stopped that. They had concerns about traffic in Stedcombe Street; we addressed the issue and put the car park on the other side. They had concerns about the caretaker's cottage and that was put to the other side. There were concerns about access to the oval, and that somehow the oval would be diminished. From recollection, there is a 60 m easement where people can still access the oval. That is a considerable easement and we want people to use that oval; we are not trying to stop people using that oval. I have also given the undertaking, member for Brennan, that the goalposts will not be moved on the oval. The football oval will remain the same size.

We have endeavoured to meet the concerns of the residents. One area which I have not been able to meet their concerns is about the size of the footprint. I said at the public meeting - my words were something like: 'Yes, we will work with the community, if we can, to reduce the size of the footprint, but the needs of the kids come first'.

A special school is a special school for that reason. It is not everything we want it to be in this first iteration; however, there will be further budget rounds and it will receive, hopefully, more than its fair share seeing it is a developing school. We have not pleased everyone; however, by the same token, there is much support in Alawa.

Mr CHANDLER: Minister, on 13 May 2011 in a media release, 'Making Schools Our Community Heart', you talk of schools being used by the community after hours. Can you please advise if the special education pool being constructed at the new Alawa school will be made available for other community members with special needs after hours?

Dr BURNS: I am disappointed you asked that question. I would say no. It is a special pool with a great deal of special equipment - hoists and all those things. There may not be malice, but you might get some kid wanting to play with the hoist. There were questions asked. Some offensive things were said at this public meeting in Alawa, and one of them was: 'Will they' – a few people calling them 'they'. There is no need for that. 'Will they use our library?' 'So they get a bus to school every day', notwithstanding most of these kids are in wheelchairs, 'so they get a bus to school every day'. My kids used to walk, even in the rain.

I know the type of personality this is coming from; however, I will throw to Mr Barnes.

Mr CHANDLER: The question was use by other people with special needs, not the general community.

Dr BURNS: You did not specify that. I did not hear it, sorry.

Mr BARNES: This is something we have given an undertaking to the community, through those groups, we would look at. It makes sense for people with similar disabilities to take advantage of what is a very purpose-built pool. As part of that pool there will be equipment to get people in and out of the pool who have mobility impairments and disabilities.

We would be investigating how we could make that available to other people with a disability, as we are looking at making available the assembly area, which will be a large assembly area with a kitchen, it will be air-conditioned, and we would love the community to utilise that facility outside school hours. It is something we have been talking about - adding to the social fabric of the community, because the Alawa school itself does not have a facility of that ilk.

Dr BURNS: In relation to people with disabilities using a special facility like that, there is no problem at all. Some groups who use these facilities are very keen to enter into discussions with the school; there is no problem with that, even if it happened during school hours.

I misread your question, member for Brennan; I thought you were asking another type of question. In principle, we would support that; however, we would have to ensure the facilities were being looked after.

Mr WOOD: We need to be conscious of time here; that was one hour for one issue.

Dr BURNS: I thought it was only five minutes; I was having so much fun.

Mr WOOD: There are many more questions. Can I ask a question on special education? It is not on Nemarluk School.

Mr CHAIRMAN: That is okay, member for Nelson.

Mr WOOD: Minister, I appreciate all the good work the Education department is doing; there is also special education at Taminmin High School - money is going into that this year, and that infrastructure is good. Can you give me some information on the SESP funding, which was previously known as ISA funding?

How many children do Students Services have in their system on each assessment level – low, medium and high?

Dr BURNS: The question you have asked is a very good question. Your assistant has been given a briefing, along with others - parents with special needs kids who are concerned about this - and I have been carrying on a further robust conversation with the CEO on this issue.

To let other members know, there has been a review of the way in which these programs are delivered and a categorisation of Category 1, 2, and 3 for children based on their specific needs, which is different to what happened before when a child with a particular category of disability was allocated a specific amount of funding. Overall, member for Nelson, the funding has not diminished; the funding has been increasing over the years with CPI. I have also had discussions with the CEO about a future budget bid for an increase of funding for kids with special needs, because we know that pool is growing. I am advised, over the last couple of years, the numbers have remained fairly much the same. The funding has increased slightly with CPI. However, we are endeavouring to deliver this program more efficiently. I ask Mr Barnes to elaborate further.

Mr BARNES: Member for Nelson, we can get figures for the breakdown; I do not have them with me at the moment. As the minister pointed out, you would be aware that right around the country in the area of catering for students with a disability who go to mainstream schools, the level of support is being attributed to the individual child and the amount of educational adjustment they require rather than a blanket approach that used to allocate dollars based on the type of disability. In the past, for example, if a child had spina bifida there was a set level for that disability and that is the amount of money they received.

Having taught in mainstream schools and taught students with a disability in classes some of these kids, while they in the past had categories of high disability, required minimal amounts of education adjustments to provide a sound education in which they can develop. What we have done is similar to what other jurisdictions have been doing; that is, look at the individual needs of students and the level of adjustment required. That level of adjustment is allocated a low, medium, and high ranking. We can get that information for you.

Dr BURNS: Do you want to make that a question on notice, Gerry?

Mr WOOD: Yes, please.

Question on Notice No 4.1

Mr CHAIRMAN: Could you repeat that concisely please, member for Nelson?

Mr WOOD: Minister, could you provide information on how many children Student Services have in their system on each assessment level - low, medium, and high? Could I add another question? How much funding is allocated to provide support for those students in schools?

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

Dr BURNS: Happy.

Mr CHAIRMAN: That question is No 4.1.

Dr BURNS: What is that?

Mr BARNES: About the total funding.

Dr BURNS: We will do it as a job lot. We have to move on; we have many other important areas to discuss

Mr CHAIRMAN: Do you have another question on special ...?

Mr WOOD: Minister, as you know, I had a group of parents in my office in Term 1 to discuss the decrease in this funding. It was interesting to see a mixture of parents of special needs and parents of other children attended. As a result of the representatives meeting with the department, some schools negotiated top-up for Term 2, but I have been told there is no further additional funding for Terms 3 and 4. I can say no principals or assistant principals discussed this with me; this has come from parents and school members. It is true there is going to be no further top-up for Terms 3 and 4?

Dr BURNS: I will leave that for Mr Barnes.

Mr BARNES: Member for Nelson, the reassessment of kids' individual needs happened progressively throughout 2010. Schools were advised of the reassessment of individual students in about October 2010 and were asked to sign off that they were happy with the outcomes of a specialist panel who had undertaken that assessment. The corresponding allocation of money based on that level of assessment was allocated at the beginning of Term 1, 2011. It is true that some schools had not realised a change to the level and the profile of their students might correspond to less funding coming through.

In some schools; for example, three of the kids in their profile with high needs, who were found to continue to be high needs, moved out of Year 6 into Year 7 at another school and there would be a corresponding drop in the amount of resources to be allocated. Some schools did not take account of that and made decisions about retaining the same hours for their ISA or CESA numbers. We met with a number

of schools and their principals, including school councillors, in the early part of this year and made available some supplementary funding to lessen the impact on those people who had expected to be employed for a certain number of hours - had been told that would be the case - and we made some money available to smooth out the issues identified.

Parents have the capacity to request a re-evaluation of the level given to their students, and each and every parent has the opportunity to do that when they sign off on their student's individual education plan, which is part of the process. A small amount of additional money was made available to help those schools that had not planned for a decrease in budget. There will be more money in Budget 2011-12 because this allocation rises with CPI, which is around 2.5% to 3%. As the minister has pointed out, we are looking to make an application for an increase in the funding base for students with a disability because, as the Territory's population grows, young people with a disability will grow accordingly because this is a population-based phenomenon and disability occurs in any family. It cannot be attributed to family circumstances.

The other thing we know is public education systems, including ours in the Territory, disproportionately cater for the majority of young people with a disability in mainstream schools. We will be making an application to Treasury, through the right processes, for funding beyond CPI because we would expect that this cohort will grow.

Mr WOOD: When you said government schools basically take up the high proportion of children with special needs, is that because non-government schools do not want to or are not able to because they do not have the funds?

Mr BARNES: A clear answer is this is a population-based phenomenon. Our schools, in almost all locations, cater for these young people. With the exception of Port Keats - Wadeye, there are public schools everywhere. The Australian government, through the AGSRC, which is the recurrent funding base for non-government schools, provides funding for this and, as a part of the 21¢ in the dollar, which is the most generous funding in the country for our non-government schools and is provided by the Northern Territory government through the Department of Education and Training - 21¢ for the average cost of every dollar spent on a primary student, a middle year student and a secondary student, there is an allowance for disabilities.

I am not saying the non-government schools do not play their part, because they do. There are more public schools in more places and given that this is a population-based phenomenon, we have the capacity to do that. Government schools accept all kids, and the Territory non-government schools are very good at doing that as well. If you went to other jurisdictions, a number of these students are not made welcome in some non-government schools, but that is not the case in the Territory where the non-government sector play in this space also.

Mr WOOD: The last question is on ISAs. Were they given enough knowledge that things were going to change from last year to this year?

Mr BARNES: Member for Nelson, in some schools they were, in other schools there was not enough lead time. I have given an undertaking to overcome this process problem because we would advise schools well before the end of the school year as to their anticipated funding levels based on who we anticipate they will be catering for in the following year. We can give that to them in November so there can be a considered decision made in relation to these very important people who are employed by school councils and provide very appropriate and welcome support to students with a disability.

One of the things I have committed to, and we are about to roll this out, is to look at making inclusion support aides, who are now called SESAs - Special Education Support Aides - moving them out of being school council casual employees and into the mainstream Northern Territory government workforce. That discussion has been ongoing with Treasury because things like that have an impact on staffing caps etcetera, when you move from one stream to another. We have made provision to move the first tranche of those by the end of the year, and SESAs are saying they would appreciate that because they can make a career out of this line of employment. We can then have the certainty that spending funding on professional development will reap rewards because these people will continue to operate, if not in one school, across a number of schools in a region.

Mr WOOD: Sounds good. Thank you.

Mr CHAIRMAN: Member for Brennan.

Mr CHANDLER: I would like to move on to some strategic plans. Minister, I refer to a number of Indigenous education strategic plans implemented by this government, the first by the then Education minister, Mr Syd Stirling, a rather straightforward, open, and honest plan about eight pages long. Before I do, I want to mention the 2030 plan where education is referred to as the key. Minister, attendance is only mentioned once, and it is not mentioned at all in the education preamble. Minister, how can you say education is the key and not mention attendance as being important?

Dr BURNS: You mean in relation to *Territory 2030*? *Territory 2030* was prepared by an independent, autonomous group who were consulting with the community and reporting back to government. You have to take that up with the members of the *Territory 2030* committee because it is the priorities of that group. That is the priority; how we get there is the job of government and, as you know, attendance has been front and centre of my efforts as Education minister and, to that end, Every Child, Every Day has been released. We have the legislation in place and a range of programs.

I was at Nightcliff Middle School yesterday for the Clontarf program and had a couple of hits of table tennis. My best shot - I got the rounds of the table by one of the kids there; however, that is a great program, as is the sporting chance for girls. Much is happening. We also have a communication strategy occurring around that. There is a whole range of strategies around early childhood, around primary and secondary school, and also the transition from school to work.

Yes, member for Brennan, I acknowledge it is front and centre of our strategies. Can I add, I am waiting for the CLP strategy on education. It is June now, we have August 2012 – I remember when I was a candidate ...

Mr CHANDLER: Are you that desperate for ideas?

Dr BURNS: ... I came on deck about June 2000 and the Labor Party – Clare Martin had a whole range of policies to do with a whole range of things. As a candidate, I was able to say this is our policy about this, this is our policy about that; however, the opposition - I am still waiting for your education policy. As we discuss things I will be asking you how you will do things, member for Brennan. Your leader brought out this couple of pages about early childhood which mentioned attendance; it did not mention Indigenous students. You have now moved from assisting the shadow minister to being the shadow minister and I am expecting big things from you, member for Brennan. I am expecting a comprehensive policy document that we can debate on the floor.

Mr ELFERINK: A point of order, Mr Chairman.

Mr CHAIRMAN: Yes.

Dr BURNS: What is your time line with your policy document?

Mr CHAIRMAN: We have a point of order, minister. Member for Port Darwin.

Mr ELFERINK: If the minister wants to discuss the budget allocation of the CLP government I am more than happy to hear him hand over the reins.

Dr BURNS: You have to go forward with a policy.

Mr ELFERINK: In the meantime, this is discussing expenditure of the Northern Territory government's budget on its policies. I ask that we get back to the matter at hand.

Dr BURNS: We are getting close to an election, member for Port Darwin, and I am interested to see what your policies are going to be.

Mr CHAIRMAN: Do you have a question, member for Brennan?

Mr CHANDLER: Yes, I do.

Mr ELFERINK: Then vacate the field and we will sit there and you sit here.

Mr WOOD: We are using up valuable time here.

Mr CHAIRMAN: Minister.

Mr CHANDLER: Yes, page 15, the target ...

Dr BURNS: Hold on, the CEO wants to speak.

Mr BARNES: Member for Brennan, *Territory 2030* has targets around increasing school participation and attendance for Indigenous Territorians. One of my staff has pulled up the website. There are clear targets year on year, and a trajectory which would see us close the gap by 2018. I am happy to make that available. Sometimes on these websites it is not always easy to get to immediately; however, it is there and is something we have to report against as a key agency because education is front and centre in that strategy, and getting kids to school and participating is, as the minister pointed out, one of key planks in not only the *Territory 2030* strategy but also our own strategic plan.

Dr BURNS: It is there, member for Brennan.

Mr CHANDLER: Page 15 of *Territory 2030*, the target is to increase participation among Indigenous Territorians and the action is to close the gap for Indigenous students to the same rate as non-Indigenous students by 2018, as Mr Barnes just mentioned.

Minister, it is now 2011 and we are discussing Budget 2011-12 and recent legislation introduced by you to tackle attendance, amongst other things. I refer to Budget Paper No 3.101, which clearly demonstrates the stark difference between Indigenous and non-Indigenous attendance rates. I specifically ...

Dr BURNS: Page 101, is it?

Mr CHANDLER: Yes, Budget Paper No 3 page 101.

Dr BURNS: Yes.

Mr CHANDLER: Go to page 102, Budget Paper No 3.102: middle years attendance rates. It shows, in 2010-11, there was a 70% attendance rate. That is not as bad as some of the other attendance rates, but if you look at the estimate for 2011-12 it still shows 70%. That does not show much confidence that the new legislation you have introduced is going to make any improvements whatsoever.

Dr BURNS: I am glad you asked that question, member for Brennan. The explanation is we are not so cheeky, when we form the budget papers, that we presume the legislation would get through. There are many parts to it. Those numbers were not taking into account the legislation would be passed. That is the explanation from that. I ask Mr Barnes because now the legislation is through the department has stretch targets which you will be very interested in.

Mr BARNES: Member for Brennan, we will be resetting the targets now we have the tools to be able to work effectively with communities and, in particular, the tools to work effectively with recalcitrant and hard-to-shift parents. We would only do that at the end of a long process. Those tools were issued last week, and remember the legislation only came into effect on Wednesday of the week before - 1 June - we have begun issuing compulsory attendance notices and infringement notices.

We are very serious, having spent a great deal of times trying to reengage and work with families over a long period who have failed to budge, about taking advantage of the new tools available to us. We will be in the position of looking at some stretch targets now we have those tools in place. Remember, some of the tools we have, through Every Child, Every Day and the new legislation, are also proactive tools; things we can do with young people and parents, not just the stick.

I have to say in Collections 1 and 2, which are just about to go on the department's website, we have an overall lift in attendance for the first time in many years of 3%, with over 5% lift in Indigenous attendance. That is absolutely commendable, given the horrific weather we faced in many of our communities at the beginning of the year. I am very confident, now we have the full array of strategies in place the government has provided, the department can be robust in moving forward. Part of that robustness will be setting meaningful targets that our principals and our communities, collectively, can work together to achieve.

There is much more work to be done. We expect we will go three steps forward and one backwards because this is the nature of the attendance game. However, the overall move in a positive direction is one I have welcomed because it gives me confidence the advice and the energy that has been directed to this is starting to make a difference.

Mr CHANDLER: Minister, the *Territory 2030* plan refers to a number of education outcomes. Page 13 refers to baseline data being established by 2010 regarding the proportion of children who are developmentally vulnerable on one or more of the AEDI domain scores - that is the Australian Early Development Index. Can you please advise whether that outcome has been achieved?

Dr BURNS: That is a very important question because that early childhood period is crucial, especially for our Indigenous students who really have to make an incredible cultural transition, in some cases, into school life and learning. These are kids who are probably learning two or three languages before they go to school, so I am not saying they are silly or not bright. However, we need to be giving them the right type of support to direct that intelligence towards school and assist them to be school ready.

In my opening statement I alluded to the considerable resources going into early childhood, parents as first teachers, mobile preschools, some of our family centres we are building in remote areas. There is certainly a policy framework with funds attached to it, but I will ask Mr Barnes to elaborate further.

Mr BARNES: As the minister pointed out, this is a critical area. The Australian Early Developmental Index is taken during the preschool years. The Territory, unfortunately, because of the national rules, has not had all its communities involved in the benchmarking exercise, and we are working with the Commonwealth to ensure that changes. There are rules around the number of kids that make a viable cohort; for example, so only a small percentage of our remote communities are included in that. The latest data, which is nationally available, again shows there are a considerable number of children coming into the preschool year, which is not a formal year of schooling but a non-compulsory year that we would want them to get into, and we are working hard to ensure we monitor those kids and, more importantly, we establish a meaningful education program for them. There is real momentum in this space, and you will see in the KPIs in that output - the preschool output - that we have buy-in from parents around the importance of sending their kids to preschool. The number of enrolments, statistically, is important. Often statistics are not, but in this regard we are starting to get the message through, the Families as First Teachers, the mobile preschools, our child and family centres, our new Strong Start, Bright Future ...

Dr BURNS: Did you want to elaborate on that, Mr Barnes?

Mr BARNES: You may have seen some very positive articles recently in *The Australian* - the front page of last Saturday's paper and another very positive article today about Gunbalanya. We have three at the moment, about to move to five, Strong Start, Bright Future's spatial responses, if you like. We have put additional resources into these specifically to ensure we focus our energy on coordinating government services in the early childhood years so children arrive at school ready to learn, have pre-literacy and numeracy and exposure to standard English that invariably these young people miss out on. All these people will have access to mobile preschools and Families as First Teachers. Most of them have stand-alone preschools and the mobile preschools cover the homelands. We are putting in place a significant resource to coordinate early childhood effort. That is an additional resource. The Australian government is helping us out there; we are sharing the cost burden for that because it is very important to coordinate effort in those years prior to the kids getting along to school.

The other thing we are doing in these Strong Start, Bright Future spatial responses is we are closing the deal around getting kids jobs. You might have seen in Monday's *The Australian* an article about a young boy from Jabiru who was in a pretty bad space a year ago. We have now him in training programs. Brustolin Builders have employed that young person and he is on the pathway to a new reality which is not about social welfare dependency. This story is being replicated on Elcho Island. There will be a fantastic article highlighting how this has worked so effectively on Groote Eylandt closing the deal with local Indigenous construction companies and GEMCO. We have to try things differently in these communities to ensure kids get real opportunities. That starts in that early childhood space. The notion of the department of Education being actively involved in those early years is something we are pushing very heavily because often we are the only government service provider in these communities on a full-time basis.

Dr BURNS: What about the K to 9, and the literacy and numeracy strategies.

Mr WOOD: I could ask questions on that.

Dr BURNS: It is important; we have a policy framework.

Mr WOOD: I know, I will be asking about it.

Mr BARNES: Member for Brennan, member for Blain, and member for Arafura, who has been out to see this herself, we are also offering 3-9 programs and that goes to a previous question you asked, member for Brennan, around schools and the infrastructure being a community asset - something schools and the community values equally. In these three Strong Start, Bright Futures communities, those schools are being used in the afternoon by sometimes up to 100 community members as they engage in learning of their own; adult learning. Some of it is structured adult learning that will lead to certificate work; parts of it are cultural and further language learning which they do with their students; and some of the learning is for pleasure. A group of people at Gunbalanya doing the zumba; I have not seen the zumba, but apparently ...

Ms Scrymgour: They move quite well.

Mr BARNES: They do it well? This is at the heart - if you want communities to feel school is a great place to send their kids, not only do we have to offer great programs for students, we have to show those students their adults and role models are committed to learning, and we have to ensure we use those schools as community assets. I take my hat off to those communities for embracing and working alongside the Balanda folk, because we are now seeing what this can do. There was a funeral in one of these communities the other day, a large funeral at Elcho. The school still had over 70% attendance. In the past, that would have dropped to a figure in the low teens. The community has to get the idea that school is important and will lead to real outcomes; that is jobs, training, and higher education. This is the game we have moved into and it starts in the early years.

Mr CHANDLER: Could I ask a very quick question, and it should be a yes or no answer. Given the talk about using schools after hours, has the department ever researched the value of looking at schools that could be used as a morning school or a night school? In Malaysia they have a school that is a primary school in the morning and then one runs in the afternoon and allows for shift work?

Ms Scrymgour: That is already happening.

Mr BARNES: Member for Brennan, the answer is yes. We recently sent one of our principals to look at Mountain Creek, a school on the Sunshine Coast that runs a split timetable, specifically with a view to introducing that, so we could take greater advantage of the infrastructure and fit in with the patterns of the community. Yes, we are looking at that. Already, some of our schools, as the member for Arafura pointed out, have flexible options for their students. That tends to be more in the senior secondary area where that flexibility is required; particularly where young people are engaging in vocational education and training as a real option. It is sometimes harder in the larger communities where you have to arrange buses; however, that is something we would be prepared to look at.

Mr CHAIRMAN: We will take a five minute break.

The committee suspended.

Mr CHAIRMAN: We will recommence, minister. I understand you have a comment in relation to previous tabled papers.

Dr BURNS: In relation to the documents tabled by the member for Brennan, which I believe he tabled in good faith, I am advised the two pages represent two separate briefs. The first page is an incoming minister's brief to me in December 2009. The second page, which mentions Namarluk School, the budget bid and Namarluk School relocation to Alawa, was in October. It was an incoming brief to the Parliamentary Secretary, the member for Nhulunbuy in October 2010. I could see how an error would be made. Someone could put the two documents together and ask the question, as the member for Brennan did; however, they are two separate documents.

My explanation stands as it was, and I would advise the member for Brennan to go back through his sources and the machinery and find out how it happened. I accept there was no mischief in it. I was having difficulty working out how those dates tallied up because they could not tally up. That is why I looked closely at it and is why we have discovered they are two separate documents. I will throw to Mr Barnes now in relation to the answer.

Mr CHAIRMAN: Before we do, Mr Barnes, for clarification, when referring to members of parliament, as a witness you are welcome to use Mr Wood or Mr Chandler rather than formally by our electorate names, if

that assists in the further progress of the committee. I understand you have some answers to questions on notice?

Answer to Question on Notice No 4.1

Mr BARNES: Yes, thank you, Mr Gunner. In response to the question by Mr Wood in relation to the number of students with disability broken down into high, moderate and low, as things stand at the moment on our database, 66 students are categorised in the high range, 109 in the moderate range, and 501 in the low range of educational adjustment. That should add up to 685.

Mr CHAIRMAN: That is the answer to Question No 4.1.

Mr WOOD: Did you say 501, 109 and 66?

Mr BARNES: Sixty-six for high, 109 for moderate and 501.

Mr WOOD: The total should have a five?

Mr BARNES: It should have a six on it - 686.

Mr WOOD: You have failed your maths for this term.

Mr CHAIRMAN: That is the answer to the question on notice.

Mr CHAIRMAN: We resume with the shadow minister and we are still on agency-related whole-of-government questions. It is your call, member for Brennan.

Mr CHANDLER: Thank you. There are a number of questions on strategic plans, but I wanted to point something out. I enjoyed reading the 2000-2004 *Indigenous Education Strategic Plan* by the then minister, Mr Syd Stirling. It was an eight-page document and simple. I believe the outcomes were pretty much met because, in the *Indigenous Education Strategic Plan 2006-2009*, if you look at some of the graphs, will show there were some very good improvements in Indigenous education in those earlier years. It is replaced with a 48-page document and things started to go downhill. When we keep things simple we seem to get some good results. When we overcomplicate the argument we seem to go backwards.

Dr BURNS: Can you be specific and mention which measures are going backwards from 2006 onwards?

Mr CHANDLER: I can bring out NAPLAN, I can bring out attendance, I can bring out all these results ...

Dr BURNS: NAPLAN only came into existence in ...

Mr CHANDLER: No, I am saying the measure on education ability, the level of ability of children went backwards after that second report.

Dr BURNS: NAPLAN began in 2008, so 2011 was the fourth year.

Mr CHANDLER: Are you saying you are happy with the results?

Dr BURNS: No, I am not saying that at all, I am questioning you. You have made some assertions about data and things going forwards and then going backwards. I am asking you to substantiate it, member for Brennan, by drawing on the reports you are alluding to and demonstrate what you are talking about. Otherwise, it is hard for me to take the question and do something with it.

Mr CHANDLER: I am simply pointing out we had a simple and straightforward plan and when you read the next Indigenous strategic plan it gives some results that demonstrate there were some improvements.

Dr BURNS: Which results are they?

Mr CHANDLER: If you want to spend the time to go through the strategic plan 2007-09, I am happy to do so; however, there are a number of charts which show good improvements in Indigenous education.

Dr BURNS: In which regard?

Mr CHANDLER: If you look at the reading and numeracy benchmarks, in Years 3, 5, and 7, you can clearly see the earlier plan introduced by the then Education minister was producing good results. Further, I have some questions on why we seem to do things that are successful and do not continue with the funding; however, that is another line of questioning.

Dr BURNS: Mr Barnes wants to take your question on literacy and numeracy alluded to in those reports.

Mr BARNES: It is a fraught exercise to compare, statistically, what used to be called the MAP tests, which were the national testing which started around 2000. Those tests were developed by each jurisdiction to test literacy and numeracy outcomes. Each jurisdiction would do an equating exercise to establish a comparative data set about how you were going against other jurisdictions. The great advantage of MAP testing was individual jurisdictions, such as ours, had the capacity to structure questions that were contextualised and that our young people understood. Since we moved to a single national testing instrument, even though we have tried to influence as best we can the quality of that testing instrument - it is one test for every kid in Australia - has meant there is a level of built-in disadvantage in that test.

Recently, Professor Geoff Masters was talking to our senior executives about how young people right across the Territory, let alone a place like Areyonga down in the centre, deal with reading tasks that talk about curb and guttering and gutters on roofs. We do not have those in the Territory, and it does not come into the sphere of reference for these young people. It is something all of us around the country have talked about. The MAP testing data in train until 2007-08 is quite a separate proposition in getting a line of sight comparatively.

Dr BURNS: I take on board what you say, member for Brennan. I think less is best, so I will have discussions with the department about the issues you have raised. The only thing I would add is things have changed drastically in the past five years in the amount of Commonwealth funding and programs made available to the Territory. I mentioned in my opening statement the \$120m around literacy and numeracy; Families as First Teachers; work is going on at the Menzies School of Health Research about developing programs. At one level it is quite complex; at another level our strategies are clear. We have strategies around early childhood, around literacy and numeracy, and we also have strategies around transition from school to work. As well, we have strategies around attendance. That is where I see things occurring. The other thing I have asked the department to do is clear the decks a bit in the curriculum. I am not trying to narrow the curriculum; the focus has to be around literacy and numeracy.

NAPLAN has brought that into focus. That is not to say arts, music and other things are not important; however, we have to focus on literacy and numeracy so students are equipped to enjoy other parts of the curriculum, but moreover, move on into employment.

Did you want to speak further, Mr Barnes?

Mr BARNES: Karmi Sceney, who unfortunately is in Katherine today, has been engaged as the person to oversight our Transforming Indigenous Education agenda. Karmi, at the moment, is working on establishing a ten-point plan for Indigenous education which crystallises those things the minister alluded to. It is also fair to say that over the last three years there has been an inordinate interest in Indigenous education from the federal government and, as a department, we have to respond to the COAG Reform Council targets as well as the ministerial council targets established as part of the Aboriginal and Torres Strait Islander education plans we are rolling out into 50 communities this year, some targets in *Territory 2030* that were not there previously and, of course, the department has its own strategic plan which I am pleased to say is a four page document, with very clear messages around where we are heading in the Indigenous space.

Mr WOOD: Are you going to keep going on that?

Mr CHANDLER: No.

Mr WOOD: Minister, I become a little confused. I come from the old school regarding literacy and numeracy; however, the government signed up to this national partnership agreement on literacy and numeracy and received \$7m as a reward. What was that reward for because I pick up a document titled Prioritising Literacy and Numeracy, which came out much later than this was signed, which says:

Reviewing Current Practice - Northern Territory Evidence

Despite substantial investment by the Northern Territory and Australian governments in supporting the improvements in literacy and numeracy skills for students, and the genuine effort of DET staff over many years to improve results, there has been no significant improvement from Northern Territory students' literacy and numeracy outcomes. Of particular concern are Indigenous students in remote and very remote locations across the Territory whose outcomes fell well below national averages.

Minister, I have been in parliament as long as you. I have attended many Estimates Committee hearings; I have heard that time and time again. What worries me is we get \$7m as a reward for improving numeracy and literacy. In 2010, we are told it is not happening. If the department of Education was a business whose outcome was to make a profit, and that profit was to show young people in the Northern Territory could read and write, would this department now be bankrupt and closed down?

Dr BURNS: I will take your assertion that education is a business and some people talk about it as a business or a service ...

Mr WOOD: I am only using that with inverted commas. I am saying the department has outcomes and if those outcomes are not working ...

Dr BURNS: Can I finish, member for Nelson?

Mr WOOD: Yes.

Dr BURNS: Some people allude to education as if it was merely a service to be delivered. Education is more than that. We only have five hours left in estimates and I am not going to take it up expanding on that. With the members for Blain, Brennan, Arafura and Nhulunbuy, we have several teachers in the room. It is much more than that. I place on the record, philosophically I do not agree with that. It is all about a relationship. It is all about civilising; making sure we live in a civil society. The imparting of knowledge is a very important function not just a service.

Having said that, I acknowledge that for too long Indigenous students, particularly those in remote areas, have fallen well below national benchmarks. However, on the positive side what has been demonstrated in the last three NAPLAN tests is Indigenous students in the Territory have demonstrated, year on year on year in most of the major domains of testing, a significant improvement; indeed, the best improvement in Australia. That demonstrates to me if we can get our kids to school, they are as good as any other kid. Having said that, we are still in arrears - I realise that - and there is a big job to do. That is why we have our strategies in place. That is why we have Professor Geoff Masters. That is why I am meeting regularly with principals to let them know not only the government's priority is education, but the whole of the Northern Territory. Our priority is education for these kids.

Regarding the conditions of the payments you have mentioned, I will let Mr Barnes answer that question.

Mr BARNES: Mr Wood, as the minister pointed out, right across the Territory there are certain measures we have to be held accountable for regarding all Indigenous students. The gap between Indigenous and non-Indigenous in the Territory is 31%. It started just a couple of years ago when COAG took an interest in this through NIRA. If you compare our *Closing the Gap* to the Indigenous children in Tasmania, theirs is a 1.5% gap. That states the level of challenge we are facing.

I am proud the department - and the only true measure is cohort-on-cohort - is closing the gap faster than the Australian average on all of the measures in reading, spelling, grammar and punctuation. In particular, we are leading on seven of the measures; we are the highest performing jurisdiction, and we needed to be. There is positive and forward momentum.

The literacy and numeracy reward payment deals with 19 schools - 17 government and two non-government schools - and that was part of an agreement to look at a particular range of reforms in those 19 schools and how well, with the injection of additional funding and focus in those 19 schools, we would do. The first round of reward payments are just over \$5.2m; the total would be up around \$10.4m. Against the measures we set and DEEWR agreed to in the partnering arrangement, we achieved over 65%. The 19 schools that were part of the literacy and numeracy partnership constructed as a part of the overall smart schools national partnership have done very well. In fact, the Prime Minister and federal minister for

Education and, I believe opposition members federally, have visited schools like Manunda Terrace to see what has been achieved through a modest investment in those reward payments. The two things, while linked in general terms, need to be disaggregated for the purpose of that broader discussion.

Mr WOOD: Minister, year in year out I hear about changes to curriculum, new programs, studies at Menzies and at CDU. I would hate to stack up all the reports I have heard on improving education by the department of Education over the years. We talk about closing the gap - I am from the old school, my wife is from a mission, and many people my age on remote Aboriginal communities speak, write, and read far better than many people today. Is it not reasonable for me to say the systems we had, although simple - not electronically advanced - that concentrated on literacy and numeracy and were not drowned out with Harmony Day, Arbour Day, Health Day, all sorts of days, produced a generation of Aboriginal people who can read and write well? Are there not lessons we can learn from that and, even though we are in a different era, take some of those basic philosophies and apply them today to achieve something better than we have at the moment?

Dr BURNS: I agree with you 300%, member for Nelson, I ...

Mr WOOD: Can we do something about it?

Dr BURNS: I have already alluded to the fact that in my discussions with the CEO, and others, the curriculum has become overly busy ...

Mr WOOD: Teachers tell me that, too.

Dr BURNS: ... and I want a focus on literacy and numeracy. Learning is much more than literacy and numeracy, but if you do not have literacy and numeracy you cannot enjoy those other parts of the curriculum, by and large. I am very keen, particularly in remote areas, in building up music, the arts and the performing arts because there are many incredibly talented kids out there. To that end, I have asked the CEO, with the Music School, to come forward with some plans around that. It could be an incentive for kids to come to the Music School. There is a whole body of research which says if kids can not only use their natural talent to play music - I am learning air guitar now - if they learn to write, whether it is through imitation and, ultimately, through reading music itself, that helps their reading, writing and mathematics ability.

There are different streams, but I am focused on literacy and numeracy. To that end, I have brought Professor Geoff Masters in to assist us. What he says is very simple and along the lines of what you said - teachers need to focus on the literacy and numeracy. Teachers need to be equipped much better than some are now because, unfortunately, some of the institutions teachers are coming through now, they are not taught specifically how to teach literacy and numeracy.

Mr WOOD: I was going to ask a question about that.

Dr BURNS: That is true. What we have to do, and what we are doing, through our leadership, which is really the principals in our schools and our senior teachers, is support teachers, particularly the neophyte teachers, but all teachers ...

Mr WOOD: The who teachers?

Dr BURNS: Neophyte - the new ones.

Mr WOOD: Thank you.

Dr BURNS: There is a very commonsense set of strategies we are employing around this. I believe it might be good, and I offer the same briefing to the member for Brennan, next time Professor Masters is here for you to sit down with him and hear what he is doing. We also have an interim report by Professor Masters on his work and what he believes is the way forward. One of the important things he says is about that very issue; there are multiple approaches to teaching and learning and not a great deal of consistency. I do not want to take away the professional judgment of teachers - that is very important, the spontaneity and innovation - but we have to have more continuity in that core area of literacy and numeracy. I agree with what you are saying, in short, member for Nelson.

Mr WOOD: I need to ask another question on that same topic. I agree about music teachers. You would have heard me in previous Estimates Committees asking why we cannot have music teachers in every school.

Going back to the document, minister, prioritising literacy and numeracy, it talks about strong principals as being a key factor in improving literacy and numeracy. My question is: What qualification does a principal need to run a school in the Northern Territory?

Dr BURNS: I will throw to Mr Barnes on this, but I will have an attempt at this question. Obviously, people need to be qualified, they need professional respect, and they also need to be leaders. I am exhorting the principals and I am meeting with them as often as I can as the educational leaders in the Territory. It is just not about politicians and departments; it is about leadership in the schools as well. That is what we are after. We all know examples of principals who have been fantastic leaders and schools hum when those principals are there. Then someone else comes along who might not have the same qualities and you often hear parents saying: 'Oh, yes, when so and so was here it was all different'. The parents are right; the parents pick up on that. Part of that is supporting the principals in their professional endeavours. That is what I have asked the department to do, and that is what Geoff Masters is doing. I ask Mr Barnes to answer your question specifically.

Mr CHANDLER: The answer is qualified and leaders.

Mr BARNES: The answer to this question is there is nothing more important than finding the right leader for the right school. We have been very particular in the last two years, running a quality agenda off the back of the Ladwig and Sarra report, to focus on quality school leaders - quality teachers who are prepared to stay in communities, because no matter how good your curriculum is if you have high teacher turnover in these communities you cannot get leverage. You also need engaged communities. Those are the building blocks. School leaders have to have a background in education; there is a mandatory qualification, although ...

Mr WOOD: Do you know what that mandatory qualification is?

Mr BARNES: It would be a Bachelor of Education, a postgraduate Diploma of Education, certainly a qualification that gave confidence. My understanding is they would need to be registered with the Teacher Registration Board, which has particular requirements around not only qualifications, but also a criminal history check. A third element would be that they also would have to be of good character.

They are base-level propositions. What we are looking for, through rigorous selection and recruitment activities, are people who have had either experience as principals or like experience. Some people have acted as principals, some have been assistant principals, and this depends on what level of principal you are going into. If you are a teaching principal you might come straight out of the teaching ranks. If you are moving into a high banded principal position, we would be looking for experience as either an assistant principal or another principal.

Mr WOOD: How many principals do we have in the Northern Territory? Do they all have a Bachelor of Education as the baseline? Do you have figures to say how many principals we have in the Northern Territory and do all those principals have at least a Bachelor of Education?

Mr CHAIRMAN: Prior to that question being answered, we have wandered off the initial theme, member for Nelson. It is technically the shadow's call; we handed over to you to ask questions on his theme and you have now taken the call.

Mr WOOD: I look at the time. I would have had to go from 10.15 am to 11 am, and I do not think the shadow would like that.

Mr MILLS: You were probably looking in the wrong direction.

Mr CHAIRMAN: I am allowing the question, member for Nelson; however, when it comes to flexibility ...

Mr WOOD: It comes under literacy because this document, Prioritising Literacy and Numeracy, recognises strong principals are critical to student achievement gains, and principals who lead these communities are committed to empowering their teachers to improve teaching and learning. I am concerned that our teachers are qualified - they have a Bachelor of Education from Charles Darwin University or equivalent. Are there principals who do not have those equivalent qualifications?

Mr BARNES: Member for Nelson, the answer is they all are qualified and my information is, as at Term 1 2011, there were 168 principals made up of contract principals, non-contract principals and teaching principals. That figure would be inclusive of people who may be on leave.

Mr WOOD: Am I right to say all principals in the Northern Territory would be able to gain a job anywhere else in Australia as a principal?

Mr BARNES: Yes, indeed.

Mr WOOD: Is that the same with teachers?

Mr BARNES: Absolutely.

Mr WOOD: All teachers have what qualification?

Dr BURNS: That is a complex question because it involves the board of teacher education. There is legislation in the Territory that sets the benchmark qualification which, as I understand it, is a four-year degree. You can be registered or have permission to teach here with less than that four-year degree. I will pass to Mr Barnes to explain that because an issue has been raised with me regarding this.

Mr WOOD: It has been raised with me too.

Dr BURNS: Yes, and it is an important issue. Ultimately, the board does not have discretion in this particular case. In this case a pathway has been given for a person where they can get RPL, recognition of prior learning, and also a course of study at CDU. Nonetheless, member for Nelson, it has alluded me to an anomaly in the act and I would like to see some discretion there from the board - if someone has had 30 years continuous experience as a teacher elsewhere in Australia, for them to receive full registration here. It was a national decision to only recognise four-year trained teachers. I understand that; it is a professional decision; however, this particular case highlights why I would like to see the board in the Northern Territory have some discretion.

Mr WOOD: I raised this issue in parliament previously where some teachers - it was raised by a principal, it did not come from me originally - at Batchelor college did not have the qualifications that would be normally required to be a teacher or a principal. I am not saying they are bad people by any means; this is not about putting them down; however, the issue has come to me and it needs to be clarified. If people are not teachers and are meant to be teacher assistants that has to be classified.

Dr BURNS: In this case the lady had a wealth of teaching experience and was very professional in her outlook, and I sympathise with her position. I have not had discussion with the CEO about it in detail yet; however, I would like to give some consideration to an amendment to the *Education Act* at a future time, maybe when there are other amendments, to clear up this anomaly. Every year two or three of these occur. In this case there has been a happy result for this lady and she will get her qualifications. However, there is an anomaly.

Mr WOOD: My question was about the Batchelor college qualification.

Dr BURNS: Batchelor?

Mr WOOD: Yes, are the qualifications obtained there equivalent to other places that provide ...

Dr BURNS: Sorry, I misunderstood your question. Do you want to answer that?

Mr BARNES: Mr Wood, Batchelor college is governed by the Australian Qualification Framework. Its higher education courses will have to meet all the requirements to be able to offer that level of course. They are accredited, at the moment, through the Teacher Registration Board, so if they are running accredited courses that fit within the AQF, which would be at bachelor level and above, then those teachers, if they graduate and have a certificate conferred upon them that they have successfully completed a registered course, will have the capacity to teach in the Northern Territory. If there is mutual recognition - and there certainly would be for any four-year undergraduate course at a Batchelor level - they would have the capacity to operate as a teacher in any other jurisdiction. What minister Burns was alluding to is some jurisdictions which do not have mutual recognition arrangements with us at the moment will not accept some teachers who have three-year - and some have two-year qualifications - who failed to upgrade to a four-year qualification. If Batchelor runs accredited courses from the TRB, and people complete those

courses and they are at a bachelor level - which is a level on the AQTF now because it includes training, they would be able to operate in any other jurisdiction.

The new Australian Institute for School Leadership put forward to ministers at the last ministerial council a new approach for lifting the quality of pre-service or undergraduate education courses around the country, and that was accepted by ministers. All higher education institutions which are going to run undergraduate teacher education courses will have to, over a short introductory period, align to these new national quality arrangements. That will include CDU and Batchelor.

Mr WOOD: There are many more questions I would like to ask; however, time is running out.

Mr CHAIRMAN: We will return to you, member for Nelson.

Mr WOOD: Thank you.

Mr CHANDLER: Minister, I have in front of me figures ...

Dr BURNS: Are we still in the general?

Mr CHAIRMAN: Yes.

Mr CHANDLER: I have figures detailing the number of teachers in remote schools in the Territory. In 2008 there were 471 teachers; in 2009, 533.8 teachers; in 2010, a fallback to 522.3 teachers. Minister, can you provide the number of teachers in remote schools for the 2011 year?

Dr BURNS: Are you quoting that data from the annual report?

Mr CHANDLER: Yes.

Dr BURNS: Mr Barnes.

Mr BARNES: Member for Brennan, because 2011 is an incomplete year to date, I do not have the figures with me. However, I could get those figures.

Dr BURNS: Do you want to put it on notice?

Mr CHANDLER: Yes, if I can.

Mr BARNES: I can add, Mr Chandler, our new approach to recruiting remote Indigenous teachers, which for the first time has included some very rigorous screening to ensure these people are suited to working in these areas, has led to some – and these are new teachers - very encouraging results. I can report to you that, in the 2011 year to date, of the new teachers we have recruited to work in our very remote locations, the retention rate has increased by over 11%. We believe while this is a bit of a labour intensive process, communities in remote locations deserve the very best teachers. They must expect teachers who are going out there are going to stay; not stay for a term and then move to the next job.

Dr BURNS: We better take the question on notice.

Mr BARNES: We will take the question on notice about the number as well.

Question on Notice No 4.2

Mr CHAIRMAN: Give that as a full question, thank you.

Mr CHANDLER: The number of teachers in remote schools to date in the 2011 year.

Mr CHAIRMAN: That is question No 4.2.

Mr CHANDLER: From the information we received last night - and thank you for that - the department's annual turnover is 18%. When you include department to department, it rises to 22.92%.

Dr BURNS: When you include?

Mr CHANDLER: Department to department. Within government, but people moving from - 22.92%. Do you have figures on the turnover of teachers in remote schools?

Mr BARNES: Those figures are usually gathered in August when we have our census data.

Mr CHANDLER: Can we get last August?

Mr BARNES: We can get last August. We have been tracking diligently the new teachers, and I have already given that ...

Mr CHANDLER: You have an 11% improvement, you must be tracking it.

Mr BARNES: Yes. We are tracking for the new teachers. We can take that on notice.

Dr BURNS: Member for Brennan, it is important to also note the department has a number of strategies around retaining teachers in remote areas, and I ask Mr Barnes to talk about that. The new EBA opened up a whole range of conditions around study leave, around trying to retain these teachers. We want to recruit the best, we want to keep them.

Mr CHANDLER: Minister, I know you have made improvements to getting people ready before they go remote. Could you talk a little about that?

Mr BARNES: Yes, sure.

Dr BURNS: Can you talk about the retention strategies through the EBA and how people are equipped to go out bush?

Mr CHAIRMAN: There was a possible question on notice somewhere in there. You indicated you get your data in August. We officially have to report by 8 August, so we cannot take your question ...

Mr BURNS: We would get last year's.

Mr CHAIRMAN: I wanted to seek clarification there. We will get last year's data. Before we hand over and keep talking could we get that as a question on notice?

Question on Notice No 4.3

Mr CHANDLER: Could I have the turnover of teachers in remote schools?

Mr CHAIRMAN: For last year. That is question No 4.3.

Dr BURNS: I will take that on notice and ask Mr Barnes to answer the two elements of that question.

Mr BARNES: Thank you, minister. The comprehensive suite of activities we have commence the moment we advertise, as I previously alluded to. We advertise for people who are prepared to stay, not people who want to come for a term and see some crocodiles and enjoy some Indigenous culture. We want people from outside who are coming into our jurisdiction to stay and commit, so we want quality people. It is the hardest job in the world to work in very remote Indigenous communities. It is an enjoyable job but it is tough. We need the right people, people who will work with the communities not do things to communities, people who are prepared to stay.

The first thing is around this new strategy for recruitment. When we recruit those people - and we are in constant touch with them - they then come for an orientation. We are about to enter our second round of orientation because we have two big intakes, obviously at the beginning of the year, and then mid-year, because those are the times when people usually take long leave and if there is going to be turnover, it will happen at break times. We brought all those people to Darwin. They come for a three-day experience where we give them key messages. They then go to work with their regions, where they get pragmatic and practical things like understanding the community they are going into and ensuring they understand what they can or cannot take into communities. They also receive four-wheel drive training.

We hook up those people with their school principals because the next level of orientation happens when they move into the community, and principals play an important role. We have asked the community to play an important role as well and make these people feel welcome. We are networking each of those people with colleagues so they can stay in touch with their peer group, and that is very important if you have a science teacher at Ramingining. They will not necessarily have another middle year science teacher working alongside, and they need to be networked, both electronically and physically, with people in other locations. We have a teacher support officer in place that supports new teachers in the communities, helps them with things that might go awry with their housing, their transport in and out of communities, etcetera. We offer opportunities to recall new graduates so they can come together, and we now set up regular opportunities for them to talk to each other electronically.

As the minister alluded to, we have aligned the teacher's EBA to have real incentives. Many of these people have come out of study or want to study when they are in remote communities. There is an incentive where I can retire some of their HECS debt if they complete three years in a remote community. That is on top of study leave, and we have loosened the requirements around study leave. We want them to have a break, but they also have the capacity to cash in some of that study leave as well. We have really focused on ensuring the people we bring in from outside are looked after and are prepared to stay. That is only one part of the puzzle.

The other part of the puzzle, as the member for Arafura knows, is to grow your own. For the first time I have employed lecturers who are being loaned to the Charles Darwin University, Shepherdson College on Elcho Island, at Maningrida and at Ramingining and soon to be in other places. We will be developing assistant teachers from within those communities so they do not have to come into Batchelor Institute or CDU, they can do their undergraduate training in situ.

Mr Chandler, the other thing included in that turnover data is every time a relief teacher relieves for a teacher on three day sick leave they are given a new number under the DBE payroll system, and that is included in the data. If you took that out ...

Mr CHANDLER: That is for three days and more?

Mr BARNES: No, no, for any days. When you take that out of the data, our data in the department will obviously be much lower than the 20% reported, and being a former human resources person myself, we all try to aspire to turnover in our agencies of between 7% and 12%. We might not be at that yet, but we are getting close. Some turnover in an agency is good, and too much turnover is bad, but our data is heading in the right direction.

Mr CHANDLER: I have one more question before I am happy to move on to 1.1. Minister, I have a graph detailing the NT government spending per student comparison in remote Indigenous communities and some of the statistics are astounding. It shows in Newcastle Waters, 13 students at a cost of \$33 989 per student; Rockhampton Downs, nine students at a cost of \$44 695; Mungarai, only five students at a cost of \$44 075; Woolanin, only six students at a cost of \$45 515; and Ipolera, where there are only three students at a cost of \$90 720 per student.

Some of these costs are outstanding, and I would like a comment regarding where some of these smaller schools fit into your growth towns policy and what you do in the future?

Dr BURNS: That data comes from the My School website, and the further you go out bush and the fewer students the higher the cost to provide education to those students. That is the challenge in the Northern Territory. We receive some consideration in the Commonwealth grants funding in relation to this. However, I take what you say when you read those figures out per student; it is a great deal of money. However, for the mechanics and the finances of it - the budgetary aspects of it - I ask Mr Barnes to explain further.

Mr BARNES: Mr Chandler, these figures are based on 2009 data, and one of the schools you mentioned has since been mothballed with a view to closing - Ipolera - where the community decided these students would go to another location.

The figures in 2009 - this was a national arrangement modelled by Deloitte - - include all staff at a school, including those on study leave. They also include any minor new works that occurred in the 2009 budget. We have given a briefing to all school councils and where there looks to be atypical expenditure per student - in some of those you mentioned there was not only the teacher's salary for the person delivering the program, because of the national business rules, if they received an \$80 000 upgrade to

walkways, which are minor new works, that was included. If there was a person on maternity leave or study leave that hit the school's books under that as well.

There is a famous school now after the My School website in WA where the figures were ridiculous. It came down to similar anomalies in the national reporting system which do not work in favour of giving accurate information for very small schools.

The minister is right in saying the cost of providing in small schools, because of the lack of capacity around economies of scale, is always going to be slightly higher, and the cost of delivering a service in a more remote location increases as well.

We would be happy to walk you through, as we did for the media at the time and anyone who had an anomaly, because when you take those out the average expenditure in the Territory lines up very favourably on a per student basis.

Dr BURNS: There are anomalies for other reasons, such as special schools, where the cost per student escalates because of the very intensive nature of special schools.

Mr CHAIRMAN: I understand, member for Nelson, your next set of questions are on homelands, and they will fit under Output Group 1.0. Is that correct?

Mr WOOD: Yes.

OUTPUT GROUP 1.0 – GOVERNMENT EDUCATION

Mr CHAIRMAN: We will now proceed to Output Group 1.0 Government Education. It was flagged at the start of the opening comments that some of the member of Nelson's questions fit into the output group but not into an output. We will deal with them now, member for Nelson.

Mr WOOD: I was travelling around Central Australia, minister, and was requested to ask this question: has the department changed its policy on checking on the standard of teaching at various schools in the area to see whether outcomes are being achieved? I have been told previously the department would go to a school and say: 'We want to look at what is going on'. I have heard now they only visit if the school invites them. If that is correct, if a school is not doing too well it is not going to ask the department to scrutinise what is going on. I want to clarify whether that is the case.

Dr BURNS: I ask Mr Barnes to respond.

Mr BARNES: Mr Wood, that is not the case. Each of our six regions has a position called Director of School Performance. Their job is around the performance of the school and students within the school. They have been directed to have data-driven discussions with each and every school in their region on a regular basis, including homelands, outstations and group schools. It is my expectation and belief that is happening. In fact, one of Professor Masters' recommendations the minister and I are considering is to further strengthen that around literacy and numeracy.

Mr WOOD: Does that also include the standard of teachers?

Dr BURNS: Yes.

Mr BARNES: Absolutely.

Mr WOOD: Moving on from that, you mentioned homeland learning centres. I have been asked to provide these questions for the member for Macdonnell. I will read them as she has given them to me. She says: the 2009-10 DET annual report states that 46 homeland learning centres were operational in 2009. The Commonwealth government, in 2008, announced the Building the Education Revolution program in which funding was provided to all schools on a per-student basis. First question: How many homeland learning centres were operational in 2010-11? We will put that on notice?

Question on Notice No 4.4

Mr CHAIRMAN: Repeat the question, member for Nelson.

Mr WOOD: How many homeland learning centres were operational in 2010-11?

Mr CHAIRMAN: That is question No 4.4.

Mr WOOD: For each homeland learning centre operational in 2011, please provide - I will make this a question on notice because I do not think you are going to give the answer. This is details about the name of school, enrolments, capital expenditure, etcetera. Would you prefer that to be a question on notice?

Dr BURNS: Yes, put it on notice.

Question on Notice No 4.5

Mr CHAIRMAN: Repeat the question for Hansard.

Mr WOOD: For each homeland learning centre operational in 2011 please provide:

- (a) the name of the hub school;
- (b) number of enrolments in Term 1 2011;
- (c) planned capital expenditure for 2011-12; and
- (d) actual capital expenditure under the Commonwealth BER program.

Mr CHAIRMAN: That is question No 4.5.

Dr BURNS: I accept that question.

Question on Notice No 4.6

Mr WOOD: I will read these as is. The member for Macdonnell states: Homeland learning centre on Wikipedia states the NT Department of Education and Training does not provide information on homeland learning centres on its website. The department's annual reports do not list which homeland learning centres are still operational. As at 18 August 2010, the homeland learning centre Wikipedia entry was not accessible from within the NT Department of Education and Training Intranet. It was listed as: 'deemed to be of no educational value'.

The question is: Are policies for homeland learning centres available on the Department of Education and Training website for issues such as how many students are necessary in a community for a homeland learning, and how many students must be in a community for a full-time qualified teacher to be provided?

This is the last one: Is the Wikipedia homeland learning centre page inaccessible from within NT DET. If so, why?

Mr CHAIRMAN: On notice?

Dr BURNS: We will take that on notice.

Mr CHAIRMAN: That is No 4.6. You read it succinctly; you do not need to repeat it.

Mr WOOD: That is one of the shortest answers we have had for some of our questions, Mr Chairman.

Mr CHAIRMAN: Is that all the homeland questions?

Dr BURNS: We have taken that on notice; however, Mr Barnes has an interim comment.

Mr BARNES: The department has been active in looking at homeland learning centres which have large numbers of students and moving them in to make a declaration they become formal schools in their

own right without a base school. That happened at Baniyala. That was a homeland learning centre within the Yirrkala Homelands, and a brand new school was built as a result of that. It has also happened where a number of homeland learning centres in Central Australia made an application to build a brand new school. That is Alparra, where a brand new school has picked up responsibility for a big portion of what were homeland learning centres. We are going through the same process at the moment with Emu Point.

Mr WOOD: Are you referring to the high school at Alparra?

Mr BARNES: Yes, but it picks up kids that previously were being catered for quite inappropriately in homeland learning that needed middle school and senior engagement. Also, I can report we made special application to the Australian government to have money provided to the Yirrkala Homelands as a part of the BER program, and we were granted that. A number of BER projects are currently in train in those homeland learning centres. We are more than happy to take on board the other questions and we will get answers to you.

Mr CHAIRMAN: That concludes questions for Output 1.0.

Output 1.1 – Early Years

Mr CHAIRMAN: We will move to Output 1.1. Member for Brennan, your call.

Mr CHANDLER: Minister, under Early Years we are talking about childcare facilities and so forth. I note in recent years this sat in Family and Community Services.

Mr BARNES: The responsibility was shifted to the department a number of years ago, and now this would be either the second or third financial year we have had overarching responsibility for that space. Given we are not the funder per se in the childcare sector - that rests with the Australian government - but we certainly have responsibilities around regulation and policy setting.

Dr BURNS: That also lines up with where it stands in the federal portfolio area. It makes sense for it to be in education.

Mr CHANDLER: Recent staff ratio changes introduced to childcare facilities caused much consternation within the industry. Allegations have been made that some centres have closed due to these changes. Do you have any knowledge of childcare centres closing due to the initial operating expenses imposed by these changes?

Dr BURNS: That is a complex question, member for Brennan, because there are a number of different models by which childcare centres operate in the Northern Territory. Some of them operate on a commercial basis, vis-a-vis ABC, etcetera; some are operated by communities themselves. Many communities do a great job in managing their childcare facilities but, to a large degree, that viability and management often reflects the ability of the people who are on the board and the committee. From time to time we find various community-based childcare facilities get into a bit of strife, and sometimes they might over-reach their financial borders and we try to assist.

I am aware Katherine East has closed in the last 12 months. That reflects more the issues I raised earlier rather than the implementation of the NQF, the National Quality Framework. That is not to say the NQF is going to present large challenges for childcare facilities in the Northern Territory; I would be the first to acknowledge that. Not only have staff ratios changed, but also the benchmark for qualifications. It is always a difficulty in the Territory to get suitably qualified people because we have such a small worker pool. These issues are going to be a challenge for us, but I would also say the Commonwealth has provided some interim funding to assist in this transitional phase where the NQF comes in. Everyone welcomes the NQF as a concept to upgrade the whole area of child minding and put it on an evidence-based footing and having the best for our kids. We also acknowledge there are challenges, so I will pass to Mr Barnes who can talk more about Katherine East, which is the only one that has closed, is that correct?

Mr BARNES: Minister, I believe so. Mr Chandler, our department has been actively engaged in this space with providers. There are a range of providers - family day care, long-day care, both privately and community-based, as well as those the federal government offers in some remote communities. We are well-placed in not feeling the full impact of what was decided as the national benchmarks because the Territory already had quite rigorous ratios within our own regulations for each of those settings. I might

hand over to my colleague, Anna King, who is the director of the early childhood area and she could provide some assessment of the work she has been doing with the sector.

Dr BURNS: To clarify, historically funding for childcare comes from the Australian government. The Northern Territory is unique in that we offer a childcare subsidy for parents and is the regulator of the childcare facility. If there is a problem one way or another the department becomes involved. I will ask Ms King to continue.

Ms KING: Anna King, Early Childhood Policy and Regulations, Department of Education and Training. Member for Brennan, staff ratios in the Northern Territory have been the same for a considerable number of years. I have been working in this area for three years and we have introduced new regulations in that period of time. The new regulations in the NT did not change the current staff-to-child ratios in the childcare sector. Changes will be brought in under the national quality framework as of 1 January 2012. There will only be one change in the staff ratios in the Northern Territory and that is in for children aged zero to two. The current ratio is one staff member for five children, and the ratio we are moving to under the national quality framework for those zero to two aged children is one staff member for four children. There will be that change. However, we have surveyed our services in the Northern Territory and 25% are already operating at that ratio. It will be a change for 75% of our services which are currently not operating at that ratio.

The ratio for three-year-olds, which will be one adult per five children, and the ratio for four- and five-year-olds, which will be 11 children per one adult, are current in the Northern Territory and will not be changing. There will not be a major impact. The cost modelling has not identified a major cost increase as a result of any ratio change.

The qualification changes Mr Barnes alluded to will have a bigger impact on costs than the ratios, particularly the introduction of a qualified teacher to all centre-based childcare services to come in 2014. I have figures on what that means. There are two issues around the introduction of the early childhood teacher, one is around the availability of teachers, and we are working with the sector very closely preparing strategies to increase the availability of early childhood teachers available to work in the childcare sector. That is the main issue, and at the moment we are working on a workforce plan for early childhood that will address that issue.

In regard to cost increase, it has been modelled by Access Economics that there will be some cost increase; however, we offer the cheapest childcare services in Australia and, even after the cost increases nationally, we will still be in a very competitive position compared to other jurisdictions in Australia in offering very competitively-priced childcare services with the advantage our childcare services will be of much higher quality.

Mr CHANDLER: Do we have figures on the average waiting time to get into Northern Territory childcare centres?

Dr BURNS: I will let Mr Barnes respond.

Mr BARNES: We monitor these things; however, the provision of childcare services is very much in the domain of the Australian government. We have to regulate these services and so have an awareness of these things. I would ask Ms King to provide some brief advice.

Ms KING: There is no standard time frame; it varies from area to area depending on the availability of care in the area. An issue is being addressed in Alice Springs at the moment in relation to a lack of childcare places in Alice Springs. We have been working with a group there to put in place some suggestions that came from a community meeting held several weeks ago to address the scarcity of childcare, and we have also addressed the issue to our federal counterparts to see if we can get the federal government to look into the problem a little more closely.

In the Darwin area, for preferred services there are currently long waiting lists; there is availability at other services. There are eight new services coming online in the Northern Territory over the next 12 months, and two of those services at least – I will flick through my papers to find the list of services; however, at least two of those services will be in the Darwin-Palmerston area. There are increased numbers of places coming online, particularly in Darwin and some of our very remote locations.

Mr WOOD: How will the change of ratios affect people in the bush? If you have to get an extra person in the bush it will be more costly than in the city.

Dr BURNS: That is a complex question, member for Nelson. A number of those services in the bush have been funded by the Commonwealth and exempted by the Commonwealth; however, I will let Mr Barnes or Ms King respond to that.

Mr BARNES: Mr Wood, we are working with other jurisdictions with childcare centres in remote and very remote areas to do further work with a consultant to find what the flow-on effects are. Often when you do national modelling - because of the large number of centres are in downtown Melbourne, Sydney and Brisbane - it can be lost in the accounting exercises. Western Australia, Queensland and ourselves have joined together to look at getting a more accurate picture of what might be the flow-on effects in remote areas so we can leverage the Commonwealth to ensure we are not disadvantaged.

Mr CHAIRMAN: That concludes questions to Output 1.1.

Output 1.2 – Preschool Education

Mr CHAIRMAN: We will move on to Output 1.2, Preschool Education.

Mr CHANDLER: Minister, I have a number of questions on preschool; however, given the time I am just going to ask one. Visiting schools in the Palmerston area I see a huge bubble of young children coming through Transition, or is it just my imagination? Is it a Palmerston phenomenon or is it Territory-wide where we seem to have large numbers of young children coming into schools today? Perhaps the department can take notice of what to do with that.

Dr BURNS: The demography of the Northern Territory is quite different to elsewhere in Australia. The number of Territorians under 16 years is a bubble, and it is a phenomenon which has been going on for a while, so your observation does not surprise me. The department does demographic work in order to plan for further education in a place like Palmerston. As you are aware, we have the fantastic investment in Rosebery of some \$60m, but we are still looking to the future.

A Catholic school is being planned out there as well. I will hand to Mr Barnes for further information on that.

Mr CHANDLER: It is not my imagination?

Mr BARNES: No. As I indicated earlier, Mr Chandler, we have increased enrolments in preschool which is starting to flow into Transition. It will be interesting for us, as a department, to complement our demographic data we have off the back of the ABS Census data that is about to be enacted. That is always a strong contributor to our forward planning exercises. It would be fair to say, through the process of re-engaging families in our remote areas and a younger demographic for some of our year levels in our major population bases, your imagination is not playing tricks on you.

Mr CHAIRMAN: Do you have a question, member for Nelson to Output 1.2, Preschool Education?

Mr WOOD: No.

Mr CHAIRMAN: That concludes Output 1.2.

Output 1.3 – Primary Education

Mr CHAIRMAN: In that case, we move to Output 1.3, Primary Education.

Mr CHANDLER: The Ochre Card was introduced and the number of applications was well underestimated by this government leading to the deadline being extended. Can you please detail how many teachers we have in the system who have not received their Ochre Cards?

Dr BURNS: My information is very few. However, I pick up your point. The Ochre Card is a very important step forward; the safety and welfare of children is absolutely paramount. As you are aware, Ochre Card checks were done by police who have to look, in some cases, to interstate for people's record or, when they do not have a record, establishing they do not have a criminal record. Time has been taken. There was an extension of time, which was the right step. My advice is there are very few outstanding Ochre Cards.

Mr BARNES: Mr Chandler, I can elaborate on that. The one great thing about the teaching profession around the country is jurisdictions have taken the business of screening people who move into the profession very seriously. Ahead of the Ochre Card is the Teacher Registration Board. Before it allows anyone to operate in the Northern Territory, it requires a criminal history check be provided, and it tests the good character of the person through references, etcetera, as well as their qualifications.

The Ochre Card is a further layer of confirmation. In fact, the way the TRB is treating it is the Ochre Card will be instead of one of the three elements going forward. The last thing you want to do is put teachers through two hurdles, so the Ochre Card will be the criminal history check. It is my clear understanding that every new teacher coming into the Territory has either a criminal history check or has had their Ochre Card check done around criminal history.

Mr CHANDLER: I had it brought to my attention that if a teacher or a volunteer with a Northern Territory Ochre Card is accompanying an interstate camp, they would also need the equivalent Ochre Card in each jurisdiction they visit. Are there reciprocal arrangements in place, or would they require the same checks and balances in those states or jurisdictions?

Mr BARNES: Mr Chandler, I would have to check the policy. The policy is owned by the Department of Children and Families, and the execution of the Ochre Card is by the department of Police, Fire and Emergency Services; however, I would have to check that. It makes sense that there would be reciprocal arrangements and the Ochre Card, given the strength and similarity with the Working with Children Card in Queensland, which is a Blue Card, would satisfy those arrangements, particularly if you were accompanying a sporting team, then the regular engagement would be with kids from the Northern Territory. If I can take that on notice I could get an answer back to you.

Question on Notice No 4.7

Mr CHAIRMAN: Please repeat the question again for Hansard.

Mr CHANDLER: The Northern Territory Ochre Card issued to teachers and volunteers, if they are attending interstate competitions or excursions do they need equivalent Ochre Cards in those states or jurisdictions, or does the Northern Territory Ochre Card cover them while they are away?

Mr CHAIRMAN: That is question No 4.7.

Answer to Question on Notice 4.2

Dr BURNS: Mr Barnes has an answer to question No 4.2.

Mr BARNES: Question No 4.2 was the number of teachers in remote schools to date in 2011. The answer is, the number head count, not FTE, because some will be part-time teaching positions of teaching staff in very remote schools, as at week eight, which is Term One 2011, 826. This includes 27 executive contract principal positions; 59 non-contract principal positions; 119 senior teacher positions; and 621 teacher positions.

It is important to note we have included executive contract principals in that stream even though, technically, they are paid through the public service stream, but they require teacher qualifications. We have included them for completeness.

Mr CHANDLER: I appreciate that, thank you.

Mr CHANDLER: This next question, and no disrespect to some great female teachers we have in the primary schools, is the department actively trying to get more males into primary school?

Dr BURNS: Good question. That is where I want to be heading too, member for Brennan, so I will get the CEO to respond.

Mr BARNES: Mr Chandler, we obviously have a vested interest, as an education provider, to get males into our profession. It is becoming increasingly important that young people who come from families that may not have good male role models are exposed to those things.

It is on my agenda to talk with the incoming head of school education, Professor Peter Kell, who has just taken up his appointment at Charles Darwin University. Getting a balance is something we are very mindful of, particularly in our remote areas. The teaching profession around the country is a profession that has, for a number of years, been attractive for our female population because it marries well with other things important to that population group. This has particularly been the case in recent years as jurisdictional governments of both state, territory, and the Commonwealth, have made staying in the profession and meeting the demands of family and child rearing more attractive propositions. It is something we are actively concerned about.

There have been a number of research activities over the last five to 10 years which point to teaching being a profession that is not attractive to young men leaving school. That particularly correlated in recent times with the boom in the resourcing sector where there was a drop off again of young men moving into pre-service teaching. It came to things such as the immediacy of generating enhanced salary packaging and the like. It is something that is concerning AITSL at the national level, and we need to raise the status of teaching as a profession with young males. I understand programs will be put in place across the country. The time kids make career choices is around Year 6 and 7. The perceptions are not formed, as maybe they previously were, in Year 10 when they sit down to do their personal learning plans. This is a concern for every jurisdiction, not just ours. If you look at the numbers which we will provide in the remote recruits we have taken in, we are mindful of getting a good mix and balance between females and males because we know in some of our very remote communities some of the toughest kids need those strong male role models.

Mr CHANDLER: Minister, last year we spoke about the need to better train and retain staff who assist in classrooms across the Northern Territory. Could you please provide an update of what changes have been introduced in the last 12 months to better train and retain SESAs?

Dr BURNS: I mentioned the EBA which has been successfully negotiated. A number of elements of the EBA are attractive and will retain teachers. I will leave that to Mr Barnes to discuss. We are also trying to support teachers in their professional practice and development, which is also part of the *Education Act* and a requirement by the Teacher Registration Board. I have asked the department to work closely with the Teacher Registration Board to provide support for training which is interesting and challenging for our teachers. I ask Mr Barnes to elaborate.

Mr BARNES: Mr Chandler, the minister has hit on an important component of retention - job satisfaction. While people have an interest in the size of their salary and the work conditions under which they operate - their industrial conditions - when we do exit interviews, as we do from time to time around why people leave the profession, it comes down to how well they believe they have been looked after, whether they feel they are part of a team, and whether they have been given opportunities for leadership and professional development. To that end, we alluded this time last year that the department, with the support of the government's dollars, would be creating a brand new Centre for School Leadership, Learning and Development with a focus on supporting, in an ongoing way, our teaching profession and our aspiring school leaders. I am pleased to say that centre has been established through a unique partnering arrangement with the Charles Darwin University, and it is in a very prominent location at Charles Darwin University and has started to offer a whole range of professional development to our teaching workforce.

One of the great pleasures I had yesterday, apart from preparing for estimates, was to visit a group of people from Tennant Creek who had been identified as teachers with high potential. They have been working with the new centre for school leadership on their leadership skills and on refining their teaching practice. They were sharing their successes with each other and with people from the department. Professional development is something we have placed a strong and high value around.

We also need to skill people for the environments in which they are working. We have had a host of people who have taken up the opportunity to be skilled in English as a Second Language, or English as an additional language teaching. Through a partnering arrangement with CDU, we developed a short course so every person who goes into a remote community, or is working in an urban setting with large numbers of Indigenous students who have English as a second language - and that is becoming more evident in places like Alice Springs where people are coming in for periods of time from remote locations - can access that training. Professional development, smart industrial arrangements which we alluded to before, quality leaders because teachers follow leaders, and we are very hopeful that we are turning our teaching population into a group of highly-trained professionals who are consistently amongst the best in the country.

Mr CHANDLER: In regard to the special education support assistants, minister, are you aware of the type of employment contracts they are required to sign now?

Dr BURNS: I am not aware, member for Brennan. I will ask the CEO to respond to that.

Mr BARNES: My understanding, Mr Chandler, is they are employed at the moment through the school council on a casual contract of employment. That contract of employment would be governed through Fair Work Australia awards. As I said in response to Mr Wood, there is a commitment to move a number of the SECAs - which is the new name for ISAs, Inclusion Support Assistants - into permanent Northern Territory public service positions so we can afford them things like sick leave, long service leave and a career as we choose. We have progressed sufficiently down that track for us to move the first 15 FTE, which will turn into many more part-time public service jobs. The JEM-ing and JES-ing and sizing of those positions is currently under way. These are very important people and positions in the makeup of a school and we are serious about moving them into the public service stream. In talking to those people, a large percentage welcome that move, but a small percentage want to stay as casual employees because the rate of pay is higher and they have other avenues for generating employment over school holiday periods. We are not going to force people into that. It will be an opt-in arrangement.

Mr CHANDLER: Minister, there are some wonderful Indigenous-focused programs in both Gray and Moulden schools. However, in schools - I will use Bakewell, with 128 Indigenous students, and Woodroffe and Durack - what additional funds would be available to those schools to run specific Indigenous programs?

Dr BURNS: I will defer to the CEO.

Mr BARNES: At this point in time, we are two years into a new model for delivering our School and Equity Grants. That is for additional money over and above staffing that flows through. The School and Equity Grants are now based on the ICSIA rating of the school. The ICSIA rating, as used by ACARA, measures the socioeconomic advantage of the school students and their families. We also have a small loading in that formula which we have shared with all the schools, so it is a public and available document which goes to NAPLAN. Both of those we saw as strong indicators where additional need might be required.

Therefore, places like Moulden and Gray will get a higher amount of grant and equity funding than a similar school which has exactly the same number of students in the same year level. We have begun to accommodate that by giving schools slightly more flexible funding. Also, in that process was said to principals, instead of acquitting those dollars against what used to be quite rigorous lines of accounting procedures - they had to acquit against their expenditure - we made it more flexible so they could have a professional dialogue with their school council around how they wanted to acquit that money.

Under *Territory 2030*, we have a clear commitment to now look at how we would staff schools to take account of need and equity. That process has begun in accordance with the time lines which have been set down in 2030. I have not brought forward the outcomes of that process yet for the minister's consideration; however, it is fair to say we appreciate that resourcing needs to be based around equity need.

Dr BURNS: I am very interested to see what your policies are around Indigenous education, member for Brennan.

Mr CHANDLER: I am learning here, minister.

Dr BURNS: Are you going to publish it soon? It is an important debate we will have to have.

Mr CHANDLER: In the same vein, I am aware of additional funding for programs run in primary schools focusing on literacy and numeracy where, when the results start to lift, the funding is removed. If the funding is removed from those programs, and the results drop, there will be a need to refund them to get them back up, so you will have a seesaw effect ...

Dr BURNS: Are you are talking about Accelerated Literacy?

Mr CHANDLER: Yes.

Dr BURNS: That is really a remedial program. One of the challenges we have is some students need remediation. Also, if we are looking strategically, the bulk of our students need a framework so we can lift all the literacy and numeracy. I am focused on an overall framework, but still have an eye on those children who need remediation. That is why we have our diagnostic kit developed by a Dr Thelma Perso, and the work Geoff Masters is doing in that regard.

I will pass to Mr Barnes, but, once again, I offer a briefing to you, member for Brennan, member for Nelson and any other member who is interested in Professor Geoff Masters, because he has a very straightforward commonsense strategy as a way forward.

Mr BARNES: Mr Chandler, I am not sure whether you are alluding to the 19 schools that receive money under MILaN, which was part of the national partnership agreement. Those schools received a modest amount of money on the undertaking they would use it to professionally develop their staff and put in place sustainable whole-of-school strategies so an ongoing injection of funding would not be required to sustain that effort. When I was responding to Mr Wood, that is the one where 60% of the over \$500m of reward money has been made available.

Professor Masters is very clear, and I support him; there are no programs that are going to change literacy and numeracy outcomes overnight. We need a whole-of-school concerted effort where we are particular around what we focus on. We limit the number of commercial programs available and do not have kids from one year to the next having to grapple with different ways of doing business, we skill our teachers up and make our principals, school leaders and communities savvy at using data to focus their effort. What Professor Masters is about, and what the minister has alluded to, is we need a concerted Territory-wide effort.

Mr CHANDLER: Minister, in 2008, the department funded Save the Children Australia to the amount of \$134 000 for a 20-week trial to improve attendance rates for children living in Knuckeyes Lagoon, Bagot and Minmarama. You focused on Ludmilla, Manunda Terrace and Millner Primary Schools. Despite the short-term nature of the program, positive results were achieved. Despite the success, the department declined to continue funding. If a program is succeeding, particularly when it comes to the importance of attendance, why would it not continue to be funded?

Dr BURNS: I am not aware of this program. It might have preceded my time as minister, but I will defer to Mr Barnes.

Mr BARNES: Thank you, minister. Mr Chandler, likewise, it predates me coming to the Territory in mid-2009.

Dr BURNS: Was it funded by an NGO?

Mr CHANDLER: Funded by the Northern Territory government to Save the Children Australia. It was a 20-week trial pilot program.

Mr BARNES: I might see if someone is aware of it.

Dr BURNS: We will invite Ms Eva Lawler to the table, who has more history than the CEO and me. Over to you, Ms Lawler.

Mr WOOD: It sounds like a reflection on her age.

Dr BURNS: She has good history.

Ms LAWLER: Yes, I am a born and bred Territorian. Eva Lawler, Executive Director for Central Australia. I am aware of the Save the Children program. As you said, it was a 10-week program the NTG funded, but our Every Child, Every Day policy now covers off on every single one of those recommendations from that report. The report is available. It is a 10- or 20-page report with a number of recommendations. That formed the basis of the way forward with our Every Child, Every Day. There is nothing in that report that had not been actioned through Every Child, Every Day.

Dr BURNS: Thank you, Ms Lawler. I will have to learn to answer like Ms Lawler.

Mr WOOD: Minister, leading on from the member for Brennan's question in relation to upskilling teachers about numeracy and literacy, that was part of the national partnership agreement and it talked about introducing literacy and numeracy standards for all teachers as part of the national teacher standards and accreditation. This might sound a simplistic question: teachers have been going to university for a long time - four years and a fairly costly course - you would think basic literacy and numeracy teaching would be part of that course. Does this reflect a gap in teacher qualifications or training of teachers in our universities? I will throw in another question because we are coming to the end and it relates to the qualifications of teachers. In relation to numeracy and literacy, what are the entry levels to Charles Darwin

University for a teacher and what are the entry levels to Bachelor College? Are there any guidelines to say a student must have a level of numeracy and literacy before they can enter those courses?

Dr BURNS: Member for Nelson, that is not a silly question; it is good question. Rather than be repetitious, we will give the same answer. Regarding what educational institutions do throughout Australia, we could not over-generalise, but it is fair to say Professor Masters said, and put forward the view, that in many instances teachers are not taught to teach literacy and numeracy. There is recognition, professionally, that this has occurred and the task now is to correct that. I will let Mr Barnes answer your very good question.

Mr BARNES: Two parts to the answer, Mr Wood. First, to reiterate what the minister said. AITSL, the national body which oversees the national approach to accrediting pre-service teacher education providers, put forward to ministers a brand new way of accreditation which all state and territory regulatory bodies like the TRB will have to fall into line with. That includes rigorous standards around the teaching of literacy and numeracy.

The other part is AITSL is now working with universities and registration boards. There is a new requirement ministers adopted which means anyone entering into a pre-service teacher education course will have to have a certain level of English literacy and numeracy, either on the way in or on the way out of the course, to be conferred the award.

This is new and will give confidence to people who are graduating with certificates that they can operate anywhere in the country, and it will give confidence to the general public that the people who come through those undergraduate programs will be in a position not only to teach literacy and numeracy, but to have adequate English literacy and numeracy to do their job effectively.

Mr WOOD: Do you have to have a Year 12 entry to Charles Darwin University?

Mr BARNES: There are multiple pathways into undergraduate courses, and that includes pathways that follow Year 12 completion. Universities set their own entry levels in the TERs they will take. They have an academic board that sets those entry levels. You can get a pathway into teaching through a postgraduate Diploma of Education or the like. Ministers have decided that universities around the country will desist from offering one-year or 18-month postgraduate courses. They are now requiring all universities to operate two year courses because they do not think enough practical teaching and learning occurs in a 12 or 18 month course. That has been welcomed around the country.

There are other ways to get into undergraduate courses for people through direct entry, where they might have been working in allied fields with allied undergraduate courses such as bachelor degrees in childcare, etcetera. These people might have a Diploma in Childcare that might prepare them to go into an undergraduate course. The really encouraging thing is no matter where you enter that institution, you now have to satisfy these new regulations around exiting; being able to teach literacy and numeracy, and having adequate English literacy and numeracy to operate effectively.

Mr BURNS: I could add to that. I have a strong position that people should not be allowed to become a teacher if they do not have the prospect, if they pass through that course, that they would become a teacher. In other words, most of this screening, for want of a better word, should occur before people are accepted into the course in fairness to that person. A family could expend a large sum of money for someone to go through a course only to find they do not, at the end, come up with the standards of literacy and numeracy. For the Northern Territory, it is my strong view that before people enrol in a course that leads to a teaching qualification and registration by the board, that they are eligible.

Mr Chairman, I would like to thank all members of the department here today, the shadow, and, of course, the member for Nelson.

MOTION
Access to Tabled Paper

Mr CHAIRMAN: I have a procedural matter before we conclude. On Tuesday, during the appearance of the Minister for Justice and Attorney-General, we tabled a paper but agreed not to publish it for reasons of confidentiality. However, that means the Minister for Justice and Attorney-General cannot access the tabled paper. I would like to move that tabled paper 1.5, *Organisation Assessment Report and 17*

Recommendations for the WorkSafe Leadership Team be tabled but not published, but the Minister for Justice and Attorney-General can have access to it.

Motion agreed to.

Mr CHAIRMAN: Thank you, very much. That concludes the Estimates Committee for this morning. I thank the minister and his team for coming along, and we will resume at 1 pm. We will move onto the Department of Housing, Local Government, and Regional Services.

The committee suspended.

Mr CHAIRMAN: Welcome, minister. Could you introduce the officials accompanying you, and if you have any opening comments could you make them, please.

DEPARTMENT OF HOUSING, LOCAL GOVERNMENT AND REGIONAL SERVICES

Dr BURNS: Thank you, Mr Chairman. Good afternoon everybody, it is a pleasure to be here. I have a five minute opening statement.

My portfolio responsibilities include Public and Affordable Housing and Indigenous Essential Services, and the NT Home Ownership Government Business Division. I would like to introduce some of the officials who will assist me and the committee today: Mr Ken Davies, Chief Executive Officer of the Department of Local Government, Housing and Regional Services; and from this agency Mr Dwayne McInness, Chief Financial Officer; Ms Mychelle Curren, Deputy CEO of Territory Housing; very importantly, Mr Andrew Kirkman, Executive Director, Remote Housing; and Catherine Weber, Deputy Chief Executive.

Mr Chairman, this government is fully committed to achieving its vision for 2030; that the Territory offers affordable and appropriate housing which meets the needs of Territorians. That is why, through Budget 2011-12, the Northern Territory government is investing \$539m for more affordable housing and accommodation throughout the Territory. Consistent with our *Territory 2030* objectives, this government is committed to growing our housing numbers, improving access to housing, and building the capacity of the non-government sector to be involved in providing housing solutions for Territorians in need.

Urban public housing: Urban public housing expenditure remains at historical levels after the completion of a number of housing projects funded under the \$60m Nation Building and Jobs Program. The program has funded the refurbishment of 297 public housing dwellings and the construction of 155 new public housing dwellings to date. In total, 208 new dwellings will be completed under the program.

The public housing construction budget for 2011 continues significant investment in urban public housing initiatives including: continuation of the \$49m commitment towards building 150 new public housing dwellings over three years; \$11.6m to complete construction of 40 seniors units at Bellamack; \$15.1m for repairs and refurbishments to existing public housing dwellings; \$9.4m to commence a targeted upgrade program on urban public housing dwellings across the Territory; and \$1m to redevelop old public housing unit complexes. In addition, this government will continue to ensure 15% of all government land release is set aside for affordable and social housing.

Supported accommodation: homelessness will be addressed with \$6.8m in 2011-12 to establish and operate managed short-term accommodation facilities in Alice Springs and Darwin including: \$1.22m to manage the short-term visitors facility in Alice Springs to house up to 150 visitors; \$1.22m to operate a transitional accommodation facility providing up to 78 beds at Crerar Road, Berrimah; \$1.06m for Percy Court Transitional Village in Alice Springs to house up to 70 people; \$1.7m for a tenancy sustainability program; and \$1.25m for homelessness referral services and grant programs.

Reducing antisocial behaviour in public housing: this is a key priority for this government and I announced the implementation of a public housing safety strategy as part of Budget 2011-12 aimed at creating safe and secure public housing dwellings and complexes across the Territory. To support this strategy I released an exposure draft of proposed amendments to the *Housing Act*. This provides new tools for Territory Housing staff to manage antisocial behaviour at public housing sites, as well as the legislative framework for the proposed public housing safety officers, or PHSOs. They will be similar to the successful transit safety officers on the public bus network.

Remote Indigenous housing: the Commonwealth and the Territory governments continue to deliver record investment in remote housing and are on target to meet our commitment of building 750 new, rebuilding 230, and refurbishing 2500 remote public housing dwellings under the Strategic Indigenous Housing and Infrastructure Program. As at 30 May, SIHIP had 466 new houses complete or under way, and completed 1481 refurbishments and rebuilds. Our commitment to improving the living conditions for Indigenous Territorians on remote communities continues in Budget 2011-12 with: \$172m investment in the Strategic Indigenous Housing and Infrastructure Program to construct new housing and upgrade existing housing; and \$118m to provide land servicing and essential services infrastructure in Territory growth towns.

Indigenous essential services: in Budget 2011-12 the Territory's commitment to remote Indigenous communities continues with a \$17.8m investment for a new gas-fired power station at Wadeye.

Government employee housing: there is also significant new investment to support government employees working and living in remote areas to support the delivery of key services. Budget 2011-12 delivers \$42.1m to build, replace and upgrade government employee housing in remote areas so we are able to attract and retain best teachers, nurses, police and other government staff in our remote regions.

Northern Territory home ownership: the Territory government will continue to help more people become homeowners through NT Home Ownership. It provides housing assistance products to Territorians, including loans, grants and subsidies to increase home ownership opportunities for low- and middle-income earners. Since July 2004, 1403 households have been assisted in purchasing their own homes within over \$299m in loans and shared equity purchases.

Budget 2012 continues to support low- and middle-income households gain access to home ownership with \$28m in new loans and \$6m in shared equity provided through the Territory government's home ownership initiative Homestart NT. In April this year, Homestart NT income and purchase prices limits increased so more Territorians could access this scheme and become homeowners.

I thank this committee for the opportunity and welcome your questions.

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

Mr MILLS: No.

Mr WOOD: A question on the Landcorp that has taken over the function of affordable housing. Do questions about the Land Development Corporation come to you? It has now taken over residential ...

Dr BURNS: They have taken over some residential developments, but we are still responsible for others such as Wirrina.

Mr WOOD: I wanted to find out if it comes within your portfolio.

Dr BURNS: The LDC does not. It comes under minister Gerry McCarthy's portfolio. However, we are still handling some developments such as Wirrina.

Mr MILLS: I would like to know where a line of questions should be best placed. National Partnership Agreement on Homelessness?

Dr BURNS: Ken Davies, CEO of Housing.

Mr DAVIES: Ken Davies, Chief Executive of Housing. The National Partnership Agreement on Homelessness sits in our strategic policy area. I will go to Catherine Weber to answer that one.

Mr MILLS: Where do I ask? We have three output groups. I have worked with Dr Burns before; I could get to Output Group 3 and find I have missed my opportunity.

Mr DAVIES: It is in the Urban Public Housing output.

Mr CHAIRMAN: Output 4.1. Any other questions about ...

Dr BURNS: I am disappointed in your lack of confidence in me.

Mr MILLS: I have been around for a while.

Dr BURNS: I am perfectly happy to have everything clarified up-front so we can get to ...

Mr MILLS: That is right.

Mr CHAIRMAN: Do we have any whole-of-government agency related questions? No. Member for Nelson? No.

OUTPUT GROUP 4.0 – TERRITORY HOUSING SERVICES **Output 4.1 - Urban Public Housing**

Mr CHAIRMAN: In that case, we move onto Output Group 4.0, Territory Housing Services, Output 4.1, Urban Public Housing.

Mr MILLS: Minister, thank you for your opening statement, and welcome to the panel. Minister, within the 2030 strategic plan your government identified some particular strategic areas that required an immediate focus. One of these was a balanced housing market. I will quote from the document. It says:

Housing availability and affordability will require a concerted approach involving all levels of government, Indigenous and non-Indigenous landowners, developers, and the community sector.

One of the key elements identified as needing to be addressed by this new approach was to identify key price targets for long-term sustainable housing. Quite specifically, minister, given this is one of the key elements in a strategic area that required an immediate focus, what specific measures are currently in place to identify key price targets?

Dr BURNS: The first thing to say is price targets are a moving target in some ways, member for Blain, as economic conditions and interest rates change. This government, through our land releases in Palmerston East, is releasing land at a rate that has never really been released before and encouraging house/land packages at affordable price points. That is a very important mechanism we are using. As well as that, we have the Bellamack Gardens development, which started off quite controversially. I believe the member for Nelson has inspected those units. It was quite a successful thing for us to do. I have been handed a brochure about house/land packages in Bellamack from \$380 700 to \$385 000. It depends on your definition of affordable. Those are quite competitive prices for three-bedroom houses, with room to put two cars, a laundry, outdoor living and front landscaping. It is a start for people to get into the housing market.

I mentioned in my opening statement the government's plans in subsidies and loans. I also mentioned since 2004, 1400 people have taken up those plans. I also said we have just revised the points where people can receive Homestart NT. We are always looking at the market, always looking at what people can pay, and are very keen for people to get equity in housing.

Mr MILLS: With respect, minister, that has not answered the question. These are responses to, and are general and subjective measures in response to an issue, and that is around affordability. You have identified key price targets need to be addressed. The question is: what specific measures are currently in place to identify those targets? Yes, it is a moving target, but what assessment enables you to identify the target?

Dr BURNS: Land release is a crucial element of that and there is considerable land release in Palmerston East. I have already pointed out to you what some of the brochures are saying, what is available for people, and also what is available to people in support. There will always be arguments about affordability and price points, but the price point I read out of \$380 000 is quite a reasonable price point considering that, with shared equity, people only have to take the loan out for 70% of that amount. That is quite affordable. Government holds the other 30% equity and, when people are in a position to, they can pay the government's share of that equity out.

Mr MILLS: With respect, the question is: what specific measures are in place to assist in identifying those targets? The response is, yes to release land. From what you said, it could well be from political pressure that land is released or people are just struggling. Then the word 'affordable' is used, but these are general and subjective measures. What measure do you have at your disposal to identify a target so you can determine what volume of land should be turned off, what policy responses should be provided? You need some mechanism, not a general response, but specific measures to assist you in identifying and adding to the argument as to how you determine what is affordable. What measures do you have to be able to ...

Dr BURNS: Affordable is determined by someone's income. Lending institutions apply certain rules about what people can pay out of their income. There are limits. I will ask Ken Davies, CEO of the department, to respond further to your question.

Mr DAVIES: Opposition Leader, there is ...

Dr BURNS: No, Mr Mills.

Mr DAVIES: Mr Mills, there is a subcommittee of CEOs called the Managing Darwin Growth Steering Committee which uses Treasury-related data to look at price points. We use data from the Real Estate Institute on vacancy rates, turnaround rates, and price points to match what is affordable, both in the rental and the housing market. We are working closely with Treasury, and Lands and Planning, around the number of blocks of land that need to be turned off to meet demand. There is much scrutiny going on by the committee in relation to the impact of INPEX. As part of that group, there is a planning area that uses demographic data as well as survey data compiled by developers on the take-up for new houses being built on the new subdivisions, particularly in Palmerston, to see if they are first homebuyers or whether they are investors and renting and so on.

Mr MILLS: How often does that subcommittee meet?

Mr DAVIES: It meets at least monthly - monthly to every two months.

Mr MILLS: A report is provided to the minister?

Mr DAVIES: A report is coordinated by the Department of Chief Minister and the minutes and the interaction goes on in the Chief Minister's department, but the data and the reporting is used to facilitate government business in what goes to Cabinet and the housing subcommittee of Cabinet.

Dr BURNS: If I could expand on that, member for Blain. There is a subcommittee of Cabinet that comprises the Chief Minister, the Treasurer, the Minister for Lands and Planning, and me, and generally we have been meeting on a two-weekly basis. Over the last little while, it has been longer than that, but we have certainly attended to all these issues and are looking at a range of issues related to housing in the Territory. As the CEO has alluded to, much of this crosses over portfolios, so it is important we work together as a subcommittee of Cabinet.

Mr MILLS: Thank you. What is the purpose of that subcommittee?

Dr BURNS: That subcommittee has been making a range of decisions around land release, about matters going forward. It is a committee empowered under Cabinet to consider business and make decisions. In some cases, some of those decisions are referred to the whole of Cabinet, but in the nuts and bolt stuff and cooperation between agencies, that is where the decisions are made.

Mr MILLS: The element identified in addressing this approach in the 2030 strategic plan was the identification of key price targets. I assume the subcommittee Mr Davies has referred to has identified key price targets. What are they? I assume they would be different for different markets.

Dr BURNS: They will vary between developments and between different developers. There will always be tension between government and developers on affordability and the costs to developers. I am not here to divulge price points and sensitive information generated by Treasury.

Mr MILLS: With respect, it is the different regions you would be able to determine what is your target - what are you aiming to be able to pitch and supply the market at a particular point.

Dr BURNS: I have already talked about these \$357 000 and \$380 000. You can read between the lines. There is a private market operating as well, member for Blain. I know you are a free enterprise party, so government is trying to work with the private sector. The private sector wants to make a profit, but we are doing all we can in our negotiations with the private sector, to come up with figures like this: \$357 000 for a three-bedroom house. That is my answer to you. I will ask Ken Davies to respond further.

Mr DAVIES: Mr Mills, as part of each of the subdivisions that are approved, a 15% affordable and social housing element is set aside. In the proposals put to developers, and in the work done with developers, price points are discussed and set around ensuring a certain percentage of the blocks are

available at affordable housing prices. The proponent might well be setting a ceiling on the broader blocks in the division; however, there is a requirement for them to overlay a 15% affordable housing element.

Mr MILLS: Would that 15% have been arrived at to achieve a target that has already been considered by the subcommittee you referred to?

Mr DAVIES: They are arrived at in the context of ensuring people in that affordable housing category can access things like Homestart. It is to ensure land and house package becomes available in a range where people can utilise Homestart.

Mr MILLS: There would have to be some science about it. That is what I was after - the weighing-up of particular data and assessment of the market and the like. Are there specific targets?

Mr DAVIES: The 15% affordable target is a specific target.

Mr MILLS: The 15%, I assume, would be determined in response to the target - what you are trying to achieve by saying 15%. You might say 12%. You say 15% because you have an objective; you want to get a certain cohort into housing, and to get that cohort into housing you have to determine what is affordable. You have weighed up data and have a target for the Palmerston market, for example, to shape your policy decisions.

Mr DAVIES: In new subdivisions we are saying 15% of that subdivision has to be accessible for people who can access Homestart.

Mr MILLS: Homestart is the benchmark?

Mr DAVIES: Yes, I can give you an example. In 2011, 89 households have been assisted with Homestart and over \$28m in loans and shared equity purchases have been allocated. We have 74 settled and 15 awaiting settlement.

Dr BURNS: To add to that, member for Blain, Homestart itself - much of the data is generated by Treasury. As you are aware, we revised the Homestart limits upward across the Territory and that is based on - the scheme is targeted to allow low- to middle-income earners to access around 40% of the housing market in their region using no more than 30% of their gross income. That is at the heart of it. Many people say Homestart is here and the average price is there. It is not about the average price; it is about 40% of the market and is also balanced with the income.

Mr MILLS: Thank you, minister. We are closer to where I want to be. I am now aware a subcommittee determines these things. I imagine those specific targets would be discerned through the thresholds throughout Homestart in the different regions.

Dr BURNS: There are different regions because there are different markets.

Mr MILLS: That is how you could determine it. There are different targets for different markets, and that is determined with the assistance of the subcommittee and the subcommittee of Cabinet. Thank you, I will not go any further on that line.

How many tenancy managers are there, minister.

Dr BURNS: I will defer to Mr Davies on that.

Mr DAVIES: And Catherine for the specifics of that.

Ms WEBER: I do not have the number of tenancy managers. I can get that information for you.

Question on Notice No 4.8

Mr MILLS: I will take it on notice and add a little more to it. How many tenancy managers are there by region?

Mr CHAIRMAN: That is question No 4.8.

Dr BURNS: We will accept the question.

Mr MILLS: Minister, how many antisocial behaviour agreements have been established over the past 12 months?

Dr BURNS: We can give you that.

Mr MILLS: I am sure you were ready for that one.

Dr BURNS: Yes, that is an important question. Across the Territory for the 2010-11 financial year to 30 April 2011, Territory Housing requested 73 tenants to enter into an ABA. There were 12 in Alice Springs, 50 in Darwin which also includes Casuarina and Palmerston, Katherine was three, Tennant Creek was eight, and Nhulunbuy is very well behaved with zero.

Mr MILLS: Good on you, Lynne. That is 73, and we have the regions. How many of those have been breached?

Dr BURNS: I will defer to Mr Davies. I can say on the positive side, there are also a number of tenants who mend their ways, so this is a two-sided street. I will defer to Mr Davies for the negative side.

Mr DAVIES: Mr Mills, the total number of tenancies terminated as a result of investigations into antisocial behaviour for 2010-11 to 30 April 2011 was 29. This was made up of eight evictions, 14 voluntary vacates, four transfers, and three abandonments.

The eight evictions compares to 15 for the same period in 2009-10. This reduction in annual evictions is due to an increased level of engagement with the tenant which is resulting in tenants not needing to be evicted at the same rate, as we have effective strategies in place with ABAs to ensure we deal with the antisocial behaviour. Where we have dispute referrals we can refer them back to the Community Justice Centre or, if there are law and order issues, they are referred directly to the Northern Territory Police. The Commissioner of Tenancy also plays a role in this space.

Mychelle, have you anything you want to add to that?

Ms CURREN: Mychelle Curren, Deputy Chief Executive. In relation to addressing antisocial behaviour, we have antisocial behaviour investigators who work closely with people who have been perpetrating antisocial behaviour in their tenancies. They use a number of strategies to respond to complaints - looking at neighbourhood surveys. They might use antisocial behaviour agreements as one strategy to assist in management of antisocial behaviour. Also, under the RTA, we can issue notices to remedy as well to encourage behavioural change.

Mr MILLS: Thank you. I have a value-add here, but the number of ABAs I now have is 73. The question I asked is: how many of those who breached those ABAs resulted in evictions?

You have given me 29 evictions. Is that correct? How many who breached an ABA were evicted as a result of the breach?

Mr DAVIES: Eight.

Mr MILLS: There are 73, with eight evictions?

Mr DAVIES: And there were 14 voluntary vacates, four transfers, and three abandonments.

Mr MILLS: Were those you have listed on ABAs?

Mr DAVIES: They were.

Dr BURNS: Member for Blain, these are tenants who realised the whole tenancy had gone to mud and have decided to keep going. In a technical way they are almost evictions, but they are not evictions.

Mr MILLS: I understand. Those numbers again, please: eight evictions are on ABAs?

Mr DAVIES: Fourteen voluntary vacates, four transfers, and three abandonments.

Mr MILLS: Is that the total number of evictions?

Mr DAVIES: No.

Mr MILLS: How many evictions from Territory Housing properties have occurred over the past 12 months?

Dr BURNS: As of 2010-11 it was 48, and for 2009-10 it was 42. I am not sure of the year-to-date figure.

Mr DAVIES: This is to 30 March, minister.

Dr BURNS: I see, 48 days. That is slightly more this year than last year.

Mr MILLS: How many of those evictions were with regard to tenants who had at some time previously had an ABA in place?

Dr BURNS: That is a good question, I will defer.

Mr DAVIES: We would need to take that on notice.

Dr BURNS: To enlarge on that, member for Blain, this is why I have directed the department, along with the other reforms I flagged up in my exposure draft, to have a three strikes and you are out policy. It is important to point that out. You are asking how many of these people have had multiple chances and things just drag on, and I agree with you. We need to monitor this very closely and make it clear to people: three strikes and you are out.

Question on Notice No 4.9

Mr CHAIRMAN: Can you give that question as a whole?

Mr MILLS: Yes, certainly. How many of these evictions were with regard to tenants that had, at the time or previously, an ABA in place?

Dr BURNS: We will take that on notice. That could take some time.

Mr MILLS: That is all right.

Mr CHAIRMAN: That is question No 4.9.

Mr MILLS: Minister, what was the primary cause of evictions?

Dr BURNS: Rental arrears is the primary cause. In 2009-10 - and the proportion is just about the same - it is 23 out of the 42, and this year it is 24 out of 48, so it is pretty close to 50%. We try to work with people about rental arrears. We are not trying to penalise people, but if people are making no effort whatsoever and not doing the right thing - and I have also said to the department, if there is damage in there as well - we are not going to mess around.

Mr MILLS: Thank you very much, minister. How many incidents of significant damage over \$5000 to Territory Housing properties were recorded in the past 12 months?

Dr BURNS: I will defer to Mr Davies, but I preface it by saying too many, member for Blain. It is a very important issue and a good question.

Mr DAVIES: Excuse me, Mr Mills, while I get the answer for you. I do not have that data here. We have repairs and maintenance for vacate expenditure by region for 2009-10 through to 2010-11 to 31 March. To give you an example - I am not saying this is all tenant damage - repairs and maintenance for vacate expenditure for 2009-10 in Darwin was \$242 000. As at March 2011, it was \$308 000, but for Casuarina, it was \$367 000 in 2009-10 and, as at March 2011, it was \$167 000. Without a doubt, the two biggest areas of repairs and maintenance turnaround vacates are Palmerston and Alice Springs. Very consistent - Palmerston \$464 000 for 2009-10, and \$445 000 to March 2011; and for Alice Springs,

\$497 000 for 2009-10 and over \$200 000 to March 2011. I would need to do some more analysis for you, because sometimes repairs and maintenance overlays into minor new works as well.

Mr MILLS: I appreciate that. We are getting to the zone of inappropriate behaviour in houses and the consequences that flow from that. Will you take this on notice?

Question on Notice No 4.10

Mr CHAIRMAN: For Hansard.

Mr MILLS: How many incidents of significant damage over \$5000 to Territory Housing properties were recorded in the past 12 months?

Mr CHAIRMAN: That is question No 4.10. The last 12 months of this financial year?

Mr MILLS: Yes.

Mr MILLS: How many of these incidents resulted in ABAs?

Mr CHAIRMAN: Is that the same question?

Mr DAVIES: We can overlay the data we have into tenancies, definitely.

Mr CHAIRMAN: A clarification of the question, you said the last 12 months, so June to June?

Mr MILLS: Yes. Minister, how many calls to Territory Housing properties by NT Police were recorded in the past 12 months?

Dr BURNS: That figure, member for Blain ...

Mr DAVIES: Mychelle, do you have an answer for that? We might have to take that on notice.

Ms CURREN: We can ask NT Police to provide us with that advice on Territory Housing.

Mr MILLS: It is interesting you say that because I was hoping it would be found here. NT Police say they do not have that. They do not record it against whether it is public housing or private housing. I am trying to get a fix on antisocial behaviour around public housing. I would assume it is with housing.

Dr BURNS: With your indulgence, member for Blain, I would like to address this issue. It is a very important issue regarding damage which you have raised. Truth be known, \$5000 is probably a fairly low bar in some cases. These are taxpayer assets and are being damaged extensively by tenants, and it is completely unacceptable. I do not have data on it, but my guess would be over time the amount of damage has been increasing, particularly in Alice Springs where there has been a change in demography and more people have been coming from outlying areas into town.

This concentrates the efforts on those houses that are being fairly seriously damaged while worthwhile tenants who want their repairs and maintenance done tend to get squeezed out of the equation. That is why I have directed the department to have more regular tenancy inspections, particularly on those problematic tenancies. That is why I am moving down the path I flagged in the parliament. As part of that, we will be looking to have a memorandum of understanding with police on this issue because, you are right, there has to be that level of cooperation and collaboration between the two agencies. The South Australian Housing Department has an MOU with police and it is an important element of everyone focusing their efforts on these houses because, not only are these likely to be the tenants causing damage, they are likely to be the tenants who are the source of antisocial behaviour and other undesirable behaviour elsewhere. That is where I am going as minister.

Mr MILLS: I am pleased you are heading in that direction; however, does that mean there is no explicit record of the number of police callouts to public housing.

Dr BURNS: Police operate under their PROMIS system; however, what usually happens is if a next-door neighbour is having trouble with a public housing tenant, it is the next-door neighbour that usually

calls the police, and they are encouraged to keep their PROMIS numbers, etcetera. Police, when given an exact address such as 14 Smith Street or Brown Street or whatever, can usually go back through their PROMIS records and pull everything out. However, currently houses are not tagged as housing commission houses. That is the guts of it.

Mr MILLS: That data is, therefore, not collected either by police or by Territory Housing?

Dr BURNS: Police collect it for their own purposes. What I have flagged to you is as part of this whole policy framework I am looking to institute and implement as minister, I am looking for an MOU with police that does not exist, at present, around public housing. That is a step forward.

Mr MILLS: That is good. As a local member in Palmerston, I had the view that somewhere in the housing office was a record of how many police callouts there had been around the properties they are responsible for. Is that the case, yes or no?

Ms CURREN: No, that is not the case. It relies on the tenant advising us if they have called the police. The police do not advise us, and we are not advised if the police have been called to a public housing premise.

Mr MILLS: I have attended meetings in Palmerston where, from time to time, the heat rises in the community and we have public meetings and the police are there, housing is there and everyone says: 'Yes, we are going to work more cooperatively'. They do whilst the heat is on and then in the business of the daily grind they drift apart again. I get the impression there is a regular exchange; however, no data is collected to get a clear fix. Is that what the MOU will address?

Dr BURNS: That is what it will be about, and in relation to housing – I did not mention in my opening statement, in this year's budget Housing has funds to upgrade the ancient computer system which will allow cross-referencing across a whole range of areas and better data collection. Much of the data collection has been manual up to now, member for Blain. I am aware in relation to inquiries and complaints, there needs to be better record keeping within the department about inquiries and complaints. I will let Mychelle tell you about the MOU in South Australia.

Mr MILLS: Well, the ...

Dr BURNS: It is important.

Mr MILLS: The MOU in South Australia, fine; however, I would like the frame you are proposing for the Northern Territory. Is it the South Australian model?

Dr BURNS: It is a matter for negotiation with police and the Police minister. Mychelle can tell you ...

Mr MILLS: I want to tighten this. It would be nice to hear about South Australia, but where are we at with this MOU, minister?

Dr BURNS: We are at the initial stages. We have to get our public housing safety officer legislation through. Part of the MOU with police will cover the operation of the public housing safety officers, just as there is an agreement now between police and the transport safety officers. There will be that type of agreement, and the Police minister has told me he has had discussions with the Police Commissioner and we will move towards having an MOU in relation to that, but ...

Mr MILLS: Have you had a meeting with the Police Commissioner on this?

Dr BURNS: Not as yet, member for Blain.

Mr MILLS: Police Association?

Dr BURNS: I have had a meeting with the Police Association about our public housing safety officers.

Mr MILLS: This sounds good, but the record is slow movement. Creation of something that sounds good ...

Dr BURNS: There has been pretty quick movement since I have been minister.

Mr MILLS: Yes, you are doing a very good job, minister; however, what do you mean by being at the initial stage? What has happened?

Mr DAVIES: Can I ...

Dr BURNS: Ken has had some discussions. However, let us do one thing at a time. Let us have Mychelle talk about the South Australian model and then Ken can – or the other way around, which way do you want it?

Mr MILLS: That would be nice if I had asked for insights into the South Australian model.

Dr BURNS: We will let Ken talk about his discussions with the Police Commissioner.

Mr MILLS: I want to know in real terms where we are? MOU great stuff; glad we are going to have one.

Dr BURNS: Let us go to Ken.

Mr MILLS: Yes, and then we will probably go around all the states of the country.

Mr DAVIES: Mychelle and I have met with Commander – and I have also spoken with Commander Mark Payne and also the Police Commissioner about this issue. We are in the process of working with Mark around some type of recording methodology with police where, if they go into a house to deal with an incident that might be related to domestic violence or some criminal matter and identify damage in a house, we are notified. That is part of what we are trying to do, Mr Mills.

The other side is we still have security officers and patrols that patrol our housing complexes very regularly and target specific houses we want monitored closely. We receive data from those companies around reports and incidents they have seen.

We are in the process of sharpening this whole area up. It will be done in the context of the public housing safety strategy; however, it is not a perfect world at the moment. As Mychelle says, the upshot can be, particularly around a damaged house - if there is some damage in a house and tenants ring the police and say: 'Please come' - they may have done the damage. Tenants then ring and say: 'Look, somebody has damaged our house'. That is one of the issues we have to address with police and attributing the damage is very difficult. However, we will get the data systems in place to ensure we can track these incidents better than we are currently.

Mr MILLS: Minister, you are a man of action. You say you have been in the job for a short time and there has been a huge change. Could you give me your best, or tell me when you think this MOU will be in place?

Dr BURNS: It will be in place when the public housing safety officers get on deck in early 2012. There have been initial discussions but, as I said this morning in education, we are living in a situation of the way parliament is constructed at present. I am not taking anything for granted. I hope the opposition is going to support this legislation.

Mr MILLS: Is there an MOU between police and transport over the transport officers?

Dr BURNS: I understand there is. There has been much work. That is not my portfolio ...

Mr MILLS: No, no, that is all right. You are a member of Cabinet, also that bloke there with you.

Dr BURNS: I believe there is about protocols, and they are working with police. I have seen them turn up together at various spots and they work closely together.

Mr MILLS: Thank you, minister. We will ask the question and let you know whether this is one. I am assuming the South Australian model is being considered.

Dr BURNS: That is true.

Ms CURREN: The South Australian MOU with police sets the framework for how they will share information and work together at a local level in addressing what they call disruptive tenancies. They have

a Disruptive Tenancies unit similar to the Antisocial Behaviour unit we have in Territory Housing. They have arrangements in place for how they will share information and collect data on incidents that occur in public housing premises in certain regional locations. The framework is an overarching state-wide one which outlines how operations will occur at a regional level to enable direct information sharing and direct working together when issues occur in collection of that data. This will measure whether the interaction from the housing authority and/or police, and/or bringing in other support agencies is assisting to resolve antisocial behaviour, sustain the tenancies and settle down the community. It becomes a proactive strategy as opposed to a reactive strategy.

Mr MILLS: Thank you, Ms Curren.

Dr BURNS: You might incorporate it into your policy Terry, when you have one.

Mr MILLS: That is a cheap shot.

Dr BURNS: No cheaper than your business about the MOU.

Mr MILLS: I am hoping this time next year during estimates we will be able to talk about it as something ...

Dr BURNS: Your policy on public housing?

Mr MILLS: No, the MOU being discussed today being in place and how it is working.

Dr BURNS: Very good.

Mr MILLS: Housing stock, minister. In the 2010-11 Budget, it is estimated Territory Housing ...

Dr BURNS: Is this Budget Paper No 3?

Mr MILLS: Yes, I assume it is. It says it would have 5268 public housing dwellings as a part of its urban social housing stock. In the 2011-12 Budget, this figure was revised back to 5186 houses. What happened to 82 dwellings in 12 months?

Dr BURNS: There are a number of elements to this. Some stock has been transferred into what is called industry housing. This is housing where you might get an NGO looking after disabled people or something like that, or people who are mentally ill - a halfway house. This is industry housing. There was a transfer in there but, moreover, the projection was made on the basis of completion of construction of a number of houses which was delayed by the weather. There were approximately 90 houses involved in that. I am advised by the department that those houses are well under construction and the target will be met, but not by the end of the financial year. I will defer to Ken to give a fuller answer.

Mr DAVIES: Mr Mills, the number of public housing dwellings year-to-date has increased from the level reported as at June 2010 in our annual report. In the agency's annual report it was 5066. We have gone to 5169 as at March 2011. I want to emphasise that no dwellings have disappeared. However, completion of newly-constructed dwellings has been delayed for a number of unforeseen reasons. Inclement weather had a major impact and contributed to delaying three projects totalling 66 dwellings originally scheduled to be completed in the 2010-11 financial year. That was the Bellamack duplexes - eight dwellings now due to be completed at the end of June/July 2011. Bellamack seniors, 40 units now due for completion in July 2011; Crerar Road near the airport, 18 units now due for completion later. Also, 28 units at Percy Court for managed accommodation were originally scheduled to be completed in March, but wet weather delayed completion until June 2011. They are not in those numbers.

Mr MILLS: Thank you, Mr Davies. Minister, I accept none of them disappeared, but were any sold?

Dr BURNS: Very few public housing dwellings have been sold over the past year. As you would be aware, I placed a moratorium on those sales to stabilise the situation and the wait list. I also asked the department to do an audit of the wait list; quite an appropriate procedure. We are continually looking at that policy. We understand there are many public housing tenants who want to get equity in their houses. We have had tos and fro in the parliament about who sold most houses. Since the mid-1990s, about 3000 public housing properties have been sold. Most of those have gone to tenants who had equity. That is a positive story not a negative one. At the same time, we need to stabilise the situation. I ask Ken for the exact number.

Mr DAVIES: Mr Mills, the exact number was two sold to a tenant in Casuarina, and one sold by auction in Darwin.

Mr MILLS: When sold - and a modest number is good to see - where did the money go?

Mr DAVIES: It goes back to Northern Territory Housing and is incorporated as part of our funds to replenish the stock. The Darwin one was an auction in Fannie Bay - a residence up the top of the hill that was beyond economic repair and was on-sold for a fairly substantial price.

Mr MILLS: What was the return on the three houses sold?

Mr DAVIES: I am told by the CFO the one in Fannie Bay went for \$750 000.

Dr BURNS: I emphasise, Mr Mills, that when we sell a public housing stock - an asset - we sell it for what the Australian Valuation Office sells it for. There have been some calls, including the member for Braitling, that we should be selling them off at a discount price, but we are not in that business. We are selling them off as public housing dwellings. There is also an expectation amongst some tenants, which the member for Braitling accords with, that because they have been tenants for 30 years they should get some type of discount; they have somehow bought the house two or three times over. These rents are heavily subsidised by the taxpayer so that is a vain call. I can table the e-mail from the member for Braitling if you want.

Mr GILES: I have it right here.

Dr BURNS: Have you?

Mr MILLS: If I had asked the question, maybe you would. We are in the middle of another question, thank you, minister. Sorry, Mr Davies, you were going to ...

Mr DAVIES: We can furnish you the ...

Mr MILLS: Thank you. We will take that on notice.

Question on Notice No 4.11

Mr CHAIRMAN: Can we have that as a question?

Mr MILLS: Yes, the value of those three houses sold.

Mr CHAIRMAN: That is question No 4.11.

Mr MILLS: Minister, in 2011-12, you have budgeted for an increase in total urban public housing dwellings of 50 dwellings. How much will these dwellings cost?

Dr BURNS: From memory in the budget - over a number of budgets - \$50m has been allocated for 150 new public housing dwellings.

Mr MILLS: You are going to increase by 50?

Dr BURNS: Well, that is on top of ...

Mr MILLS: How much will those 50 cost?

Dr BURNS: There is \$50m to construct 150 dwellings. We have already mentioned a few of them - Bellamack seniors is one - is Larapinta seniors part of that? Dwayne, did you want to talk about - maybe I am jumping the gun a bit.

Mr MILLS: Maybe I am asking ...

Dr BURNS: The cost varies depending on the type of dwelling.

Mr MILLS: Let us get the average cost then. You have budgeted for an increase in total public housing of 50 dwellings.

Dr BURNS: That could be over this financial year, yes.

Mr MILLS: Therefore, how much will those dwellings cost?

Dr BURNS: The dwellings completed in 2010-11 - the last financial year – were 13 Moorhen Circuit, Bakewell. I know the member for Braitling had his maths wrong with that; he did not know what a duplex was. There are six two-bedrooms at \$337 000 per dwelling; Patterson Street, Malak, had six two-bedders and two one-bedders and the cost was \$306 000 per dwelling; and 11 Willshire Street, The Gap, had four two-bedroom flats at a cost of \$341 847 per dwelling. For the financial year commencing in 2011, we have 42 Marrakai Street, Tiwi with two two-bedroom units and each one of those is a tad under \$350 000 each. The duplexes at Bellamack are six two-bedders and two three-bedders, and the estimate is \$316 000. To add to that, I am having discussions with the department about a number of vacant ...

Mr MILLS: Minister, the question was: you have aimed in this budget to increase the number by 50; what is the specific allocation for those 50?

Dr BURNS: I will let Dwayne answer that question.

Mr McINNESS: Dwayne McInness, Chief Financial Officer. It is difficult to allocate specifically to the 50 because some of those dwellings are already under way in this financial year. The numbers the minister read out are indicative of those average costs applicable to the 50.

Mr MILLS: In stating you are going to increase it by 50, some of those had an allocation in the previous financial year.

Mr McINNESS: That is correct.

Mr MILLS: How many are commencing this financial year?

Dr BURNS: I will ask Dwayne McInness to respond to that.

Mr McINNESS: In 2011, there are two two-bedrooms. Eleven will commence in this financial year.

Mr MILLS: So, 39 come from the previous year. Where does the number 50 come from?

Mr McINNESS: The 50 comes from dwellings under way last year which are not counted in the 2010-11 revised estimates. They are now counted in the 2011-12, so what we have reduced in 2010-11 will be picked up in 2011-12 movement.

Dr BURNS: Ken has already mentioned some that have been held over through inclement weather. Some of them would roll between financial years, which is normal construction practice.

Mr MILLS: You would be forgiven for thinking, minister, when you say you are increasing the number by 50 in this financial year, it is 50 in addition to the promise that was made in the last financial year.

Dr BURNS: It would be 150 over three years, with a total expenditure of \$50m.

Mr MILLS: Minister, in the 2010-11 budget \$384m was allocated to Territory Housing, and in the 2011-12 budget \$337m was allocated to Territory Housing. How can you pay for those 50 new dwellings considering you have \$47m less?

Dr BURNS: Much of that \$47m would be Commonwealth programs as part of the stimulus package and the NPAs. In my opening remarks I mentioned a whole stream of projects; in anyone's book it is an impressive array of projects. Part of that funding cuts out in one financial year and, because it is Commonwealth funding, it is not reflected in the next financial year. The explanation is as simple as that, however, I will ask Dwayne McInness ...

Mr MILLS: Minister, I thought this provided you with the opportunity to explain the 50 extra being paid for with \$37m less is largely the result of money allocated last year; houses that were allocated last year that are being built this year and counted this year.

Dr BURNS: I talked about the cycle of Commonwealth funding on our overall budget. However, I will defer to Dwayne McInness.

Mr MILLS: What is Mr McInness answering?

Dr BURNS: He is answering the question.

Mr MILLS: What question?

Dr BURNS: You pointed to Budget Paper No 3 and talked about an allocation being \$37m less. Is that what you talked about?

Mr MILLS: It is \$47m less and you are proposing to build 50 more houses.

Dr BURNS: Yes, I have explained and you do not seem to be listening. Part of this reflection is the cycle of Commonwealth funding and one-off funding through the national partnership agreements. However, I will ask Dwayne McInness ...

Mr MILLS: Before Mr McInness, minister ...

Dr BURNS: Hold on. Mr Chairman, he has asked a question, I have given a preliminary answer and now I am asking a public officer to complete the answer. I ask the Leader of the Opposition to show some courtesy, stop interrupting, and allow Mr McInness to complete his answer.

Mr CHAIRMAN: There are two things here. One, once a question is asked the minister has the right to answer and can ask one of his fellow witnesses to contribute to the answer. Second, you were clarifying a question.

Mr MILLS: I want to ensure we are making efficient use of our system. The question you have a preamble to, minister, often takes us to a spot which is nowhere near the question I ask you, then you refer the shifted position to some other bloke, and we end up a million miles from home.

Dr BURNS: We end up with an answer. Mr McInness can answer.

Mr MILLS: Yes, an answer, but not the answer to the question.

Mr CHAIRMAN: That was a clarification of the question. Estimates are conversational in nature and there is some back and forth. With the majority of questions there is usually a preamble and there is a breadth to it.

Mr WOOD: Is the word succinct?

Mr CHAIRMAN: The word succinct is meant to apply both ways, and often does not. I will ask Mr McInness to answer the remainder of the question, and then I will throw back to the Leader of the Opposition.

Mr MILLS: I will not interrupt anymore; however, could we check to see what question is being answered.

Mr CHAIRMAN: Perhaps, Leader of the Opposition, you could ask the question again.

Mr MILLS: I would like a clean-cut explanation as to how you have \$47m less and have told us you are going to build 50 more houses. We have learnt that is, in fact, 11 additional houses. How do you account for \$47m less with the build of 11 houses plus the revote from last year? Thank you.

Mr McINNESS: The first point, the reduction in the output cost, the capital expenditure is not reflected in there, it is reflected in Budget Paper No 4. It is not related to the reduction at all; it is a different source of funding.

Mr MILLS: That clarifies it. Thank you.

Mr McINNESS: On page 11 of Budget Paper No 4, public housing has \$45.2m cash allocated to this year; however, that is across minor new works, program delivery and new capital works, and revoting - any projects that were not finalised last year.

It is not related to the variation in Budget Paper No 3. Budget Paper No 3 is, essentially, a transfer of funding from the Capital Works program to Capital Grants. That was work undertaken on stimulus package dwellings that are not Territory owned. There was also some transfer of Commonwealth programs from 2009-10 into 2010-11. Budget 2011-12 then returns to historical levels and are just one-off transfers.

Mr MILLS: That helps, thank you Mr McInness. Minister, could you provide me with a list - minus preamble if you do not mind - of where, at the end of this financial year, those 50 new dwellings can be seen?

Dr BURNS: We can provide a list, Leader of the Opposition. Some of those dwellings have been mentioned already. Some, as I have said, are carried over from the previous year and some are in the planning stages as we speak. You would not let me tell you before, but there is a number of vacate public housing lots in Palmerston and throughout the northern suburbs - ones that have attracted the attention of the opposition from time to time. For example, in Moil Crescent there are two adjoining blocks and plans are under way to build duplexes on those blocks. There are other blocks we are looking at and I have directed the department - there have been a number of very good duplex developments. I mentioned Moorhen Circuit in Palmerston before and I am developing duplexes on those blocks and offering them to seniors and those who are disabled to free up public housing dwelling elsewhere.

Mr MILLS: Thank you, minister.

Dr BURNS: We could supply you a list, but it is by no means an exhaustive list. I reiterate government's proposition and pledge that, over the three years, we will spend \$50m and complete 150 dwellings.

Mr MILLS: Therefore, we are getting to the point of the list. I accept the explanation, but could I have that list tabled, please?

Dr BURNS: I can table the list of what is currently under construction.

Mr MILLS: I will take that.

Dr BURNS: Also, some of the commencements in 2011. It is by no means an exhaustive list.

Mr MILLS: Yes, I accept that. Thank you.

Dr BURNS: I am more than happy to table that.

Mr MILLS: Thank you, minister. Minister, how do you arrive at the number 50?

Dr BURNS: I am told, overall, that comes to about 100.

Mr MILLS: Right.

Dr BURNS: I have foreshadowed some other developments I believe is a good way to go.

Mr MILLS: Yes, that is good. Minister, how do you determine 50?

Dr BURNS: The original budget commitment was \$50m to construct 150 dwellings over three years. As we have said before, construction sometimes goes between financial years. We live in a monsoonal environment with the Wet Season. Even Alice Springs has had very unseasonable weather. This is a three-year project and it will deliver 150 dwellings.

Mr MILLS: Thank you, minister.

Dr BURNS: How is that?

Mr MILLS: Minister, within the 2030 ...

Dr BURNS: Like SIHIP.

Mr MILLS: ... strategic plan your government has determined to reduce waiting times for public housing. Why has this action not been incorporated into the key deliverables under the Urban Public Housing output group?

Dr BURNS: We publish waiting lists, as you are aware, and they have stabilised over the past nine months or so since the moratorium on the sale of public housing, which I am prepared to re-examine. That is why we need this flow of dwellings we have been talking about, plus what the Commonwealth has funded through the stimulus package to give us some replenishment in our public housing. That is how we can reduce the waiting list. However, to some degree, the public housing waiting list also exists in a wider context.

Mr MILLS: Yes, I understand. The question was: given it is in the 2030 strategic plan, why is it not incorporated into the key deliverables?

Dr BURNS: It is a very important issue for me as minister ...

Mr MILLS: Yes, but no so important ...

Dr BURNS: ... and I know it is very important to the member for Nelson. I am endeavouring to do what I can with the resources I have to reduce the wait times.

Mr MILLS: I accept everybody is working hard and we are all well intentioned; however, given it is described in the 2030 strategic plan, why has it not been incorporated into the key deliverables under the Urban Public Housing Output Group. Why do not you put it there if it is that important?

Mr DAVIES: This public housing waiting list is literally our waiting list. We are working to put in place an integrated waiting list that will pick up people who are waiting for urban public housing in the normal wait list and priority housing applicants. We are going to do that with the NGO sector so we are drawing off a common wait list. Given that we will need to network with the NGOs, the integrated wait list is what we would be working towards, not necessarily a public housing wait list. It would be too early to enter into an output regime. We are doing the preliminary work around the integrated wait list at the moment.

Mr MILLS: Therefore, could you assume next year we would be able to see the integrated list?

Mr DAVIES: It is possible. I would need to take advice on it. We would need to be able to report against it and set targets we ensure we measure. Currently, there are 3211 people on the wait list as of March, and we have 268 applicants on the priority housing list as well.

Mr MILLS: Could I have tabled a full waiting list across the Territory?

Mr DAVIES: You mean by region, Mr Mills?

Mr MILLS: By region, yes.

Dr BURNS: Sure. We will do it. It is published on a regular basis.

Mr MILLS: I know. It is just rather than ...

Mr DAVIES: The biggest wait list is for a three-bedroom house, Mr Mills. They are the ones we are targeting in the new seniors villages we are building. We want to free some of those up if we can, providing we incentivise people ...

Mr MILLS: Thank you, Mr Davies. Minister, how many Territory Housing tenants are currently in rent arrears?

Dr BURNS: I will have to defer to Mr Davies on that.

Mr DAVIES: We have that, Mr Mills. We just have to find it.

Ms CURREN: I have rent arrears figures as at 31 March. The number of tenancies in arrears was 1051, with the majority being in arrears less than 3 weeks rent.

Mr MILLS: What is the number in percentage of total tenants?

Ms CURREN: 22%.

Mr MILLS: And the average amount?

Ms CURREN: \$589.

Mr MILLS: What is the largest amount?

Ms CURREN: Sorry, I do not have the largest amount available.

Dr BURNS: Mychelle, could you talk about the policy regarding rental arrears and how you attempt not to let rents get out of control - the amount in arrears?

Question on Notice No 4.12

Mr CHAIRMAN: There is a question on notice first. If you could just ask the question on notice, Terry?

Mr MILLS: Thank you. Through the minister, to Ms Curren, what is the greatest amount of rent in arrears?

Dr BURNS: We will take it on notice.

Mr CHAIRMAN: That is question No 4.12.

Mr MILLS: Thank you. I now would ...

Dr BURNS: Should I pre-empt your question, member for Blain?

Mr DAVIES: Mr Mills, further to that, the average rent arrears is around \$500.

Mr MILLS: We have that, thank you. Minister, how many new houses have been delivered under A Place to Call Home initiative to date?

Dr BURNS: I will have to defer to Ken on that. This is a national partnership agreement.

We are not going on with arrears? I will miss my chance to say how much more we collect than you used to collect.

Mr MILLS: You will have your opportunity.

Mr DAVIES: Mr Mills, we will have to take that question on notice

Question on Notice No 4.13

Mr CHAIRMAN: Please provide the question again.

Mr MILLS: How many new houses have been delivered under the A Place to Call Home initiative to date?

Dr BURNS: We had better clarify that question because my recollection is many of these dwellings are managed accommodation not really houses. I may stand corrected there.

Mr DAVIES: Mr Mills, I have found another point here. Under the homelessness national partnership agreement the funding includes \$7.8m to build 30 new public housing dwellings by 2013 as part of the A Place to Call Home program.

Mr MILLS: The question is how many new houses have been delivered to date? Will you take that on notice?

Dr BURNS: Do you have an answer for that, Dwayne?

Mr DAVIES: We will have to take it on notice.

Mr CHAIRMAN: I think we have it, but one more time.

Mr MILLS: How many new houses have been delivered under the A Place to Call Home initiative to date.

Mr CHAIRMAN: That is question 4.13.

Mr MILLS: How much Commonwealth funding has been received for the delivery of the A Place to Call Home initiative to date?

Mr DAVIES: Under the homelessness NPA which commenced in 2009, the Territory will receive \$25.6m over five years from the Commonwealth government, Mr Mills. This funding includes \$7.8m to build 32 new public housing dwellings by 2013. The remaining \$17.8m funds new and expanded services that support people who are homeless or at risk of homelessness, including youth, and the Commonwealth funding is matched by the Territory's contribution of \$29.3m.

Mr MILLS: You said \$25.6m will be received; it is a three-year ...

Mr DAVIES: A five-year program.

Mr MILLS: The question was how much has been received to date?

Mr DAVIES: We are confirming that, Mr Mills. I can read through the projects we are going to run under this NPA, Mr Mills, but how much we have spent, or how much we have had delivered to us, we will have to take on notice.

Mr MILLS: I would prefer to have that figure and have the question on notice

Question on Notice No 4.14

Mr MILLS: How much Commonwealth funding has been received for the delivery of the A Place to Call Home initiative to date?

Mr CHAIRMAN: That is question No 4.14.

Mr MILLS: The next question perhaps will be taken on notice as well. How much Northern Territory funding has been spent to date on A Place to Call Home initiative?

Mr DAVIES: I can tell you how much has been allocated, Mr Mills, by the NT government. For year 2010-11 it was \$2.007m, and for 2011-12 it is, under the A Place to Call Home initiative, \$2.256m.

Mr MILLS: Did it commence in 2010-11?

Dr BURNS: It is over a range of projects and a number of agencies, including Children and Families and this department. Some have commenced, such as South Terrace managed accommodation - supported accommodation with an approximate bed capacity of 50 to 65 people in Alice Springs. The service provider is Aboriginal Hostels. There are quite a few listed here so it might be better to table it.

Mr MILLS: The question is, and I assume information has to be gathered or we can take it on notice, how much NT government funding has been spent to date.

Mr DAVIES: I will go to the CFO if that is okay with you, Mr Mills?

Mr MILLS: Sure.

Mr McINNESS: In relation to A Place to Call Home, the Territory government has received \$3.8m to date. Its contribution was \$249 000 in 2008-2009; \$2.2m in 2009-2010, and for this current year it is \$2.007m. The Territory government contribution consists of a number of elements: contribution towards tenancy sustainability programs, additional R&M, and also for the purchase of blocks to supplement the A Place to Call Home building. How many have been delivered? None have been delivered to date, but a number are under way.

Mr MILLS: This is the dwellings?

Mr McINNESS: This is the dwellings. There are no set targets per annum. What is required under the agreement is we have an additional 32 dwellings by the end of the agreement. I could read out the current status of the program. Twelve two-bedroom dwellings are to be completed by November 2011; eight at Bellamack, two at Tiwi, and there are another two dwellings for which locations are currently being looked at. It is anticipated they will be completed by November 2011.

Mr MILLS: None to date, but we have to have 32 by the end of ...

Mr McINNESS: 2013.

Mr MILLS: Minister, how much Commonwealth funding is available for the national partnership on homelessness in the 2011-12 financial year?

Dr BURNS: I will have to refer to the department on that.

Mr McINNESS: You were asking for the 2011-12 financial year?

Mr MILLS: Correct.

Mr McINNESS: For A Place to Call Home, \$1.288 is available for the capital component, and an additional \$2.66m available for operational support.

Mr MILLS: I thought in the Commonwealth budget \$6.2m was available.

Dr BURNS: That is not in our books, Leader of the Opposition.

Mr MILLS: Are we looking at 2011-12?

Mr McINNESS: 2011-12, it should be.

Mr MILLS: The federal budget had \$6.2m available for the Territory.

Dr BURNS: In one financial year?

Mr McINNESS: I will check those numbers. The splits are not quite clear here so I will get someone to check them.

Mr MILLS: That might be a useful exercise because in the last federal budget it was \$6m. Perhaps we will take that on notice.

Mr CHAIRMAN: Can we get that as a question?

Question on Notice No 4.15

Mr MILLS: In the 2011-2012 financial year how much was available for the national partnership on homelessness for the Territory from the Commonwealth? Also, for 2010-2011?

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

Dr BURNS: Of course we are.

Mr CHAIRMAN: That is question No 4.15.

Mr MILLS: I will hold it there.

Mr CHAIRMAN: I was intending to take a break at 2.30 pm, member for Nelson. It is 2.26 pm. I assume you have more than four minutes worth of questions. Should we take a break now?

Mr WOOD: I might have a short question, but it might be more than four minutes worth of answer.

Mr CHAIRMAN: I have heard you ask questions, member for Nelson.

Mr WOOD: Tacking onto the last question the member for Blain asked, the national partnership agreement has some outcomes for social housing. Under Outcomes C(6)(d) it says:

Through this initiative the following key outcomes are expected to be achieved: 75% of the new dwellings constructed for this initiative will be completed by December 2010 ...

Go up a little further and it says:

New dwellings will provide around a 50% reduction in the waiting time for people with high housing needs on public housing lists, and a reduction in the number of low-income households paying more than half their income in rent.

Minister, as this is an agreement with the Commonwealth, are you saying you will achieve that by February 2012?

Dr BURNS: I would like to, member for Nelson.

Mr WOOD: Has it given you enough money to do it?

Mr BURNS: The Commonwealth has been quite generous in all its NPA agreements. The challenge is the peculiarity of our own housing market and our public housing structures in the Territory.

Mr WOOD: It is probably the first time I have had a decent look at some of these national partnership agreements. When they are signed off by the Chief Minister, are they signed off with the hope, or with the belief these outcomes can really be achieved?

Dr BURNS: I will defer to Mr Ken Davies.

Mr DAVIES: Mr Wood, the Territory has been allocated \$63.8m in total funds under the Social Housing National Partnership Agreement. It includes \$4.1m to increase the supply of new social housing dwellings and \$59.7m under the National Building and Jobs Plan. Of this, \$2.1m was spent in 2008-09, \$12.3m in 2009-10, and \$20.6m in 2010-11 to 31 March 2011. As a subset of that, there are a range of dwellings which have been completed. Going back to November 2009 running all the way through to current, at least 19 projects have been completed, from four-bedroom dwelling units through to the yet-to-be completed Crerar Road complex out near the airport that has 18 units ...

Dr BURNS: But it is close.

Mr DAVIES: It is close. We are on track here. The other one was the Bath Street Alice Springs Lodge \$3.768m, 35 rooms. There is a list of the projects and the cost of them here.

Mr WOOD: I understand that. I know part of this agreement is to provide 20 000 new social housing dwellings for homeless people. However, the question really was in relation to reducing the waiting lists for those people with high housing needs on public housing lists, which is - I am not sure whether it says the exact number here. There are 268 applicants who have been approved for priority housing. I am using this as a rough figure. By February 2012, which is the three-year period in which this is meant to happen, notwithstanding there will be more people come on, there will be approximately 140 applicants on the priority list. Will it have been cut down by half?

Mr DAVIES: Mychelle, I will go to you.

Ms CURREN: Yes, the requirements are people are housed from the priority waiting list into stimulus properties and houses under the Social Housing National Partnership Agreement. However, the Commonwealth allows jurisdictions to use new stock to transfer people from under-occupied stock so they

can free up larger houses to get high-needs people off the wait list. It allows a mix of transfers to enable the housing still replaces on a one-for-one basis. In fact, it has to be allocated to people from the priority wait list.

Dr BURNS: In answer to your question, we will probably take a break, it is a very ambitious target, member for Nelson.

Mr WOOD: I understand that, but it worries me we sign a document - we should only sign documents with realistic targets. That is a pretty big target for the Territory to come up with. It would be great if you could do it, but this is the national partnership agreement.

Mr DAVIES: Sometimes these national partnership agreements, Mr Wood - I am not sure what other jurisdictions have signed up to - are fairly arbitrary. I am assuming that would be a generic target set nationally. When the stimulus funding became available jurisdictions jumped in and said: 'we will aim for that target, but we will have to report it against whether or not we have met that at the end of the day'.

Mr CHAIRMAN: At that point, we will take a break as a committee and return in five minutes.

The committee suspended.

Output 4.1 – Urban Public Housing

Mr CHAIRMAN: We will resume. We are at Output 4.1 and with member for Nelson; however, I understand the minister has a ...

Revised Answer to Question on Notice No 4.1

Dr BURNS: Thank you, Mr Chairman. Earlier today, an incorrect answer was provided to Question on Notice No 4.1, asked by the member for Nelson relating to the number of students categorised as requiring low, medium and high educational support. Please find attached the correct answer to this question. It has been suggested by Helen Allmich, the Editor of Debates, that an appropriate way to provide this answer to the committee is for the attached corrected answer to be read to the committee. I am not sure whether you want me to table it or read it.

Mr CHAIRMAN: Is it long? Just read it ...

Dr BURNS: No.

Mr CHAIRMAN: ... and it will go straight into the record.

Dr BURNS: Those students categorised as low is 501, moderate 109, high 66, a total of 676. How much funding is allocated for special schools is to be provided at a later date.

Mr Davies has an answer to an earlier question on notice in these proceedings.

Answer to Question on Notice No 4.9

Mr DAVIES: Mr Chairman, question No 4.9 which was: of those tenants evicted from public housing dwellings, how many have previously been on acceptable behaviour agreements? It was asked by Mr Mills. The response is there have been eight evictions for unacceptable conduct year-to-date, which we advise - that is for 2010-11 - six of the eight had been on an unacceptable behaviour agreement, an ABA.

Mr CHAIRMAN: That is all the questions on notice?

Mr DAVIES: Do you want me to table that, Mr Chairman.

Mr CHAIRMAN: You have read it; we have the answer.

Mr DAVIES: Thank you.

Mr CHAIRMAN: Member for Nelson, you have the call – Output 4.1.

Mr WOOD: Thank you. Minister, how many seniors, pensioners, and carers over the last year have moved to more appropriate accommodation?

Dr BURNS: I will defer to Mr Davies for that.

Mr DAVIES: Mr Wood, we would have to take that question on notice.

Question on Notice No 4.16

Mr CHAIRMAN: Please repeat the question one more time, member for Nelson.

Mr WOOD: How many seniors, pensioners and carers have moved to more appropriate accommodation this financial year?

Mr CHAIRMAN: That is question No 4.16.

Mr WOOD: On similar lines, and I might ask for clarification, I presume there is an income test to stay in a public house?

Dr BURNS: Yes.

Mr WOOD: How many people have moved, or been asked to move, because of the higher income limits this financial year?

Dr BURNS: I will defer to Mr Davies.

Mr DAVIES: Mr Wood, Mychelle will answer that.

Ms CURREN: I can advise in the year-to-date to 31 March seven tenancies were terminated as a result of ineligibility.

Dr BURNS: As a clarification, the rule for over 55 is eligibility tests do not apply. That is the way it is at present.

Mr WOOD: Are you saying once you are over 55-years old the income rule does not apply, is that correct?

Ms CURREN: Correct.

Mr WOOD: I am not commenting on any particular case; however, has it ever been put to residents who may have stayed in a house for a long period of time, if they have reached that limit the other possible option is they pay full market rent?

Dr BURNS: Yes, and that too is a complex question. What happens is when they reach that level of ineligibility, and most have been on a three year contract – are the three year contracts, Mychelle, or four?

Ms CURREN: They could be five-year contracts.

Dr BURNS: They could be five. Under the law they have a contract and can stay in that house, but they then have to pay what is called market rent. That market rent is assessed by the AVO, but it may not be what other people generally pay in that area. That is a problem as well. I am not talking about a particular case here; there might be someone in Parap who may be paying \$375 a week for a three or four-bedroom house. For most three or four-bedroom houses in Parap you would be looking at \$500 at least.

Mr WOOD: It is a possibility; it sounds like it would need to be reviewed.

Dr BURNS: I need to understand what you are asking here. Are you asking why would we not let them stay there if they were paying full market rent? That is not desirable because we have a big waiting list and it is a very difficult choice. We are trying to provide subsidised housing to those who are in most need.

Mr WOOD: I am not trying to shy away from that at all. I put the case that if someone had lived in a house for a very long period of time they have probably reached 55 anyway. If they had lived in a home for a very long time then maybe one of the options might be that people who want to stay there will have to pay the market rent you would expect in any private dwelling in that area. That is what I was asking.

Dr BURNS: I believe we best leave it right there.

Mr WOOD: Minister, there have been a number of meetings in the rural area regarding a seniors village. One was held at Girraween School three or four years ago; there was also a well-attended meeting by rural seniors at Taminmin High School about a year ago. Are there any plans that would satisfy many rural people for a rural village perhaps in Humpty Doo?

Dr BURNS: That is a good question. I am open to those types of developments. Obviously, there are none on the books for the 2011-12 budget, but it is something I would like to seriously consider. Obviously, we have developments in that area, and a seniors village would be a good suggestion. Currently, we are building seniors villages in Palmerston at Bellamack, and also in Alice Springs. I cannot see why, in our future planning, we cannot look to building one in the rural area.

Mr WOOD: It would be good because at the meeting Housing attended, the options for people were Tiwi - they did not want to know about it; Bellamack - we do not live in Palmerston; or Batchelor - we do not live in Batchelor. Rural people have felt left out of the equation. There are nearly 20 000 people in the rural area and many would like to retire in the rural area.

Dr BURNS: I understand that.

Mr WOOD: It would be good if the government looked at that as an option in the next budget.

Dr BURNS: I will have a word with the Treasurer about it. You can have a word with her as well.

Mr WOOD: The other question - and I have asked this in previous meetings - is about community land trust as an option. They are in the United States and there are some in the United Kingdom. They have the advantage of allowing people to build affordable housing. We get affordable housing in this country mixed up with land and housing. Has the government given any thought to community land trusts? I could give you an example where it may be an option: the forestry land at Howards Spring if the native title is eventually sorted out. It can apply to rural, as well as urban, where the government would own the land, subdivide it, and lease the land to people who wished to build their own house on that land. This would mean you cut the cost, for first homeowners especially, by approximately half to have people live in their own homes.

Dr BURNS: That is a good suggestion, member for Nelson. This is an issue I have raised with the Under Treasurer. As I understand it, Canberra has a very similar system as well. When Darwin was rebuilt after the cyclone that was the pattern; people had partial equity and, with time, were able to buy their own equity. It is an interesting model. The Under Treasurer's argument to me was our Homestart NT program was very similar, and gave people similar breaks in equity and shared equity. At this stage, we cannot rule anything out or in. It is a good suggestion. It is always there, and it might be a model.

The government is exploring all types of models vis-à-vis Bellamack Gardens. I was beaten around the ears about that one, as you remember. It was a good pilot project and a site you suggested might be a good pilot for this sort of development. I am not ruling it out.

Mr WOOD: The option about getting equity in the land is not normally what happens. You continually lease the land ...

Dr BURNS: You lease the land and you buy the house.

Mr WOOD: ... and you just sell your house.

Dr BURNS: I had it around the wrong way. You are right.

Mr WOOD: In relation to Bellamack, I have been on record to say it is a very good development. Whoever put out the media release originally was the cause of why they became Velcro houses because, when you read the media release, the houses and the blocks were extremely small. Be that as it may, they are a good attempt to put into the suburbs affordable housing with an emphasis placed on low energy use, because they are quite open and breezy.

Dr BURNS: I was always convinced of the worth of that project, member for Nelson.

Mr WOOD: I have never doubted you.

Dr BURNS: You did. You were the one who put out the media release about the Velcro house.

Mr WOOD: That is because your media release said the houses were on blocks about 50 m². That is another issue. We move on. That is all the questions I have.

Dr BURNS: You are right. It could have been explained better.

Mr CHAIRMAN: The member for Braitling has questions to Output 4.1.

Mr GILES: Does this cover growth towns, or does it come under Remote Indigenous Housing?

Dr BURNS: Remote Indigenous Housing.

Mr GILES: Of the Remote Indigenous Housing National Partnership Agreement, I understand \$40m per year for two years was going to tenancy management services. Does any of that money go towards this output group in urban tenancy management?

Dr BURNS: Not specifically about the remote rental framework.

Mr GILES: How many tenancy managers are there in Alice Springs?

Dr BURNS: A question was asked earlier by the member for Blain about the number of tenancy managers by region; however, we have Andrea here. I am unsure if she wants to come forward and answer that question directly?

Ms MARTIN: Andrea Martin, Regional Executive Director.

Dr BURNS: How many tenancy managers are there in Alice Springs?

Ms MARTIN: Are you talking about the urban team only?

Mr GILES: Yes.

Ms MARTIN: There are three people with that title but, of course, there are a number of people involved in tenancy management. I would have to get the exact number for you, but there would be in the order of 10.

Mr GILES: Are all those positions filled at the moment?

Ms MARTIN: No.

Mr GILES: How many positions are not filled on a permanent basis?

Dr BURNS: Let us hope they are not vacant on a permanent basis. How many are you currently looking to fill?

Ms MARTIN: One on maternity leave.

Mr GILES: Minister, what is the property ratio per tenancy manager between Alice Springs and other urban centres?

Dr BURNS: That almost comes down to the question on notice. I do not know that. I will defer to Mychelle.

Ms CURREN: I would have to do a calculation on that but, on average, the staffing level in the Alice Springs office is a much higher proportion than in Darwin, for example.

Mr GILES: Could you take it on notice.

Mr CHAIRMAN: Repeat the question, member for Braitling.

Question on Notice No 4.17

Mr GILES: What is the housing stock number average per tenancy manager across the regions?

Mr CHAIRMAN: That is question No 4.17.

Dr BURNS: Yes, I accept that.

Mr GILES: What is the repairs and maintenance budget for each regional centre in the Northern Territory, particularly Alice Springs?

Dr BURNS: I will defer to Dwayne on this one

Mr McINNESS: The 2010-11 maintenance budget per region, for Darwin we have \$3.1m; Casuarina \$2.9m; Palmerston \$3.3m; Nhulunbuy \$0.4m; Katherine \$1m; Tennant Creek \$900 000; and, Alice Springs \$4.6m. That is a total of \$16.2m.

Mr GILES: Minister, is there a greater amount of money per housing stock put towards houses in Alice Springs, Darwin, Katherine, Tennant Creek, Palmerston or Casuarina?

Dr BURNS: You mean in repairs and maintenance?

Mr GILES: Yes.

Dr BURNS: It is on a needs basis. There are a few elements to the repairs and maintenance, but I will defer to Ken.

Mr DAVIES: Mr Giles, it would be fair to say there is a greater proportion of R&M funding allocated to deal with the Alice Springs public housing footprint per house if you did a straight division of the budget available and the number of houses in the stock.

Mr GILES: Are you able to give me that information on notice?

Mr DAVIES: I would need to take it on notice.

Mr CHAIRMAN: Could you repeat the question.

Question on Notice No 4.18

Mr GILES: Please provide an average allocation of repairs and maintenance budget per house per region?

Mr CHAIRMAN: That is question No 4.18.

Dr BURNS: We accept that.

Mr GILES: My other question is general, minister. It is particularly hard to get repairs and maintenance work done in my electorate of Braitling. I have photos here of several houses which I am prepared to show you. They do not have to be tabled, but they can be.

Leave granted.

Mr GILES: This one is at 10 Woolla Court, Larapinta. This house has a water leak in its roof. I have inspected it myself. I have provided correspondence to you, you have corresponded back and we correspond directly with the department on a frequent basis. The tenant is unable to get her roof fixed. Water continues to leak on the ceiling, paint is peeling as you will see in the photos. It rained last week in Alice Springs and after six or seven months of direct correspondence and communications with the department, the roof is still leaking. That is a Territory asset. I hope you can provide me with an answer why we cannot get repairs and maintenance done to that house.

Dr BURNS: I will kick off on this one. You wrote to me on 11 January outlining this issue. I replied on 31 January, and I will read my letter out - you included the photos:

'Dear Adam', - how is that for friendliness!

Mr GILES: No, minister, you do not have to read the letter out.

Dr BURNS: 'Thank you for your letter of 11 January 2011 on behalf of the person of 10 Woolla Court regarding maintenance complaint. I have been advised by Territory Housing that on 10 January, maintenance contractors attended the property and undertook initial repair work to address the roof leak and peeling paint from the ceiling. I am further advised that on 17 January, Territory Housing staff revisited the property with the maintenance contractor and met with the lady where it was agreed to wait for two weeks before repainting to allow any dampness in the roof and ceiling to dry out. It was also agreed that the roof and ceiling will be checked by Territory Housing after the next rain in Alice Springs. Should this lady have any further concerns regarding this matter, it is suggested she contact Territory Housing Manager Client Support on a particular number. Dated 31 January'.

That is the last I have heard of it until now, member for Braitling, unless you have written to me again in the interim.

Mr GILES: I have not written to you; we corresponded with the department. My question is: why can repairs and maintenance not be done through the Alice Springs office?

Dr BURNS: I might get Andrea Martin to explain.

Mr GILES: I have other houses I will come to as well.

Dr BURNS: Let us do them one by one. You were not able to come that day, but we did go around in the car house-by-house.

Mr GILES: I appreciated the efforts.

Dr BURNS: I will continue to do that, member for Braitling, next time I am down there if you have other concerns, but we will deal with this one in Woolla.

Ms MARTIN: I do not recall the exact details but I know we have had many visits there to find the problem and many attempts to fix it. We will continue to do so until it is fixed.

Mr GILES: Nothing really changes from today and the roof still leaks. 2/26 ...

Dr BURNS: Hold on, hold on. Sometimes roof leaks are very difficult to locate and it is going to be difficult now unless there is rain in Alice Springs to locate that leak. Some work has been done, but I undertake to work with the department on this and if there is another way of doing it, get Mr Roof Seal up there or something, we will do that.

Mr GILES: The point is repairs and maintenance are very difficult to have undertaken from the Alice Springs Territory Housing office, much like other things and you might also ...

Dr BURNS: Hold on, member for Braitling ...

Madam DEPUTY CHAIR: Order!

Mr GILES: ... you might also like to look at ...

Dr BURNS: ... the letter has made some statements. My response to you - the local manager has made a response also. It is not as if there was no attention to this matter, and I am undertaking to you that we will work during the less rainy season in Alice Springs, the cold part of the year, to address this issue so this lady does not have to contend with a leak in the wetter part of the year next year.

Mr GILES: Minister, I refer to 2/26 Lyndavale Drive, Larapinta. You will have correspondence there on file, no doubt.

Dr BURNS: So when was that?

Mr GILES: This letter from you I received on 26 May 2010. I will not say the tenant's name, but you will recognise another list of repairs and maintenance that is required. You have indicated to me, through your department, that you have a time line of work to be done at that property. That property has not had the work done, and is just another case.

Dr BURNS: What works were required, member for Braitling?

Mr GILES: You will see in the photos there was some work to be done to the bathroom, fixing the roof and sealing the cornice. I do not need to go through all the repairs and maintenance of this house, or the list of other houses. Why can't we get repairs and maintenance done out of the office?

Dr BURNS: It is not only repairs and maintenance; it is return of vacant stock. That is an ongoing issue in Alice Springs as well, which is why there has been a change in the contracting. There will now be two contractors in Alice Springs to ensure more prompt turnaround not only in repairs and maintenance, but also vacate. I acknowledge there have been problems, and I have been working with the department to get a better contracting system to address these issues, but I am still searching.

What date was the letter?

Mr GILES: I received one on 5 August 2010, one on 26 May 2010 – I only have a few pieces of correspondence here, not all my correspondence on that house.

Dr BURNS: Member for Braitling, you know my phone is always open for you and all you have to do is ring me ...

Mr GILES: I appreciate ...

Dr BURNS: ... or see me on the floor of parliament and say: 'Look, this lady in Thurgood Street?'

Mr GILES: ... the responsiveness you provide. It is unfortunate that for all my other constituents who have similar complaints, I cannot get that level of responsiveness out of other areas of the department.

Minister, what is the total sum ...

Dr BURNS: I need to know about them so I can – I have undertaken to you that I will raise every issue.

Mr GILES: Minister, what is the total sum of all rental arrears at the end of March 2011 for the Territory?

Dr BURNS: I was hoping someone would ask that one. The total of all rental arrears?

Mr GILES: As at the end of March or whatever date you may have?

Dr BURNS: There are different categories you are asking in relation to rent arrears, is that correct?

Mr GILES: Yes, the global total.

Dr BURNS: Can you take that question initially ...

Mr GILES: Including debtors.

Mr DAVIES: Including debtors?

Mr GILES: Yes.

Mr DAVIES: Mr Giles, rent arrears as at 31 March – \$2.4m is the rent arrears for 2010-11.

Mr GILES: Is that the total at a point in time?

Mr DAVIES: That is the point in time total. It accrues ...

Dr BURNS: That is a cumulative total.

Mr DAVIES: ... a cumulative figure, yes.

Dr BURNS: It is also important to realise how much debt we write-off every year. I will ask Mr McInness to give that to you because we pursue every debtor, even estates. We are very focused on pursuing debtors. Dwayne, can you answer that?

Mr DAVIES: I can do that, minister, if you would like?

Dr BURNS: All right.

Mr DAVIES: Mr Giles, as at 31 March, \$2.4m is the rent arrears. We also have \$6.89m for maintenance debts we are accruing. Debt levels have increased since 2001 because lower level write-offs of the department – we are not writing off money as quickly as we used to. We are chasing people to ensure they pay their debts.

Dr BURNS: Ken, can you give us the level of write-off, on average, prior to 2001, and the level of write-off post 2001?

Mr DAVIES: The level of write-offs, on average, from 1998 through to 2001-02 was \$577 000 on average. Currently our write-offs ...

Mr GILES: On average per annum?

Mr DAVIES: On average per annum. Currently our write-offs, Mr Giles, are about \$190 000 per annum.

Dr BURNS: That underlines the fact we are not willing to write a debt off. I acknowledge the numbers Mr Ken Davies has read out are significant, but I also believe we have the strategies. I have asked the department for policies regarding inspections of properties, and coming up with the new policies and strategies around three strikes and you are out, and policies around public housing safety officers. I am looking to reduce the amount of damage on our public housing stock which, after all, belong to the taxpayer.

Mr GILES: That is right. Minister, how many public housing tenants and/or applicants on the waiting list, have a property in a community or an outstation?

Dr BURNS: That is an excellent question. Up until now, there has been no way of knowing, but through the Remote Rental Framework and what is happening through the national partnership agreement, part of what we have been tasked to do is build the database of who the tenants are in the remote areas. That is in the process of happening, so those who have a tenancy out bush and apply for a public house in town, will not be getting it because they already have a house. That is the strategy. I might turn to Ken to expand on that because it is a very important question.

Mr DAVIES: It is, Mr Giles. In an Alice Springs context, particularly with people in the new housing stock that has been built in the urban living areas, it is going to be really important as we roll-out a tenancy management system, we have a good record of the families. The work we are doing around the new tenancy management system will enable us to do that. The challenge though is going to be linking into the outstations network. They are not part of the remote public housing framework at the moment. The outstations are separately funded, and we fund outstation resources and shires to manage those, but they are not part of the broader tenancy management framework.

Mr GILES: I appreciate that. We do not have an answer?

Dr BURNS: That is your answer. Those who have a house in the remote towns - we will be able to work out who those people are. There has not been clarity about the outstations because that is the issue the Territory government is in discussion with the Commonwealth government about: the future of outstations.

Mr GILES: There is no one with a house in an urban location who also has a house in a growth town?

Dr BURNS: No.

Mr DAVIES: As we are signing the tenancies up, if they are the head tenant, we would be picking that up, and that would not be happening. We cannot guarantee that is the case for outstations, Mr Giles.

Mr GILES: No. What if they are not the head tenant? Many public housing houses in urban locations are treated like vacant hotels where people come and go. They might have a head tenant over here and then they might live in this house, then this house, then this house.

Mr DAVIES: When we look at the eligibility of the residents in the house an assessment is made of the income of the people in the household. Those names go on a list and we have those. We would be able to, when we get our system working properly, identify if someone in a place is part of a tenancy in an Alice Springs urban house and, maybe, at Papunya. We would be able to track that.

Mr GILES: When will the system be working properly?

Mr DAVIES: It is in train. We have some money from government this year to start the work. It is going to be a three- to four-year project, but we have some substantial support from the Australian government as well. It is in train, Mr Giles. The old system is clunky and we need to make it seamless. We have to be able to have a dataset that runs from urban, through the urban living areas and into the communities. It is a big piece of work: 5000 assets in urban and regional, and we are taking on 5000 assets in remote.

Mr GILES: No more questions.

Madam DEPUTY CHAIR: Further questions to that output? No. That concludes Output 4.1.

Output 4.2 – Remote Indigenous Housing

Madam DEPUTY CHAIR: We will now proceed to Output 4.2, Remote Indigenous Housing. Questions?

Mr GILES: How do you determine the financial value of each package under the SIHIP alliance contracting model?

Dr BURNS: I will defer to Mr Kirkman for that question. Did you get the question, Andrew?

Mr KIRKMAN: Andrew Kirkman, Executive Director, Remote Housing NT. Could I have that question again, Mr Giles?

Mr GILES: How do you determine the financial level, or the total package, under an alliance contract? The total value.

Mr KIRKMAN: The total value?

Mr GILES: Average package, yes.

Mr KIRKMAN: There have been commitments made early in the piece in the program, Mr Giles, around commitments to each community. Those commitments form the basis for the underlying value, certainly for the housing element of the packages.

Mr GILES: How did you come up with the total package amount for Wadeye, for example?

Mr KIRKMAN: There was a commitment to that community quite early in the piece. That commitment formed the basis for the housing element for Wadeye as part of the \$672m attributed to the program.

Mr GILES: What is the total package for Wadeye?

Mr KIRKMAN: I can work that out for you.

Mr GILES: As a hypothetical.

Mr KIRKMAN: The housing element of SIHIP is \$62.3m.

Mr GILES: Did the alliance contractor say it would cost \$62.3m or did you give them \$62.3m. Take it away. What can you do for that?

Mr KIRKMAN: The original commitment is the basis of the negotiation with the alliance. Obviously, we want to rectify as much of the problematic housing in that community as possible, but effectively. The commitments to each community make up the \$672m, so it is very difficult going beyond the original commitment.

Mr GILES: Aside from the package amount that went to the alliance, what is the total other financial commitment for the Wadeye package, including people like yourself and everyone else involved in this; consultants, employees and others?

Mr KIRKMAN: We do not ...

Dr BURNS: Mr Kirkman's salary would not be included in SIHIP.

Mr GILES: Minister, what is the total other cost for the package at Wadeye under SIHIP?

Mr KIRKMAN: That is the total commitment under Wadeye and includes all alliance costs. In program management, for example, my salary is covered in the program management element, of which we need to keep within 8% of the \$672m. We do not attribute the program management to the individual housing cost or package cost, but everything else is attributed.

Mr GILES: Minister, would it be fair to say the package at Wadeye would be very similar to packages in relation to cost structure within a package - across other packages across the Northern Territory under SIHIP?

Dr BURNS: I would have to take advice on that; however, given the scale of it - from memory there were 105 new houses. How many rebuilds and refurbis?

Mr GILES: I mean, minister, how the package was put together with the cost the alliance would have to bear for each individual package?

Dr BURNS: I am coming to that. Wadeye is a very substantial project Wadeye, similar to Maningrida. There is a substantial workers camp; there is a whole range of things associated with that project, and buildings at Wadeye that are unique. Many of the others are quite small. If you take the ones at Alice Springs, which were essentially rebuilds, many of the workers would come from Alice Springs. They would go out to the town camps, they would work, etcetera. They probably have storage yards in various parts in Alice Springs. All that had to be constructed at Wadeye. I will leave the detail of the answer to Mr Kirkman.

Mr DAVIES: Mr Giles, I can help. The refurbis is 126 in the package and there are 28 rebuilds on top of the 105. One of the differentiations with the Wadeye package was the fact that Thamarrurr Development Corporation had a tilt-up factory there and has been able to contribute and build a substantial number of houses there - 45.

Mr GILES: Forty-nine.

Mr DAVIES: Forty-five, or 49, I am not sure of the specifics.

Mr GILES: Forty-nine it is.

Mr DAVIES: They have been able to, in that way, utilise the alliance overlays of design, workers camps, specialist electricians and so on to assist them to deal with that package to a scale. That is a little different to Maningrida, where we have used local employees but not a local company to assist us.

Mr GILES: Minister, how much did the preliminary expenses and logistics for the Wadeye package cost out of the \$62.3m, which is a fair amount of money to go into a community like Wadeye to build houses?

Dr BURNS: I will have to defer to Mr Kirkman on that.

Mr KIRKMAN: As alliances are establishing preliminary costs in each package and community, such as workers' camps etcetera, those costs are built up and attributed to each element of the package over time. We do not necessarily record all those preliminary costs individually. We are interested in the cost of the total package.

Mr GILES: Minister, do you have to sign off on a budget for a package for an alliance? Do they tell you this is how much it is going to cost, this is the breakdown and you sign off? Who signs the cheques to say this is all good.

Dr BURNS: As you would be aware, there is a national partnership agreement on this. That was the one you misread when you said there was \$230m missing from - remember that - you said they were missing \$230m but you had not read the partnership agreement. Under the partnership agreement ...

Mr GILES: Through the Chair, it was a fairly direct question. I know the minister wants to take time answering; however, I ask that you request the minister to answer the question.

Dr BURNS: I am answering the question. There is an overarching agreement with the Commonwealth, which is a national partnership agreement, and underneath that sits individual arrangements in a joint steering committee has representatives of the Territory and the Commonwealth on it. They also interact with the alliance partners and the sign off for these works occurs at that level, but I will defer to Mr Kirkman.

Mr KIRKMAN: That is right; the joint steering committee has the overriding decision-making power in regard to each individual package of works. How they are built up: there is negotiation with the alliance on each element of the package, including items such as preliminaries and start up costs. They are verified by our independent estimators, through that process, and the budgets are negotiated and built up from first principles on that basis. For actual costs and expenditure, it is then the attribution of those costs against each element of the package.

Mr GILES: The joint steering committee approves it and says we are right to go.

Mr KIRKMAN: That is correct.

Mr GILES: Thanks, Mr Kirkman.

Dr BURNS: There is a process there. Part of the input into the joint steering committee is very experienced quantity surveyors, engineers. There has been much controversy around SIHIP regarding the consultancies; however, that independent advice comes from experienced operators so there is a level of scrutiny by professionals.

Mr GILES: Minister, can you please provide me with a breakdown on all package costs submitted to the joint committee for each package.

Dr BURNS: No, I am not going to because some of those things are commercial-in-confidence. The answer is no.

Mr GILES: Minister I have in front of me a document which is Package 6 for Wadeye, the \$62.3m package Mr Kirkman just spoke about. Forty-nine houses were built by the Thamarrurr Corporation and the rest of the 105 by the alliance. This preliminaries and logistics of this package shows - I am happy to give you a copy ...

Dr BURNS: You had better table it.

Mr GILES: I will. ... shows me \$20.6m was spent on preliminaries, logistics, moving workers camps, accommodation allowances, TA and salaries for people. I will table it in a minute. \$20.6m out of a \$62m budget for Wadeye was spent before a house had even been started; before a nail was even laid.

I will go through this and get to the question at the end. The package manager was paid a 23 month salary of \$894 000; the site superintendent \$586 500; the project engineer \$333 500; the site engineer \$333 500; contracts administrator, two Darwin-based, one who received \$471 500, another one who received \$189 000; a site supervisor for refurbishments who received \$425 000 for 23 months; a site supervisor who received \$425 500 for 23 months; another site supervisor, undetermined person, received \$465 000; two civil supervisors for \$465 000; a safety supervisor for \$448 000; a site contract clerk for \$295 000 - clerks are paid well these days - graduate engineer for 21 months for \$235 000; and a vacation

student for three months at \$8500 per month for \$25 500. That is a large sum of money. I have some costs for fuel: \$93 600 for 72 000 litres, and another expense for vehicles of \$279 000.

This is before we have even started. The total supervision for this project, of which half the newly constructed houses were built by Thamarrurr Development Corporation, was \$6.4m before we even started from the budget. Minister, how could the joint steering committee sign off on that?

Dr BURNS: They did not.

Mr GILES: These people are getting paid more than the Prime Minister.

Dr BURNS: They did not. They did not, that is the simple answer. This was a preliminary draft budget which was not accepted by the JSC, so it has no currency and no legality. It is something you have got hold of, but it is not the final costs that were accepted.

Mr GILES: I put it to you, minister, this is the final cost.

Dr BURNS: No, you are wrong. You are completely incorrect, as you were with the \$230m you say had been stripped out of SIHIP even before it started because you did not read the national partnership agreement. I have a whole - Giles claims. I could spend three hours going through all your media releases, sensationalism, and all the wrong assertions you have made, member for Braiiling. I will acknowledge you are a very hard worker and a goer; however, you are wrong on this.

Mr GILES: Minister, I put it to you these are the right costs and I seek leave to table it.

Leave granted.

Mr GILES: I put to you these are the correct costs unless you prove otherwise.

Dr BURNS: I will defer to Mr Kirkman, who will speak to what you have said.

Mr KIRKMAN: It would be good to see the tabled document, Mr Giles, to verify that. The indications we have which marry up to the figures you read out are a preliminary version of what the alliance had been working up for Wadeye. That is certainly the case. As program managers, we did not accept those budgets put to us. What we are paying does not reflect what is in that document, if that is the same document.

Mr GILES: How do we know, Mr Kirkman?

Dr BURNS: You will know because at the end of the day there will be 105 new houses at Wadeye. How many rebuilds? 25 was there?

Mr GILES: We know the numbers, minister. We do not need to go over the numbers.

Dr BURNS: All of those will be delivered on time and on budget. That is how we will know the whole system has worked out.

Mr GILES: Why is it, minister, the BER was very transparent but the SIHIP process, the programs and how we spend our money, is not?

Dr BURNS: There has been comment on this. I do not have the Auditor-General's report into the SIHIP program with me; however, the Northern Territory Auditor-General pointed to some positives with alliance contracting. He also pointed to some negatives in financial reporting. There were reasons why the Commonwealth pushed for - we went into this last year; I am not going to start that blue again. the alliance model was the one we were told to work with; it is the one I am working with trying to make the best of what I have.

By comparison, the BER project across the Territory was around \$204m or \$207m. That was done by traditional contracting methods. This is substantially more. This is \$672m-odd. The alliance contracting was the one the Commonwealth wanted; that is the one we have. I am working hard, as minister, to ensure this project is delivered. How many houses out of the 105 are completed at Wadeye, Andrew - approximately?

Mr KIRKMAN: There are 93 complete, minister

Dr BURNS: Complete. From a year-and-a-half ago, when there were no houses built to where we are now, there has been progress. The controversy continues and I understand that. It will always be a controversial program. However, I assure you I am doing the best I can to deliver the goods on SIHIP with the resources and the system I have.

Mr GILES: What is the total expenditure to date by the department - not to the alliances – on SIHIP?

Dr BURNS: The expenditure?

Mr GILES: The total expenditure to date by the department – not to the alliances but on SIHIP? Program management, consultancies, and so on.

Dr BURNS: Would you apportion their time speaking at estimates as part of that money?

Mr GILES: If you like.

Dr BURNS: It would be very hard to estimate. Every time Ken does media or ...

Mr GILES: You talk about the program management being at 8%. Surely, you must have a point in time of how much you have spent.

Dr BURNS: We can talk about program management. I will let Andrew Kirkman talk about program management.

Mr KIRKMAN: In the program management costs, Mr Giles, I always include a range of consultants. It includes \$17m spent by program managers pre-August 2009. In view of the program, the expenditure in total thus far is \$38m, which is about 6%.

Mr GILES: What does that include?

Mr KIRKMAN: That includes all the program management costs including consultants, quantity surveyors, independent estimators, engineers and our independent auditor, KPMG.

Mr GILES: The whole lot.

Mr KIRKMAN: There have been legal expenses as well.

Mr GILES: Minister, I would like to table two photos. I will hold them up so you can see them.

Dr BURNS: They are Senator Scullion's photos.

Mr GILES: They are, indeed.

Madam DEPUTY CHAIR: You have to seek leave.

Mr GILES: I seek leave.

Leave granted

Mr GILES: Are they refurbished or rebuilt houses?

Dr BURNS: A very good question, member for Brainting. In a category sense, they are rebuilds. In the amount of work, I would categorise them as just over the edge of refurbishments. There is a \$100 000 limit on refurbishments. There has probably been a bit more than \$100 000 worth of work done. Certainly, they are over the \$100 000 mark. I can tell you before you even start \$200 000, has not being spent on those houses.

Mr GILES: They were classified as a rebuild, were they?

Dr BURNS: There is a range of things. The refurbishments have an average of \$75 000 with a maximum of \$100 000. That is the band it is classified at.

Mr GILES: A rebuild is \$200 000, is not it?

Dr BURNS: Around that, yes, that is correct. These ones fell over the \$100 000 mark. They have been categorised as rebuild; however, the amount spent on these particular dwellings has been closer to \$100 000 than \$200 000. Certainly, \$200 000 as Senator ...

Mr GILES: Can you please provide ...

Dr BURNS: No, let me finish. ... Scullion asserted in Senate estimates is incorrect.

Mr WOOD: Excuse me, Mr Chairman. Can I ask the member where those photographs were taken?

Mr GILES: At Wadeye.

Mr WOOD: Wadeye, thank you.

Mr GILES: A house in Wadeye. I have the number of the house here somewhere.

Dr BURNS: 204, is not it?

Mr GILES: 232, I think.

Dr BURNS: 232?

Mr GILES: I have it. I will find it for you while the minister is rambling.

Dr BURNS: It might be rambling to you; it is important facts to everyone else.

Mr GILES: Can you please provide a schedule of works undertaken for that house at Wadeye?

Dr BURNS: No, I do not have a schedule of works for that particular house.

Mr GILES: Can you take it on notice, minister?

Dr BURNS: I am advised we do not usually publish schedule of works. I am uncertain whether Mr Kirkman, having read what is in the Senate estimates, might have an idea of what was done in that house that you could describe to the member for Braitling.

Mr KIRKMAN. Mr Giles, as the minister has pointed out, these houses have not had \$200 000 spent on them. They are at the very lower end of the rebuild, and the reason they would have been included in the rebuild-type category is because there was a certain element of structural work on these houses. There was a little work on the verandah, some work on the slab, because there was some inundation underneath the existing slab, so work on that and the replacement of part of the verandah. Inside there was a replacement of the kitchen, bathrooms, stainless steel amenity, and some painting inside the house.

Mr GILES: You do not get much change out of \$100 000, do you?

Madam DEPUTY CHAIR: Mr Giles, before you ask the next question, we have had a reminder from Hansard, if witnesses could identify themselves each time they speak. Thank you.

Mr GILES: Minister, would you have paid more than \$100 000 for that work Mr Kirkman has just read out on your own property?

Dr BURNS: It depends what structural work is done. I have been on site and they have lifted the cladding off some of these houses, and the structural work, the floor - some of the structural work is very extensive, so I cannot really comment on that. To a large extent, it depends on the amount of structural, electrical and plumbing work that has to be done.

Mr GILES: The new houses built in the town camps in Alice Springs, the display village, have they been provided to people who already had a house but were living in overcrowded conditions or on a waiting list?

Dr BURNS: I understand there is a housing reference group in most communities, but I will defer to Mr Kirkman or Mr Davies.

Mr KIRKMAN: For the most part, people that have been on existing wait lists within the communities have been offered new houses. That has obviously had an effect on the overcrowding situation existing in the town camps.

Mr GILES: Minister, The Road Home, the national report on homelessness in Australia, spoke about homelessness and rough sleepers. This report, I believe it was 2010, showed the Northern Territory has by far the worst rough sleepers. We have 75 per 10 000 head of population as against the ACT, which has three; WA has 12; and, Queensland has 13.

A member: That is the ABS one.

Mr GILES: No, this is the federal report by FaHCSIA; The Road Home - the consultant's report. We have debated it in parliament before. It showed the Northern Territory had rough sleepers, at Census night 2006, of 1588 or thereabouts. I am trying to identify if the SIHIP houses are helping rough sleepers or just helping overcrowded people?

Dr BURNS: That particular report was instrumental in getting the visitor accommodation in Alice Springs. That accommodation is for visitors and rough sleepers, whereas, in the town camps, there are many residents. I understand there is a large transient population; however, I would say primarily the town camps are all about housing people who probably have been in those town camps for some time. As I have always said on the public record, we are not going to solve the overcrowding issues in Indigenous housing overnight, it is a long road. Do you have any elaboration on that, Ms Martin?

Ms MARTIN: No.

Mr GILES: Minister, this is a photo of Vincent Lingiari back in the 1960s and the house he had then. I have a photo here of a bloke by the name of Mr David Winjina. He lives between Charles Creek, Strutton and Hoppy's Town Camp in my electorate of Brainting in Alice Springs. This gentleman is an amputee in a wheelchair and is on dialysis. He lives under a tarpaulin - I know you will take joy in seeing this photo - and here is a photo of David under a tarp more than 12 months ago sitting - it is very hard to see, it has pixelated - with Mr Tony Abbott during a visit around May or March last year.

I was present during that visit, as was my colleague, Nigel Scullion, senator for the Northern Territory. We determined that was an appalling situation to live in. Approximately 1600 people were identified in that report - many people across the Northern Territory - the caravan park at Ti Tree; the Utopia outstations; you can look anywhere. At that time, Tony said: 'Nigel, get on the phone, and ring Jenny Macklin straightaway'. Nigel, from the site, rang Jenny Macklin straightaway. Two houses in Charles Creek had just been refurbished Tangentyere Constructions, although it could have been SIHIP. He spoke to Jenny Macklin and said this was not good enough, something needed to be done. We left it in the hands of Jenny Macklin, who I know you have no control over; however, you made reference to Nigel before.

Dr BURNS: Do you have control over him?

Mr GILES: A few days ago, when Jenny Macklin was parading through Alice Springs, a visit was made to David at the town camp. David still sits with his tarpaulin over his shopping trolley, in his wheelchair, with his amputated leg, on dialysis. I put it to you, minister, SIHIP is not helping the people who are really in need, and Territory Housing is not helping these people who are really in need. This is in a major regional centre in Australia. What can you say to people like David who are living in these conditions?

Dr BURNS: I can point to much activity in Alice Springs. I do not have the exact numbers in front of me, but I have already mentioned the visitor accommodation, a very important development. I might ask Andrea Martin to come to the table because she can elaborate further. We have Percy Court and Bath Street, plus the 85 new houses within the town camps. Much is going on there, and much has been spent there. There is the accommodation along South Terrace, the managed accommodation. Maybe Andrea Martin will have the exact numbers and the expenditure, mainly on the back of Commonwealth expenditure. It would be unfair to say a big effort has not been put into Alice Springs.

Does there need to be more? Yes, there needs to be much more. My public statements have been that I do not care who is in power in Canberra, the arrears in Indigenous housing are so great this is going to take decades of effort. I do not care whether it is conservative or Labor in power, both sides of politics need to commit to sustaining the effort.

I will let Andrea elaborate on some of the things happening in Alice Springs. I feel for the gentleman you are talking about; you have raised it with me and I will take it up with Housing locally to see what we can do for this gentleman. I will ask Andrea to elaborate further.

Mr GILES: Thanks very much, Andrea. I know you have come up from Alice Springs, and it is good to be in the warm weather.

Dr BURNS: No, I have the question, and I have asked Andrea Martin to elaborate further, please member for Braitingling.

Mr GILES: Take it away.

Dr BURNS: It is a very important point that needs to be made.

Madam DEPUTY CHAIR: Ms Martin, you have been given the call.

Ms MARTIN: Without wanting to comment on a particular case, it is a case we are well aware of and are working with.

Mr GILES: Andrea, you are aware of this person?

Mr MARTIN: Yes. I do not want to go further into that because some cases are much more difficult to work with than others. I do not want to go to that individual case. What we do with our allocations is work primarily on relieving overcrowding and on priority need, and there is quite a rigorous process for that. It is helped by the HIG also working with us on that. Sometimes, a house in a town camp is not the most appropriate place and we try to work with hostels, for example. When people need support and help, we try to work with any other accommodation available. Sometimes people are not willing to move out of a town camp, but we try to work with them and, as you say, this person is not healthy.

Mr GILES: Thank you, Ms Martin.

Minister, I am surprised your department knows about the plight of David. I would be interested to know how long you have known about that. I would also be interested to know how many other people you know of in the Northern Territory who are living in such conditions like this and are not providing assistance to.

Dr BURNS: It is not a matter of that. Ms Martin said she is aware of this person and is trying to work in the circumstances. We do not want to breach people's privacy or confidentially; however, it seems there are probably quite a number of issues with this gentleman. I give my undertaking to take a personal interest in this case. I might not have the solution, but I agree, this man is living in unacceptable conditions. As a society we have to do something about this. Maybe, given his health needs, it might be more appropriate for him to be living in accommodation such as that along South Terrace. I have looked at those units; they are very good and are managed by Aboriginal Hostels. I am prepared to work with you to find a solution for this gentleman.

Mr GILES: Minister, I am very appreciative of the fact you have responded to my personal needs in relation to constituents on a number of occasions. I thank you for that. The big problem with your government is there is no leadership and no sense of urgency about these matters. The issues about SIHIP - I have just tabled a document I believe to be true and accurate of the final expense which shows almost a third of the budget was spent on preliminaries and logistics before you even picked up a nail where the community build half the houses itself.

We saw, with the *Little Children are Sacred* report, a lack of urgency by your government to do anything about children who were being abused, and here we have a situation where there are ...

Ms SCRYMGOUR: A point of order, Madam Deputy Chair! I would ask the member for Braitingling to withdraw that totally misleading statement. He has no substantiation for the statement he made.

Mr GILES: What statement?

Ms SCRYMGOUR: The lack of government commitment to do anything about the *Little Children are Sacred* report. You are full of hot wind and like to jump up and down and say that stuff.

Mr GILES: I have every right to make these comments.

Madam DEPUTY CHAIR: Member for Arafura!

Ms SCRYMGOUR: Unless you have substantiated fact in relation to that, member for Braitling, I suggest you withdraw it.

Mr GILES: Here we are ...

Madam DEPUTY CHAIR: Member for Braitling, are you prepared to withdraw that statement?

Mr GILES: No, I am not.

Madam DEPUTY CHAIR: I am not going to rule on that; however, I would ask you to keep your comments to the budget in relation to Output 4.2. Contain your comments to that area, please.

Mr GILES: Thank you, Madam Deputy Chair. There is a lack of leadership on this. To hear your staff have known about the plight of this man who was sitting in minus 3^o conditions last night with no heating, no accommodation, no food, and nothing is being done. This is an emergency. This is why we had the Northern Territory emergency response for situations like this. This is why you received \$672m; not to come out with reports to say this is a rebuild - \$200 000. That is what happens. We see this package of preliminary works – you might be able to revise that down by \$500 000 or whatever number you want. You will not be transparent about it, and this gift that keeps on giving is a pass the parcel. When we are in government we will find out what you have really been doing behind closed doors.

This should be an emergency. When Tony Abbott says we need a new intervention it is to fix things like David's case - to fix it, minister. I ask you to escalate your urgency on these things. You have responded to my calls before about situations regarding certain people. I provided two house addresses today where I want some work done. It is unfortunate I have to come to you to ask for something to be done. Jenny Macklin was told about David and nothing was done for more than 12 months. I hope you can help David out, and I hope you can help every other person and you do not take the approach the Chief Minister took yesterday in responding to questions where he said: 'There is only so much we can do. We can only work in growth towns'. I am ad-libbing here, but I watched and listened when he said: 'We can only do so much. Some of the other people – well, it is just a bit of bad luck'.

That is not how you do it. You cannot solve everything, but you have to. I know you can do some things, and I ask you do it because people like David need help - minus 3^o last night is appalling.

Dr BURNS: We do have some answers to questions on notice.

Madam DEPUTY CHAIR: Do you want to respond to that statement, minister?

Dr BURNS: No. Mr Davies has some answers to questions on notice.

Madam DEPUTY CHAIR: Thank you, Mr Davies.

Answer to Question on Notice No 4.11

Mr DAVIES: Thank you. In relation to question No 4.11 asked by Mr Mills: what is the value of the three houses sold? The total value of the three houses is \$1.5m: \$750 000 for one, \$390 000 for another and \$360 000 for the third.

Answer to Question on Notice No 4.13

Mr DAVIES: In relation to question No 4.13: how much Northern Territory government and Commonwealth funding has been spent to date on A Place to Call Home initiative? The Place to Call Home expenditure funding source is Northern Territory government. Operational expenditure was \$650 000 and the capital expenditure to date - is that correct? Is that \$23 000?

Mr McINNESS: \$23 000.

Mr DAVIES: It is \$23 821. Is that right? This is for progress report against capital expenditure was in relation to two two-bedroom dwellings at Tiwi and six two-bedrooms at Bellamack. Planning is under way for four two-bedroom units as well.

That is the progress in relation to capital expenditure. Capital expenditure is \$709 000, \$2.144m and estimated at \$1.4m for the final project. I will table that, it is a little complicated.

Madam DEPUTY CHAIR: Thank you Mr Davies. Member for Nelson, did you have questions?

Mr WOOD: I do, thank you.

Madam DEPUTY CHAIR: I am reminding you that at 4 pm we are moving to Office of the Commissioner for Public Employment.

Mr DAVIES: Through the Chair, I have one more response. This is in relation to Woolla Court that Mr Giles asked about and follow-up work done by the department.

Mr Giles, I can advise the follow-up date has been provided. At 10 Woolla Court in Alice Springs a manhole has been cut into the ceiling and an investigation in the ceiling space to ascertain where the leak was coming from has been undertaken. No obvious signs of a leak have been found. The contractor has discussed the matter with the tenant, and she has the contractor's direct number should she experience a leak. He will attend immediately try to identify where the leak is.

Answer to Question on Notice No 4.14

Mr DAVIES: In relation to question 4.14: how much Commonwealth funding is to be received in 2010-11 under the national partnership agreement for homelessness, and how much will be received in 2011-12?

In 2010-11, \$5.974m, and in 2011-12, \$6.202m, is the answer.

Mr WOOD: I am concerned, Madam Deputy Chair, if we are going to finish at 4 pm. I have had 12 minutes out of three hours, so I ask for a little extra time. There will be the government Housing people here; they are not going away. I have a range of important questions, including some from the member for Macdonnell.

Madam DEPUTY CHAIR: Member for Nelson, there is a limited amount of flexibility around the schedule.

Ms SCRYMGOUR: You should have organised it better with Adam.

Mr WOOD: I thought we had enough flexibility to give me some time. I have had 15 minutes in three hours.

Madam DEPUTY CHAIR: I was waiting for you to jump well before now. I will give you until 4.05 pm.

Mr GILES: What is at 4 pm – public employment?

Madam DEPUTY CHAIR: Public employment.

Mr WOOD: What is the relevance of the document the member for Braitling placed on the record?

Dr BURNS: I will ask Mr Kirkman to answer that.

Mr KIRKMAN: Mr Wood, that is a very early draft budget which was not approved.

Dr BURNS: This is an old story. It was published in *The Australian* four months ago, so it has resurfaced in estimates - been recycled.

Mr WOOD: As you know, CTC has been pushing that refurbishments be handed over to local shires and local companies. With the new tranche of money that has been allocated, has any been removed from the alliances and given to local shires or local companies?

Dr BURNS: I will let Mr Kirkman answer that question.

Mr KIRKMAN: Mr Wood, alliances are undertaking all the refurbishments under the program. The shires are undertaking significant repairs and maintenance under the property management service level agreement with them, but are not undertaking refurbishments at this time.

Mr WOOD: Minister, I gather from previous discussions, the Territory government was in support of handing over this work to local shires and the government, I presume, was talking to Mrs Macklin. Are you saying Mrs Macklin does not agree with either the Northern Territory government or the Council of Territory Cooperation?

Dr BURNS: I cannot speak for minister Macklin but, wherever possible, we have tried to ensure local Indigenous organisations get work. Ingkerreke is an example of that. The member for Braitling has already mentioned Thamarrurr, who are kicking many goals in that area and, over at Groote, GEBIE is doing work. I am with you, I would like to see more of it happen, and I will keep on advocating for more to happen in that space.

Mr WOOD: I visited at least four communities in the north east of Alice Springs who all had SIHIP refurbishments, and every member of the council said they could have done much better. Could I ask a question about Thamarrurr? We have spoken about Aboriginal employment. I have been informed recently that Thamarrurr employed Aboriginal people, but many of those people did not come from Wadeye. Has there been any breakdown of the number of local Indigenous employees for Thamarrurr, and is that a public record?

Mr KIRKMAN: Mr Wood, that would be a matter for Thamarrurr Development Corporation as to whether they would request their Indigenous employees to identify whether they are local to Wadeye or from outside that particular community.

Mr WOOD: Would you not have some oversight considering Thamarrurr is subcontracting for New Future Alliance, and the total number of Indigenous employees is part of the agreement required with the SIHIP development? Would not it be something the department would look at to ensure the benefits of this scheme were that the majority of Indigenous people were local Aboriginal people?

Dr BURNS: I am unsure how Thamarrurr and the alliance went about their methods of employing and recruiting people, but I would hope and trust their first priority would have been to get local people. That makes the most sense. If some local people were not interested, why should they not employ Indigenous people from elsewhere because, at the end of the day, they are Indigenous people? They might not necessarily come from Wadeye, but they are being employed and are part of the workforce.

Mr WOOD: Yes, whilst I understand that, I do not think it was the intent of the program; however, time is an issue. Minister, I recently visited Engawala, which is just up from Alcoota Station, and I have a couple of photos, which are not quite as good as the member for Braitling. Several concerns were raised with me. These were refurbishments at Engawala, and people said they have put hot water systems in. Depending on where you are in the Territory, solar or hot can be the better option, but this is freezing cold weather. I camped out in minus four. Solar hot water systems have not been put on the roofs of these houses; they have been replaced, as far as I know, with these. People using power have to pay for a power card. With the temperature below zero you use much more hot water, so people are using a large amount of their income to supply hot water to their house.

Was any thought given to the running costs of electric hot water systems in these houses?

Mr KIRKMAN: The whole-of-life costing was an important part of decisions made under the program, Mr Wood. There will be a small extra cost to those paying directly for electricity where there is not solar, but there are also a range of other factors which need to be taken into account, for example, the weather.

Whilst I am not a technical expert on heating systems, I am advised these particular systems are an efficient way of delivering hot water. If you want some more technical advice, I can get that for you.

Mr WOOD: It came from the resident who was concerned about how much money - and they do not have much money out there, and the cost of living is quite high. In this place capsicums are \$10 a kilo, so it is not a cheap place to live.

The house next door has a solar hot water panel. It also has a chimney for a fireplace. Under SIHIP, the fireplaces were removed. In houses where the temperature is getting down to zero, was there no alternative, for instance, a dual-cycle air conditioner put in. SIHIP - I do not know whether it was under instructions from NT Housing - removed the fireplace and these houses are freezing cold now.

Was there a reason? Was there a safety reason for these fireplaces to be blocked up? If so, why was there no consideration about some form of heating in these houses?

Mr KIRKMAN: I cannot comment on that individual house, I do not ...

Mr WOOD: There are a number of houses where that happened.

Mr KIRKMAN: I have seen a number of places with existing fireplaces and they have generally been considered unsafe. As you know, Mr Wood, we are signing people up under the *Residential Tenancies Act* and we have to ensure the safety of tenants. If that means, unfortunately, having to close up unsafe fireplaces, then we will have to do that.

Mr WOOD: If the people freeze to death – they have been given no alternative in that house. I raise that as an issue people have raised.

I have a range of questions from the member for Macdonnell, but I might table them because they will take too long. Is that okay?

Madam DEPUTY CHAIR: Mr Wood, I said I would give you until 4.05 pm.

Mr WOOD: All right. The bigger question, and I ask the ...

Dr BURNS: It might be easier. What is the procedure in the committee? Can questions like that be tabled?

Mr WOOD: I will try to get through them in time.

Ms SCRYMGOUR: Maybe just ask some of them. If there is a whole series he can table them.

Mr WOOD: I will see how we go. The big question for me when I travelled around was what is the government's policy? I notice on page 79 of your annual report it says:

The agency has responsibility for coordinating the development of a revised outstations and homeland policy.

Minister, was your department in charge of an audit of all buildings on outstations and communities throughout the Northern Territory? What are we going to tell people in the bush that are not part of the growth towns? Are these people going to get more housing at any stage? I need to balance what I say here, I did see overcrowding, but I also saw communities like Utopia Homestead, Eagle Head and other communities where a number of houses are vacant - no one lives in them. I went to places like Honeymoon Bore, which has worse conditions than Mr Giles showed, where the traditional owner and his family are living in humpies. However, up the road 20 km or so are four, five or six houses at Utopia Homestead. It is not a simple case of everywhere being overcrowded; however, where is this revised policy. What can we tell people not in growth towns regarding new houses?

Dr BURNS: I heard the Chief Minister being asked a fairly similar question yesterday. The Chief Minister's answer was, historically, the Commonwealth has always taken responsibility for outstations. We have stepped into the breach with SIHIP and remote housing, and outstations are the next step. However, implicit in your question were comments around some outstations being utilised and some not being utilised. That has been an ongoing problem and you would well know the main centres, the growth towns, particularly in the top half of the Top End when the Wet Season comes, is where all the pressure comes for services and housing as people move in from those outstations. It is a very difficult question.

Work has been done scoping some of those houses and, unlike what was suggested by the member for Braiting, we are not going to destroy or demolish those houses. We have to rationalise, and it is a very difficult issue because Indigenous people are more than attached, they are part and parcel of their homeland; they are the homeland. However, they are also very mobile and both Territory and Commonwealth governments, and at the local shire level, have to build their policies around that mobility and those service pressures. To be honest with you, member for Nelson, the short answer is: I do not have a short answer.

Mr WOOD: It says your agency is going to develop a policy. Have you any idea, bearing in mind what you said, when that policy might come to fruition?

Mr DAVIES: Mr Wood, there is currently a headline policy statement in place which outlines the criteria for supporting outstations. It outlines how outstations are recognised, that the NTG values the contributions outstations and homelands make. However, in a nutshell, we are saying there will be no new outstations; the outstation, if it is to get support, must be an existing outstation, it must be occupied for a minimum of eight to nine months a year, and it must have drinkable potable water.

Mr WOOD: Nguiu, Milikapiti, Garden Point, Palumpa, Peppimenarti, do you regard those as outstations? People live there twelve months of the year.

Mr DAVIES: No.

Mr WOOD: Where do they fall?

Mr DAVIES: They fall in the context of remote community towns and are classified as a small town.

Mr WOOD: They do not receive any new housing?

Mr DAVIES: No, they do not. Mr Wood, no new housing is being provided to outstations. We provide into outstations all the normal services: health, police, schooling, and, at the moment, the budget set aside for 2010-2011 for outstations is \$33.4m. The question in relation to the future of the outstations policy is one ...

Mr WOOD: And those small towns, because that is part of what is ...

Madam DEPUTY CHAIR: Gerry, we are out of time; it is 4.05 pm.

Mr DAVIES: Mr Wood, I was going to suggest this question is probably better directed to Minister McCarthy.

Madam DEPUTY CHAIR: Thank you. We are winding up.

Mr ELFERINK: We have no objection to Mr Wood tabling his questions.

Madam DEPUTY CHAIR: Minister, are you agreeable to the questions on notice coming from the member for Nelson?

Dr BURNS: Yes.

Madam DEPUTY CHAIR: Thanks, member for Nelson.

Mr WOOD: These questions are via the member for Macdonnell.

Madam DEPUTY CHAIR: That concludes the outputs relating to Territory Housing Services. I thank the minister and officers from the agency for the hearing today.

OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT

**OUTPUT GROUP 6.0 – EMPLOYMENT SERVICES
Output 6.1 – Employee and Industrial Relations**

Dr BURNS: I had an opening statement; however, in the interests of time I will forego my opening statement.

Mr CONLAN: No, no, please.

Dr BURNS: There are some important matters to discuss in public employment. I will introduce the officers as they come forward, and I will say, in synopsis of my opening statement, there has been successful completion of a number of EBAs over the past 12 months or so - the teacher's EBA, the firefighter's EBA, what other ones, Ken?

Mr SIMPSON: The general.

Dr BURNS: The general public service EBA.

Madam DEPUTY CHAIR: Can we ask officers to step out of the room to have conversations because we have started.

Thank you, minister.

Dr BURNS: There has been completion of a number of EBAs AND people would be aware there has recently BEEN a vote on the Police EBA. Did I mention the teacher'S EBA? That was nailed down also.

Madam DEPUTY CHAIR: I did hear you say that, minister.

Dr BURNS: I understand the Police EBA is on track to being resolved.

Mr SIMPSON: Power and Water?

Dr BURNS: Power and Water. That was a good one. In the last 12 to 15 months there have been quite a few EBAs settled in a climate of restraint, knowing there has been a downturn in our GST revenue. I commend all those workers for understanding that, and we value their work.

I will introduce the people: Ken Simpson, Commissioner for Public Employment; Brian Mappas, Director Employee Relations; Jenny Stephensen, Director, of Workforce Planning and Development; Terry Lisson, Director, Appeals and Grievances; Phil Vivian, Chief Financial Officer, Department of Chief Minister, who appeared here yesterday. The Commissioner is a statutory officer. Let us dive into it.

Madam DEPUTY CHAIR: Thank you, minister. Did you have any questions in relation to the opening statement the minister made?

Mr CONLAN: Possibly. I could dive straight into it so it could be considered questions to it.

Madam DEPUTY CHAIR: So, whole-of-government questions on budget and fiscal strategies.

Mr CONLAN: Minister, I would like to set the scene and ask: how do you value the public servants in the Northern Territory?

Dr BURNS: Public servants are crucial to the operations of government, for the day-to-day operations of service delivery, whether that be through the health sector, teachers through education, police doing a very important job in law and order, and people in MVR doing what they do. There is a whole range of positions in our public service. I might defer you to Ken to tell us how many FTEs there are; however, there is a myriad of jobs and we value them.

Mr CONLAN: That is all right; I just needed to hear that from you. We can go to Mr Simpson shortly. Essentially, they play a crucial role and you value every single one of our public servants regardless of stature, would that be right? Regardless of level, from our EOs right down to our AO2s or our enrolled nurses - equal value on the lot?

Dr BURNS: We value our public servants, and their interests are safeguarded under the *Public Sector Employment and Management Act* and the gentleman sitting beside me is the employer.

Mr CONLAN: You mentioned police. Police do not come under the Office of the Commissioner for Public Employment, yet they are public servants. I am concerned about comments from the Treasurer earlier in the week regarding your parliamentary colleague, the member for Sanderson, and his role as a school-based constable. That has been extrapolated in the newspaper today to suggest he was relatively lacklustre because in his 20-year commitment to the police force he only attaining the rank of senior constable. Minister, you have put such an emphasis on the public service, you have mentioned the word crucial and you brought police into it saying how important they are. Would you, on behalf of the government, retract those insulting comments made by the member for Karama, the Deputy Chief Minister of the Northern Territory?

Dr BURNS: Member for Greatorex, I did not hear those comments. I remember the standing orders about quarrels not permitted. I am not going to enter into any quarrel between any two members.

Mr CONLAN: Do you feel it is quite acceptable that someone who dedicates 20 years of their life to the public service as a school-based police constable - I would have thought a school-based police constable, while it may not be someone on the front line - a detective catching baddies - is a wonderful interface to help the young people of the Northern Territory see right from wrong. It is a crucial part of police work. Despite the fact the person in question had some very valid reasons for staying in the role of school-based police constable and sacrificing further advancement through the public service, am I to read into your response you stand by the allegation from the Treasurer?

Dr BURNS: I did not hear what the member said and I am not going to enter into a quarrel between two members.

Mr CONLAN: What the member said was widely published in the newspaper yesterday and again today, and has been reported on various media outlets. I am sure you are aware of the comments.

How would you view someone, minister, who has dedicated 20 years of their life to the public service in the form of a school-based constable position?

Ms SCRYMGOUR: A point of order, Madam Deputy Chair! This is estimates and we are looking at the budget. I ask that you rule on this question. I think the minister has already sufficiently ...

Mr CONLAN: He has not answered it.

Madam DEPUTY CHAIR: Thank you.

Ms SCRYMGOUR: ... responded, and the member for Greatorex has form in this type of thing. If he does not like the response from ministers, or anyone else, he will continue down this line. He does this, he has form, and I seek that you rule.

Madam DEPUTY CHAIR: Thanks, member for Arafura.

Mr CONLAN: It is called getting to the bottom of it.

Madam DEPUTY CHAIR: Being very conscious of the time here, member for Greatorex, can I direct you ...

Ms SCRYMGOUR: If he wants to filibuster and waste his time, that is fine.

Madam DEPUTY CHAIR: Thanks, member for Arafura. Can I direct you to the fact you are asking questions around whole-of-government questions on budget and fiscal strategies.

Mr CONLAN: Certainly.

Madam DEPUTY CHAIR: You have put it to the minister twice. He has said he is not buying into it, so if you could move forward and direct your attention to the output, please?

Mr CONLAN: I will rephrase the question.

Madam DEPUTY CHAIR: No.

Mr CONLAN: I think this is ...

Madam DEPUTY CHAIR: Excuse me!

Mr CONLAN: A point of order, Madam Deputy Chair!

Madam DEPUTY CHAIR: I have already called the point of order and asked you to return to the outputs. I have explained to you the minister has answered you twice, so rephrasing the question is not going to help.

Mr CONLAN: I will ask another question. Minister, so someone who has ...

Madam DEPUTY CHAIR: As long as it is related to the whole-of-government questions on budget and fiscal strategies.

Mr CONLAN: Whatever it was you said.

Madam DEPUTY CHAIR: Thank you.

Mr CONLAN: Minister, someone who has spent 20 years of their life as a school-based constable, despite the sacrifices they may have made for their own career advancement, how do you view that commitment to the public service?

Dr BURNS: Member for Grotorex, I believe I have already answered your question. I am not going to be drawn on it.

I am here to answer questions about the public service. There are important questions about the cap on the public service and about public service numbers. We have Mr Ken Simpson here, after all these years of waiting in the background, waiting to get a guernsey in estimates to talk about public employment and we are bogged down in politics. I ask that we move on.

I am sure the member for Port Darwin has some good questions about the public service and some of the policies around the amendments of PSEMA ...

Mr CONLAN: Yes, okay.

Dr BURNS: ... and about the staffing cap. There is much to talk about.

Mr CONLAN: There is, and I would like to say we have a very dangerous situation here. We have a government which has signalled to the public service of the Northern Territory that if you somehow do not climb the ladder in a manner sufficient or acceptable to the Northern Territory government you are a lacklustre public servant and have no real place in further career advancement.

I would like to make it very clear to those public servants listening to this broadcast and who heard the comments and, no doubt, were highly offended by the comments from the Treasurer and the Deputy Chief Minister of the Northern Territory, that that is what your government thinks of public servants. Those public servants who perhaps ...

Madam DEPUTY CHAIR: Member for Grotorex.

Ms SCRYMGOUR: A point of order, Madam Deputy Chair!

Mr CONLAN: I am making my own statement on this.

Madam DEPUTY CHAIR: There has been a point of order.

Ms SCRYMGOUR: They are your statements; this is not about your opinion.

Mr CONLAN: Exactly. It is about defending the public servants of the Northern Territory, something this government clearly does not do.

Madam DEPUTY CHAIR: Member for Greatorex, cease interjecting! You are moving into dangerous territory. Allow me to read to you - I have already reminded you twice about this line of questioning. You are now on a warning.

Standing Order No 30: At a committee hearing the Chairman may, after a warning, order any member of the Assembly whose conduct in the opinion of the Chairman continues to be disorderly or disruptive to withdraw from the committee for a period of one hour.

Should you persist with this line of questioning you will be asked to withdraw for one hour, and that is not open to debate. Do you have questions about the outputs?

Mr CONLAN: I have questions related to the output and I am putting those questions to the minister. It is very important that the minister qualify the comments made by his government, and indeed your government, Deputy Chairman, and your government, member for Arafura. When it comes to junior public servants that have dedicated their lives to the public service and made enormous sacrifices for their families for very personal reasons, where do you stand?

Dr BURNS: We have already answered that question.

Mr CONLAN: You have not answered the question. I asked ...

Madam DEPUTY CHAIR: Member for Greatorex!

Dr BURNS: I do not think it is productive. You talk about sacrifice ...

Mr CONLAN: It is very ...

Madam DEPUTY CHAIR: Allow the minister to finish before I speak.

Dr BURNS: You talk about sacrifice and families. We could broaden this discussion out into the armed services. My son is in the Defence Force, and the member for Sanderson made comments about the Defence Force. I might have my personal feelings but I am leaving them at the door, member for Greatorex. I am here to talk about the outputs for Public Employment. It is not productive ...

Mr CONLAN: This is not a personal axe to grind that I ...

Dr BURNS: You are leading with your chin because of the alleged comments that were reported in the media ...

Mr CONLAN: Alleged comments? I suggest you check *Hansard*.

Madam DEPUTY CHAIR: Member for Greatorex!

Dr BURNS: ... the member for Sanderson. Let us leave it at the door; let us get on. We have a professional commissioner here. It is his last turn in estimates. Let us ask him some really good questions about the public service and public employment. You have made your point, so let us move on.

Mr CONLAN: Minister, this is not a personal gripe that I have. This is very important because ...

Member for Greatorex – Directed to Withdraw from Committee Hearing

Madam DEPUTY CHAIR: No, member for Greatorex! Member for Greatorex! I am asking you to withdraw. You have been on a warning.

Mr CONLAN: Madam Chair, I refer to Standing Order 70 that ...

Madam DEPUTY CHAIR: It is not open to debate. I am asking you to withdraw. You have persisted with a line of questioning. You have been given every opportunity to move on.

Mr ELFERINK: Madam Deputy Chair ...

Madam DEPUTY CHAIR: I have asked you to withdraw, member for Greatorex.

Mr ELFERINK: A point of order, Madam Chair.

Madam DEPUTY CHAIR: It is not open to debate. I have asked you to withdraw. I have sought advice and I have asked you to withdraw. You have been given every opportunity.

Mr CONLAN: We have established that ...

Madam DEPUTY CHAIR: Member for Greatorex, it is not open to debate! You are asked to withdraw.

Mr CONLAN: I am withdrawing. We have the answer we wanted, so all those public servants out there, be warned.

Mr CONLAN withdraws from the committee.

Madam DEPUTY CHAIR: Are there any further questions about the outputs?

Mr ELFERINK: Yes, if I may, please.

Madam DEPUTY CHAIR: As long as they are about the outputs, you may.

Mr ELFERINK: I want to go to the new rating system of the SAO rather than the ...

Dr BURNS: The SAOs.

Mr ELFERINK: The SAOs, that is right. I have some questions in relation to how many people were transferred from an executive rank to the SAO rank as a result of those changes.

Dr BURNS: I will defer to the Commissioner. Please identify yourself, Mr Commissioner.

Mr SIMPSON: Ken Simpson, Commissioner for Public Employment. If you give me a moment I will find the number for you.

Mr ELFERINK: Whilst we are looking for that number, remind me what the acronym stands for? Senior Administrative Officer is that correct?

Mr SIMPSON: Yes, that is correct. I am pretty sure there were 127.

Mr ELFERINK: 127 EOs are now ...

Mr SIMPSON: Are now SAOs.

Mr ELFERINK: Was it only the EO1 level that was transferred? Was there an EO2 level?

Mr SIMPSON: In a technical sense there is a level EO2, but I am unsure if we have any left.

Mr ELFERINK: Are there any AO1s left?

Mr SIMPSON: A very small number of AO1s.

Mr ELFERINK: How many was there?

Mr SIMPSON: 127.

Mr ELFERINK: So, 127 transferred from the Executive ranks to the SAO ranks. If I was then to place a question on notice on how many executive ranks were in the public service a year ago, and if I was asked that same question now, I would get two answers different by a factor of 127, is that correct?

Mr SIMPSON: Yes, but I am sure we would have explained it.

Mr ELFERINK: I am sure you would have explained it. Are there any EO1s or EO2s in existence? Does anyone hold that title or have they been transferred to that SAO level?

Mr SIMPSON: There are no EO1s.

Mr ELFERINK: There are no EO2's that we are aware of.

Mr SIMPSON: We have the level of EO2 available to us if someone acts at an executive level but are not offered an executive contract, so it sets a pay rate.

Mr ELFERINK: What is the pay rate for an EO2? About \$120 000, I would say?

Mr SIMPSON: I am sorry; I cannot tell you off the top of my head.

Mr ELFERINK: I am not fussed about that. Basically, everybody who was an EO1 is now a SAO.

Mr SIMPSON: Correct.

Mr ELFERINK: That is fine. I will rephrase the question or perhaps, minister, you could care to ...

Dr BURNS: I would ask Mr Simpson to elaborate for people, including me, on the rationale from going from an EO to an SAO.

Mr ELFERINK: I have some other questions at this stage and do not want to spend too much time on this.

Dr BURNS: I will ask him to elaborate at another time, member for Port Darwin.

Mr ELFERINK: I will enthusiastically listen, perhaps I will get a briefing; however, Mr Simpson, as I understand it, will very shortly be sitting on a banana lounge on a beach somewhere with a small drink involving an umbrella.

Mr SIMPSON: I hope I will be doing something more productive than that.

Mr ELFERINK: I congratulate you and thank you for your work in the Northern Territory. I wish you the best in the future.

Dr BURNS: Hear, hear!

Mr SIMPSON: Thank you, very much.

Mr ELFERINK: I am a little caught on the hop here, but my questions deals with the nurses EBA which is currently under negotiation, is that correct?

Mr SIMPSON: Yes, that is correct.

Mr ELFERINK: I am concerned because the details I have become aware of in relation to the campaign suggest nurses feel they are being asked to take a \$5000 pay cut per annum. Would you care to comment on that?

Mr SIMPSON: I am unsure how they would come to that conclusion. The last time we negotiated with the nurses we moved considerably to ensure the pay and conditions for nurses were competitive with other jurisdictions. We moved quite a considerable way with the intent of ensuring we were able to recruit nurses. We are still in the position of being in a competitive situation, and without going into the detail or trying to conduct those negotiations in this forum, I am of the view the offer we have made to the nurses federation is a fair one and it keeps them in a competitive situation.

Mr ELFERINK: What is the offer?

Mr SIMPSON: It is probably not appropriate. Minister, I take your advice on whether to go into the detail. We are in the throes of negotiations with the ANF; however ...

Dr BURNS: It is well-known that the parameters Cabinet signed off on are three, three and three per year. All the successful EBAs to this time have been accepted on that basis. Along with that, we look at other conditions such as professional development, education levels, and specialisation as a way to ensuring we retain the most experienced nurses. We want to remain competitive with other jurisdictions.

Mr ELFERINK: I am concerned the nurses feel a \$5000 pay cut is substantial. I have only been made aware of this in the last few days. Is anyone up there aware of this response from the nurses?

Dr BURNS: Member for Port Darwin, Yvonne Falckh knows that my door is always open to her. I am very pleased to meet with Yvonne and the ANF and hear their concerns as I have with every other union and professional association. My door is always open. If Yvonne and her membership feel that way, I am more than happy to meet with them. Off the back of what you said this afternoon, I will endeavour to meet with them in the next week or so if they are available.

Mr ELFERINK: Mr Simpson seems to have received a briefing on something in the background there.

Mr SIMPSON: Only to suggest we are still in negotiations. What our final position might be and where we might get to at the end of those negotiations is still up for grabs.

Mr ELFERINK: Is anyone at the table aware of this \$5000 argument which is being run on the other side?

Mr SIMPSON: It does not look like it.

Mr ELFERINK: No, drawn a blank here.

Mr SIMPSON: Brian Mappas is the Director of Employee Relations in my office.

Mr MAPPAS: Brian Mappas, Director of Employee Relations. I am aware of a document the ANF has put together which - I do not know whether it is exactly \$5000, but they are talking about a number. We disagree with those calculations. As Ken was saying, we are not at liberty to talk about what is part of the package and what is not.

Mr ELFERINK: I am curious as to how their calculations are wrong.

Mr MAPPAS: You would have to ask them.

Mr ELFERINK: Surely, you come to a conclusion - it is not like you are operating in a vacuum.

Dr BURNS: It is fair to say, member for Port Darwin, we are in an enterprise bargaining situation and there is claim and counter-claim. No doubt, the ANF will be putting those positions forward on behalf of its members. I congratulate the ANF for being such an ardent advocate for its members. As I said, I am more than happy to meet with the ANF and hear what they have to say. Next time I see you, I will talk to you about it.

Mr ELFERINK: I am curious because this is a forum where we are going to be spending much money. Nursing would have to be one of the biggest employing singular professions in the public service. I am deeply concerned the nurses feel they are getting short changed to an effective cut - not even a freeze, a cut.

Dr BURNS: It cannot really be a cut when we are offering 3%, 3% and 3%. Unless ...

Mr ELFERINK: As you pointed out, other conditions go with that. Are any conditions being withheld?

Dr BURNS: ... there is a change in the steps somewhere in the nursing structure, I cannot see how someone could calculate that. I place on the record too, we realise there is a very competitive recruiting environment for nurses. We have always said we want our nurses to be amongst the best paid in Australia. We always have an eye to what is happening in other jurisdictions. We will come, at the end of the day, to an agreement with the nurses. I have every confidence about that. However, until then, it is one of those situations.

Mr ELFERINK: Oh yes, but the current Darwin CPI is just over three. For the last three or four years CPI has been tracking at about 4%. If you track it over 4% in the future, 3%, 3%, and 3% is below CPI.

Dr BURNS: Mr Simpson has a comment, with his Public Employment Commissioner's hat on about CPI. That is probably what he has been told by the ANF. What is your reply to that, Mr Simpson?

Mr SIMPSON: My advice from Treasury is CPI in Darwin, which we use for the Territory as a whole, for the last few years has been running at under 3%. It is currently running at about 2.8%. The advice from Treasury is it is on the way down.

Mr ELFERINK: It is around 3%, that is what I said. Historically, for the last couple of years ...

Mr SIMPSON: Three is higher than 2.8%.

Mr ELFERINK: Over the last few years it has been tracking at 4%.

Dr BURNS: We have already had one blue for the afternoon, we do not want another one.

Mr ELFERINK: No, I am not engaging in a blue; I am saying CPI in Darwin has been tracking around 4% for some years.

Mr SIMPSON: It is worth noting agreements are not just around the raw salary increase that we might offer. We describe them as packages, and there is a whole range of other conditions of service that make up the package. We understand we have to be competitive, not just for nurses, but for other categories of employees as well. The end aim is that we remain competitive.

Madam DEPUTY CHAIR: It is now after 4.30 pm, I will have to bring things to a close. I thank the Commissioner for Public Employment and wish you well in your retirement.

Mr ELFERINK: Madam Deputy Chair, can I say it has been an absolute delight, in the twilight moments of Mr Simpson's career, to enable him to answer a question in estimates.

Members: Hear, hear!

Madam DEPUTY CHAIR: I am disappointed he did not get more time to answer questions.

Mr SIMPSON: I would point out I have previously been in front of similar committees in my career.

Mr ELFERINK: I was concerned for your welfare.

Dr BURNS: On behalf of everyone, Mr Simpson, thank you very much for your service.

Madam DEPUTY CHAIR: We are going to take a five minute break whilst we have a change of officers. Would the Local Government and Regional Services people like to get organised.

The committee suspended.

MINISTER MALARNDIRRI McCARTHY'S PORTFOLIOS

DEPARTMENT OF HOUSING, LOCAL GOVERNMENT AND REGIONAL SERVICES

Mr CHAIRMAN: Minister, welcome. If you could introduce the officials accompanying you and, if you would like to, make an opening statement.

Ms McCARTHY: Thank you very much, Mr Chairman. I have an opening statement which will incorporate all my portfolios, so if I ask the committee to allow me a little extended time with that and would like to welcome staff from the agency here with me – Chief Executive Officer, Ken Davies; Senior Executive Officer, Fran Kilgariff; Chief Financial Officer, Dwayne McInness; and Matt Fagan from the SDCU; also on my right is Richard Austin.

Mr Chairman, in this afternoon or evening session of the Estimates Committee we are listed to consider issues relating to local government, regional development, and Indigenous development including the work of the Aboriginal Areas Protection Authority. We are listed to consider a number of matters because the Office of Women's Policy is also a program area within the Department of Children and Families and it is not an output area in its own right. Any whole-of-agency corporate questions relating to the Office of Women's Policy can be answered by the Minister for Children and Families on Tuesday, 21 June. Having

said that, I welcome any questions about expenditure in regard to the key responsibilities of the Office of Women's Policy.

This evening I will be joined at the table by other senior departmental officers as appropriate as we move through appropriation for my portfolio areas in the agency. I also note Minister Burns, as senior minister for the department, has responsibility for questions of a corporate nature for the department as a whole.

The department's key functional responsibilities with respect to my portfolios include developing and supporting the local government sector across the Northern Territory, including continual improvement in governance capacity and the delivery of local government services; developing strategic policy and providing advice on Indigenous affairs from the whole-of-government perspective; coordinating the delivery of high quality services to remote communities through leadership and coordination of government's *A Working Future* policy; working with business, industry and local communities to stimulate economic growth and job creation in regional areas; providing interpreter and translator services; promoting a safer community through water safety awareness and pool regulation; and administering the *Animal Welfare Act*.

Mr Chairman, through the Local Government and Regional Services division of the department we are making significant advances in developing our local government sector across the Northern Territory, including continual improvement in governance capacity and the delivery of local government services. The local government sector established under the *Local Government Act* plays an important part in governance and service delivery through both our municipal and shire councils. Our five municipal councils had a combined estimated expenditure in 2010-11 of \$163m. The eight largest shires have an estimated expenditure of \$284m, and the three small shires of Coomalie, Wagait, and Belyuen have an estimated expenditure of \$4.1m.

The local government sector is also a major employer of Indigenous Territorians, with an average Indigenous employment rate in the larger shires of 82%, and 12% in the municipals. I am especially pleased, Mr Chairman, that I was able to announce earlier this year a new \$30m commitment to Indigenous employment and core services in the shires made up of an annual commitment of \$8.4m from the Northern Territory government and \$1.6m from the federal Department of Education, Employment and Workplace Relations. My department will also be working with local government on a comprehensive review of shire financial sustainability in the coming months. We will soon be in the position of having three years of financial data to properly inform this review, and provide a comprehensive assessment of how the shires are travelling, Mr Chairman. Terms of reference are currently being developed in negotiation with NT Treasury and LGANT, and I look forward to this work beginning in earnest later this year.

Over the course of the 2010-11 financial year we have also been working with this sector, reviewing various aspects of the *Local Government Act* and subordinate legislation to ensure the legislative framework continues to be refined to support effective local government. Submissions were also invited on the local government voting system following review of the first shire elections and suggestions for change. Twenty-one submissions were received and expert advice sought on options for change to the voting systems employed in the local government context. The final recommendations are now being considered, and there will be further consultations on any proposed changes prior to the next government elections in March 2012.

Mr Chairman, we are also working with the local government sector to improve animal control across the Northern Territory, including controls applying to dangerous dogs through council by-laws. In February 2010, the department provided animal management in rural and remote Indigenous communities, AMRRIC, with \$75 000 per annum for two years to fund an education project officer to undertake an education strategy to promote better health and ownership of animals in the West Arnhem, Central Desert, Victoria Daly, MacDonnell, and Barkly shire councils. In addition, AMRRIC, was provided with \$125 000 from the special purpose grants to a program coordinator manager to help support implementation of these dog programs through our shires. This contribution from the Northern Territory will help support and build on \$2.89m of funding from the Northern Territory Aboriginals Benefit Account to boost dog health and management in Indigenous communities of the Northern Territory.

The department has a key responsibility of administering and enforcing the *Animal Welfare Act* throughout the Territory, and there has been significant development of the capacity of our branch to do its work in recent months, responding to the Ombudsman's review of the Mataranka Station animal welfare case.

The department also continues its work administering the *Swimming Pool Safety Act*, ensuring compliance with pool fencing legislation and promoting water safety and awareness.

Key areas of activity in regional development include assisting in project development; grant funding; and building partnerships to support regional economic development. This includes projects such as: assisting in the planning for the proposed Darwin abattoir; funding a grants scheme to stimulate regional business development; and participation in the North Australian Ministerial Forum, through which I hope the Territory will derive significant benefits; and operating a grant funding.

We continue to roll out our program of future forums planned for each of our growth towns. We are making gains with tenure reform and improving planning approval processes so that capital projects and private investment, essential to the foundation of growth towns, can progress. Our *A Working Future* policy continues as our key activity to improve access to services, support strong families, and drive investment in remote areas of the Northern Territory.

Over the course of the 2010-11 financial year, we have delivered major improvements to essential infrastructure and services across the growth towns with improvements in essential services, environmental management, health services, improvements to communications infrastructure, improvements to local roads infrastructure, and the trial of remote public transport services. This, Mr Chairman, is on top of investment in new police and community safety facilities, education, vocational training, and the massive SIHIP investments.

In addition to these bricks and mortar achievements, we have made significant progress with our structural reform; most notably the development, with local people, of our Local Implementation Plans, or LIPs. The LIPs are a key part of *A Working Future*, setting out the priorities for each community, and including targets, actions, success measures and time lines for achieving these priorities. LIPs for the 15 RSD growth towns have been formally agreed by the Northern Territory government, and the majority have been signed off by all stakeholders. Implementation of actions identified is well under way and being reviewed by local implementation committees.

Most importantly, local people are engaged in identifying priorities and shaping these reforms through the LIPs, Futures Forums, place-based reporting and monitoring, place-based communications, and joint planning across the three tiers of government.

The demand for service continues to grow, and the department continues to strengthen capacity and respond to increasing demand with funding support from the Australian government. This includes strengthening our presence in our growth towns across the regions, growing the breadth and depth of interpreting capacity, and supporting new interpreting staff with appropriate training and accreditation support. We should also acknowledge this is an important body of work improving our cross-cultural communication, literally lifesaving at times, but also supporting Indigenous employment. The Aboriginal Interpreter Service currently has 458 interpreters available, of which 288 were actively working in 2010-11.

The protection of sacred sites through the work of the Aboriginal Areas Protection Authority is also scheduled for discussion this afternoon, and I will refer to this once those officers come to the table with me.

Mr Chairman, I am prepared to take questions.

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

Mr WESTRA van HOLTHE: Just one, Mr Chairman. Minister, you mentioned a figure of \$2.8m for dog management, or something similar. Where did that funding come from?

Ms McCARTHY: That was the funding which came from the Aboriginal Benefit Fund. I actually said that, member for Katherine.

Mr WESTRA van HOLTHE: You did, and I missed where it came from. So, ABA?

Ms McCARTHY: Yes.

Mr CHAIRMAN: Member for Macdonnell, this is an opportunity to ask if you have any ...

Ms ANDERSON: None, thank you.

Mr CHAIRMAN: No clarification? In that case we move on to agency related whole-of-government questions. No? Excellent.

Mr WESTRA van HOLTHE: No whole-of-government.

OUTPUT GROUP 1.0 – LOCAL GOVERNMENT, REGIONAL AND COMMUNITY SERVICES
Output 1.1 – Local Government

Mr CHAIRMAN: We move on to Output Group 1.0 - Local Government, Regional and Community Services, Output 1.1 - Local Government.

Mr WESTRA van HOLTHE: Minister, of the total staffing of the Department of Housing, Local Government and Regional Services, what is the staffing allocation for Local Government for the current financial year and for the next financial year?

Ms McCARTHY: As I said in my introductory statement, member for Katherine, the previous minister, Chris Burns, as senior minister for this agency, has the role of reporting staffing. I can refer to Ken Davies, the CEO in Local Government.

Mr DAVIES: Ken Davies, CEO, Department of Housing, Local Government and Regional Services. Member for Katherine, I believe we will have to take that question on notice, and we will try to get that to you before we conclude this evening.

Question on Notice No 5.1

Mr CHAIRMAN: Would you repeat the question, please?

Mr WESTRA van HOLTHE: I will repeat the question with some surprise. I would have thought you would have known what the staffing levels of Local Government were. Can you please advise of the total staffing of the Department of Housing, Local Government and Regional Services, what the component of that staffing is for Local Government for the current financial year and for next financial year?

Mr CHAIRMAN: That is question on notice 5.1.

Mr DAVIES: Yes, and we will get that before we conclude this evening.

Mr WESTRA van HOLTHE: Minister, in budget period 2010-11 the allocation for Local Government was \$74.603m. In Budget 2011-12, the estimate for Local Government allocations in that budget year is \$5m more at \$79.325m. Can you please give a detailed breakdown of what this \$5m was applied to, and what are those programs?

Ms McCARTHY: Sorry, member for Katherine, I was just finding my page here. So you are referring to variation of \$5.65m - is that correct?

Mr WESTRA van HOLTHE: Yes, there is an additional \$5m you will find from the estimate for the end of this year to what was budgeted at the beginning of 2010-11.

Ms McCARTHY: Yes, there are a couple of points here, member for Katherine. The increase of \$4.7m is primarily due to the transfer of \$6m in Commonwealth-funded programs from 2009-10 into 2010-11, and additional Commonwealth funding of \$5.9m for the National Job Creation package and the Local Government Capacity Building Project, and an additional one-off Territory funding of \$0.9m for the CDEP conversion to real jobs initiative. This is partly offset by a Commonwealth payment of \$7.3m for financial assistant grants expected in 2010-11 but received in 2009-10.

Mr WESTRA van HOLTHE: So it was not that that \$5m was applied to the computer remediation during the year?

Ms McCARTHY: No. Sorry, member for Katherine, could I just add to that. As I said in my opening statement, one of the things we pushed in wanting to see improvement and an increase for jobs within the shires was the three-year package we announced for the Northern Territory shires. That variation of \$5.6m is predominantly due to that additional funding of \$10m for the shires' Indigenous employment package.

Mr WESTRA van HOLTHE: That is from the current year to the next year?

Ms McCARTHY: Yes, so 2010-11 to 2011-12.

Mr WESTRA van HOLTHE: My first question was about the budget versus the estimate for this current year, but that is okay. Thank you. That answers my next question because, from estimate 2010-11 to Budget 2011-12, there is an additional \$5m for local government. I am assuming then from your answer previously that this is for the shires' Indigenous employment package.

Ms McCARTHY: Absolutely, and I am very pleased about that, as I am sure members across the regions in the shires are incredibly pleased with that too.

Mr WESTRA van HOLTHE: Thank you, minister. PricewaterhouseCoopers completed a financial sustainability report on the East and West Arnhem Shires. When was that commissioned?

Ms McCARTHY: For the actual date for the commissioning of that, I can ask my staff to find the date of that, but I will say that, in the work done by PricewaterhouseCoopers, that was an important piece of work that has gone to Cabinet, and is still with Cabinet. We can get the date for you, if you want the specific date.

Mr WESTRA van HOLTHE: Even a ballpark - month, year.

Ms McCARTHY: It was 2008.

Mr WESTRA van HOLTHE: It was commissioned in 2008. That leads me to a question I had not thought to ask but I will now: when was the report completed?

Ms McCARTHY: Could I take that question on notice? There is something we need to check on.

Mr CHAIRMAN: Could you please say that once more for Hansard?

Mr WESTRA van HOLTHE: Is that in relation to the commissioning date or the date that the report was completed, that you have to take on notice?

Ms McCARTHY: Completion. Through the Chair, you did ask for the date when it began, and I would like to get you the accurate date for that as well, so if I may ...

Mr WESTRA van HOLTHE: I will frame the question around both if you like.

Ms McCARTHY: Yes, if you could put it through both, thank you.

Question on Notice No 5.2

Mr WESTRA van HOLTHE: Can you please advise when the PricewaterhouseCoopers report into the financial sustainability of East and West Arnhem Shires was commissioned, and when that report was completed and handed to the department?

Mr CHAIRMAN: That is question No 5.2, and you are happy to take that?

Ms McCARTHY: Happy to take that.

Mr WESTRA van HOLTHE: Who commissioned that report, minister?

Ms McCARTHY: Clearly that would have been done by my predecessors, and if we are looking at the year of 2008 the previous minister was Elliot McAdam. What I can do is actually confirm whether it was Elliot McAdam or ...

Mr CHAIRMAN: Do you want that on notice?

Mr WESTRA van HOLTHE: Maybe not. Perhaps I can just ask a clarifying question. Was it commissioned by the department of Local Government?

Ms McCARTHY: Member for Katherine, I am informed by my CE that it was advice given to the then minister at the time for Cabinet deliberations as per normal.

Mr WESTRA van HOLTHE: Bear with me while I just check something, minister. I have a document in front of me which is titled *Terms of Reference Project Management Plan* and the project title is *Conduct a Comprehensive Review of Shire Council Financial Sustainability* dated, well, target completion March 2012, target commencement, September 2011. I gather it refers to the more recent sustainability reports that you are having done. If I quote from page 2 of this document, it says:

PricewaterhouseCoopers were engaged by the Department of Housing, Local Government and Regional Services to complete stage one of the evaluation.

This document indicates that it was actually commissioned by the department of Housing and Local Government.

Ms SCRYMGOUR: A point of order! Can you table that and the minister can have a look at the actual document and see that it came from the department or what source?

Mr WESTRA van HOLTHE: Yes, I am happy to table it. I will need a copy of it straightaway as I will need to refer to it in a minute.

Ms SCRYMGOUR: Why does he not defer that question and go on to the next one?

Mr WESTRA van HOLTHE: I will defer that question and continue. Minister, that particular report, the PricewaterhouseCoopers one that has been done, how much did this report cost Territory taxpayers?

Ms McCARTHY: Member for Katherine, we will take that on notice for you for the final cost of that report.

Question on Notice No 5.3

Mr WESTRA van HOLTHE: With respect to the Question on Notice and referencing the PricewaterhouseCoopers report into the sustainability of East and West Arnhem shires, how much did the report cost Territory taxpayers?

Mr CHAIRMAN: That is question 5.3 and you are happy to take that on notice?

Ms McCARTHY: Take that, yes.

Mr WESTRA van HOLTHE: Minister, under the original terms of reference for that particular report, which shires were to be the subject of the study?

Ms McCARTHY: East and West Arnhem shire council.

Mr WESTRA van HOLTHE: Bear with me, minister, I am checking something.

From this document, the terms of reference document I referred to before, on page 2 there is reference to the original report, the PricewaterhouseCoopers one, which talks about the valuation of shires in general. It is not until three paragraphs down where it says there were limitations in achieving comprehensive assessment as only two shire council annual reports and audited financial statements were available at the time - West Arnhem Shire Council and East Arnhem Shire Council. This limited scope in shire council assessment, and also the identified teething issues evident in the inaugural year of operation, restricted the analysis and wider extrapolation of findings.

Does that not infer that PricewaterhouseCoopers was engaged to do a financial sustainability report on all the shires, but was only able to complete West and East Arnhem shires because of teething issues evident in the inaugural year of operation?

Ms McCARTHY: Member for Katherine, at that time let us remember we had gone through one of the most important reforms across the Northern Territory and it was early days. The exercise for the PricewaterhouseCoopers review was to look at, from a desktop aspect, what was going on with the East

and West Arnhem shires. If you are looking at this question in relation to the current terms of reference for all shires, let me make it really clear to the committee that the whole purpose of wanting to look at the financial sustainability now for all shires is to ensure our decisions into the future are about longevity and ensuring each of these shires have the support for resourcing and planning for the future.

I am unsure where your question is going other than that. Could you be a little more specific about what it is you want to get?

Mr WESTRA van HOLTHE: Thank you, minister. At the time, the shires had the idea all shires were going to be subject to this review of financial sustainability. I put it to you that all shires were supposed to be included in this original report?

Ms McCARTHY: Thank you, for your question. I put it to you, member for Katherine, that the focus was on the East and West Arnhem shires and I have come in since that review was appointed to those regions, and in my view what we are doing now is ensuring every shire has that opportunity.

Mr WESTRA van HOLTHE: Assuming all the shires were of the belief they were going to be part of this first review, when was it communicated to them that they would not be a part of it and that only East and West Arnhem shires would be part of the report?

Ms McCARTHY: I would need to take that question on notice, member for Katherine. This area occurred before I took on the role as Minister for Local Government. If we are talking about 2008 I came into the role at the end of 2010.

Mr CHAIRMAN: We will take that on notice and, in a second, I will ask you to repeat the question.

I want to remind the committee of our test of relevance. We take our lead from the Senate and, in 1999, it, as part of its procedure committee report, said the test of relevance is any questions going to the operations or financial positions of the departments and agencies which seek funds in the estimates are relevant questions for the purpose of Estimates hearings.

We are all going all fine at the moment, everything is conversational, and I am going to take that question on notice, but it does apply to, and we essentially are here for, Budget 2011-12.

Mr WESTRA van HOLTHE: I understand that.

Mr CHAIRMAN: We will take that question on notice and I will get you to repeat that question.

Ms McCARTHY: Sorry, Mr Chairman, can I just correct my previous statement? I came into the role in 2009.

Mr WESTRA van HOLTHE: Before I ask the question on notice then, can I ask a clarifying question? Is this is a question that Mr Davies could answer? He has longevity in the job, minister. Perhaps it could be referred to him to answer.

Mr DAVIES: Mr Westra van Holthe, the answer is I came into the job at the same time the minister did.

Question on Notice No 5.4

Mr WESTRA van HOLTHE: Right. So in that case, I will put the question on notice.

Mr CHAIRMAN: Please repeat the question for the record.

Mr WESTRA van HOLTHE: Assuming that all the shires were of the view that they were going to be a part of the original sustainability report by PricewaterhouseCoopers, when was it communicated to the shires that not all of them would be a part of report and where did that take place?

Mr CHAIRMAN: That is question number 5.4. You are happy to take that on notice?

Ms McCARTHY: Yes, Mr Chairman.

Mr WESTRA van HOLTHE: Minister, notwithstanding your refusal to release that particular report to the opposition after an FOI request, citing Cabinet confidentiality, are you prepared to release the details of the terms of reference of that particular financial sustainability report?

Ms McCARTHY: I will take that question on notice, given that Cabinet has directed that that report is not to be released. I need to also check, in terms of confidentiality, whether your question regarding the terms of reference can be released. If it can, I will certainly do my best.

Question on Notice No 5.5

Mr CHAIRMAN: Can you repeat that question one more time for Hansard?

Mr WESTRA van HOLTHE: Okay. I would like to make the point first that, to the terms of reference, could it possibly have anything confidential in it? I mean it would have – it is a terms of reference, it is a document similar to the one I have tabled.

Ms McCARTHY: With the greatest of respect, member for Katherine, anything that is declared confidential by Cabinet is clearly a process that I need to respect. I am unsure as to whether I can release the terms of reference. I believe that I would not be able to, but as I said, I am more than happy to have a look at that for you.

Mr WESTRA van HOLTHE: Thank you, I will put it on notice then. I will repeat the question for Hansard. Notwithstanding your refusal to release the report to the opposition after an FOI request citing Cabinet confidentiality, minister, are you prepared to release details of the terms of reference of that particular financial sustainability report?

Mr CHAIRMAN: That is question number 5.5.

Ms McCARTHY: Very happy to take it on notice.

Mr CHAIRMAN: And you are happy to take it on notice. Thank you very much.

Mr WESTRA van HOLTHE: Minister, how long have the shires been calling on you to assess their financial sustainability?

Ms McCARTHY: It is an ongoing conversation that I have with each of the shires and municipalities in looking at their financial situation. As I travel across the Northern Territory, it is a question that I put to people, and people put to me. I would not say that there is a particular time frame where it was at a certain time that one shire said this. I would like to say to the Estimates Committee, quite clearly, that it is an ongoing conversation and it is an area of always vigilance and concern for our government, as it should be.

Mr WESTRA van HOLTHE: That is not really the question. They have been calling on you for some time, and it has been passed to me anecdotally for at least two years. That would time itself around the commissioning of the original PricewaterhouseCoopers Report. So I am asking you, is that right? Have they been calling on you to assess their financial sustainability for that length of time?

Ms McCARTHY: I have been in the role since December 2009; that is not two years, member for Katherine. As I have said that it is an ongoing conversation. Clearly I am concerned. I am always concerned that we are paving a way for the future for these shires. They are only in their infancy and the financial sustainability of these shires is critical to our government.

Mr WESTRA van HOLTHE: Of course. Well, let us not say two years then. Let us say at least a year and a half since you came in the job. Is that fair enough?

Ms McCARTHY: It is an ongoing conversation, continuously.

Mr WESTRA van HOLTHE: Righto, thank you. Can I ask when was the report taken to Cabinet?

Ms McCARTHY: I will have to take that on notice, member for Katherine.

Question on Notice No 5.6

Mr WESTRA van HOLTHE: Repeating the question for Hansard: when was the report taken to Cabinet?

Mr CHAIRMAN: That is question No 5.6. Are you happy to take that?

Ms McCARTHY: Happy to take that.

Mr WESTRA van HOLTHE: Minister, why was a report that was commissioned by the department taken to Cabinet?

Ms McCARTHY: There are different processes within each of the portfolio areas that all ministers have, and it is clearly a discussion between ministers and the departments that they hold. This particular document was one that was, obviously, through a process of going through the East and West Arnhem Shire, going to Cabinet is a perfectly normal process. There is nothing sinister and there is nothing questionable about that process.

Ms Scrymgour: No reports went to CLP Cabinets, Willem?

Mr WESTRA van HOLTHE: I was not around then, so I do not know.

Ms Scrymgour: Maybe you had better look back on your history.

Mr CHAIRMAN: I remind members of Standing Order 51, no interruption.

Ms Scrymgour: Sorry, Willem.

Mr WESTRA van HOLTHE: That is all right. I am not convinced, minister, that there is nothing sinister. What was in that report? You cannot say, but I am going to ask the question anyway. What was in that report that required it to be hidden in Cabinet? That is clearly the message that is being sent out.

Ms McCARTHY: It is not the message that I am conveying, member for Katherine. There are many documents that go to Cabinet that are there purely for confidential reasons. I can give an example. In the shires, what we are always mindful of is that these are shires in their infancy. If there is information that is out there that could be misconstrued, that could be ill-informed, it has an incredibly disastrous and negative impact on the people who are working on the ground. That is not to say that this is what this report is about. What I am saying to you, and members on the committee, is that that is Cabinet's prerogative, to be able to have confidential information and make a decision as to whether it is going to put it out to the public or not and, in this instance, we have made the decision to keep this a Cabinet document.

Mr WESTRA van HOLTHE: Okay. Thank you. How many shires have asked you for a copy of that report?

Ms McCARTHY: I would need to confirm. I know that one shire has asked, and I would need to confirm, through my chief executive, if there have been any others.

Mr DAVIES: There has been. Mr Westra van Holthe, I would like to preface this by, I am just going back into my memory here, but there has been a Freedom of Information request from the Victoria Daly Shire. We hold a meeting of shire CEOs and shire presidents, and it has been discussed at that forum where requests have come up about where it is at and would it be available for distribution to them. At that point, I have responded that the answer is no; that it is a document that has gone to government and it is not going to be available for them to see the outcomes on, and always in the context of prefacing it, that it was an early report, that it was a desktop exercise, and that the bigger agenda was about checking the broader shires' sustainability, and that is where we are at now.

Mr WESTRA van HOLTHE: Have East and West Arnhem Shires asked for a copy of this report, whether by Freedom of Information or any other means?

Mr DAVIES: The shire CEO has spoken to me about it and asked whether or not it would be available, and the response has been no.

Mr WESTRA van HOLTHE: Minister, without giving any detail because you are bound by Cabinet confidentiality, perhaps you can say whether the report says that those particular shires' finances were unsustainable or not.

Ms McCARTHY: Nice try, member for Katherine.

Mr WESTRA van HOLTHE: Worth a shot. Thank you, minister. We are in a situation where we have a report on the financial sustainability of East and West Arnhem shires, which is something they have been calling for, for at least one-and-a-half-years and, I suspect, for even longer, but you will not even release the information to them ...

Ms McCARTHY: Let me go back to a conversation – sorry, member for Katherine, if you have finished the question?

Mr WESTRA van HOLTHE: Well, I guess, that is a statement. The question is: have you at least briefed those two particular shires on the contents of the report?

Ms McCARTHY: In March this year, you were present at the meeting with the mayors and presidents in Alice Springs, when I spoke to them about the \$30m funding that we were looking at over the next couple of years. In my conversation at that very public meeting, I spoke about the East and West Arnhem shire report and explained to members there the reasons why that was not being released, that it was with Cabinet. I also said, if you recall, that part of the way forward was to look at the financial sustainability of each shire. That is something that I, in this role as minister, wanted to do with each of the shires and to make sure that the agency is working with each of the shires to look at financial sustainability in all the other areas.

So, I put on the record here that the interest of our government is to make sure that this incredible reform that has occurred across the Northern Territory under our watch as the Labor government, is a reform that we are 100% committed to ensuring it grows in a way that is financially sustainable; that it grows in a way of employing the local people in the regions that it covers; and that it grows in a way that governance for these regions is in an effective manner.

It is still early days. I am conscious of that as the minister responsible, and I am conscious of the fact that the finances are a big issue. But let us not get stuck on a report that was done and held for a particular reason by Cabinet. Let us not get stuck on a report, when we know that what we are doing with the financial sustainability of asking each of the shires in moving forward is clearly about wanting to have that openness and transparency to give these shires a fair go; to give them an opportunity to stand strong on their own feet and make sure that they grow in a way that represents their constituents in a fair and effective manner.

Mr WESTRA van HOLTHE: I am glad you mentioned the word 'transparency', minister, because I do not know that this is a very transparent process. Let me pose the question: would it be fair to say the NT government provides funding to the shires? Is that correct?

Ms McCARTHY: Yes, it does, member for Katherine.

Mr WESTRA van HOLTHE: So, it would be fair to say that the funding to the shires from the NT government contributes to the financial sustainability or otherwise of the shires. Is that a fair statement?

Ms McCARTHY: Yes.

Mr WESTRA van HOLTHE: So, the expenditure of public monies by the NT government, by extension, contributes to the sustainability of the shires. So, your department, using public money, commissioned a report into the expenditure, at least in part, of other public money to the shires, and you will not release the information?

Ms McCARTHY: On two shires there is a desktop audit to inform Cabinet about where in the early stages, very early stages, of these incredible reforms of just two shires. What we are embarking on now is an overhaul, a comprehensive, financial sustainability review for every shire that will be open and

transparent. Let us not get stuck on the fact that Cabinet has the right to be able to look at information, which it believes is in the best interests of whether it releases it or not.

Mr WESTRA van HOLTHE: Yes, and I come back to the transparency again, but anyway we will move on. Minister, how many shires are currently in the red?

Ms McCARTHY: Member for Katherine, I will hand over to Chief Executive Officer, Ken Davies.

Mr DAVIES: Mr Westra van Holthe, I will go to the Senior Executive Director in charge of Local Government to respond to that.

Mr WESTRA van HOLTHE: Thank you.

Ms KILGARIFF: As at 30 June 2010, three shires are in the red.

Mr WESTRA van HOLTHE: Which shires are they?

Ms KILGARIFF: MacDonnell Shire, Tiwi Islands, and West Arnhem. That was at 30 June 2010.

Mr WESTRA van HOLTHE: Will you need to wait until 30 June 2011 to determine which, if any, shires are in the red again, or can you rely on quarterly statements from the shires to determine that?

Ms KILGARIFF: We get quarterly reports from shires. We are also currently working with several shires doing audits, which they have requested. That would be West Arnhem and East Arnhem, and we are working with Barkly Shire as well to assist them with their finances.

Ms McCARTHY: Through the Chair, I will ask the chief executive to respond as well, member for Katherine.

Mr DAVIES: I do not want to mislead, or for us to mislead the committee. While there were three in deficit, their cash at bank was - in one instance the MacDonnell Shire had \$14m at bank; Tiwi Islands had \$7m at bank; and West Arnhem had \$5.7m cash at bank. I will get my CFO to explain how that works. There is a deficit surplus around what they have budgeted; however, they are holding substantial cash to the tune of - at 30 June 2010 the shires were holding cash at bank, across all eight shires, of \$108m. Dwayne?

Mr WESTRA van HOLTHE: While that is being addressed, could the quantum of the deficit also be advised to me to determine whether any of these shires are insolvent?

Mr McINNESS: Specifically addressing the shires that reported an operating deficit at 30 June, MacDonnell Shire reported a \$349 000 deficit but, at the same time, they were holding cash balances of \$14m. The Tiwi Islands reported a \$541 000 operating deficit but were holding \$7m cash at bank. In the case of West Arnhem, they reported a \$2.7m deficit but at the same time had \$5.7m in the bank. We can clarify the reasons for that deficit; however, they are likely to be non-cash transactions relating to depreciation and other non-cash movements.

Mr WESTRA van HOLTHE: The cash at bank you have referred to, they would be committed funds, wouldn't they?

Mr McINNESS: Each of the shires publishes their annual reports and is required to report on tied funding and untied funding. There will be elements of tied and untied funds in the cash at bank.

Mr WESTRA van HOLTHE: Are you able to break down, out of the three shires that were in deficit, what portion of the cash at bank was untied?

Ms McCARTHY: We can take that on notice, member for Katherine.

Mr WESTRA van HOLTHE: Thank you.

Question on Notice 5.7

Mr WESTRA van HOLTHE: Repeating the question for Hansard, of the three shires that were in deficit at the end of June 2010, can you please advise what dollar figure of the cash at bank is untied funding?

Mr CHAIRMAN: That is question on notice No 5.7.

Ms McCARTHY: We will take that.

Mr WESTRA van HOLTHE: Minister, you had three shires at the end of last year in deficit budget. Is this what prompted you to bring about the new financial sustainability report?

Ms McCARTHY: Member for Katherine, one of the questions you asked me earlier was about financial sustainability and I answered that by saying each time I travel across the Territory it is an ongoing conversation. I am always watching where each of these shires is at financially. A simple answer would be yes.

Mr WESTRA van HOLTHE: You have the conversation with them, but it takes three shires to be in deficit before you act?

Ms McCARTHY: Incorrect.

Mr WESTRA van HOLTHE: No?

Ms McCARTHY: Incorrect. It is an ongoing conversation. I am clearly always watching just where each of these shires is at. When we make a decision it is based on accumulation of concerns. This would be one of them.

Mr WESTRA van HOLTHE: Okay, thank you. Minister, how much is the new financial sustainability report going to cost?

Ms McCARTHY: The Chief Executive.

Mr DAVIES: In the cost, Mr Westra van Holthe, we have budgeted \$150 000 for the shire sustainability work we want to undertake. Of course, we have to procure that work, but that is the frame we think it will cost.

Mr WESTRA van HOLTHE: That equates to \$18 000 to \$19 000 per shire, on average, to do that. Is that going to be enough to examine the finances of the shires and provide that report? I would love to have had the cost figure on the original PricewaterhouseCoopers' report with which to compare the cost of this new report. I suspect \$18 000 does not buy you a heck of a lot of consultant.

Ms McCARTHY: Member for Katherine, I say to the committee it is an area we need to also watch. Obviously, we have to be mindful of money spent, which goes back to your initial question regarding the previous review. I am mindful of monies being spent, but it has to be spent effectively. Of course, we need to examine, as we are over the coming months, how we are going to do that.

Mr WESTRA van HOLTHE: I get that, for sure. Please assure me you are not going to scrimp on a report that is so critical and vital to the future of our shires. You have said you are mindful of money and how much you spend and you have to spend it effectively, and that is fine. However, if this report was going to cost \$300 000 instead of \$150 000, would you just not do it, or where would you go? What does the financial sustainability of the shires mean to you? What is it worth?

Ms McCARTHY: I can say to the committee we will be watching to ensure the way we spend any money is wise and effective. What you are going into now is an area of questions about hypotheticals. I cannot say if it is going to be \$300 000, or if it is \$500 000. What I can say to this committee is that I want it done properly, and I want it done in a manner that is effective for each of those shires.

Mr WESTRA van HOLTHE: Minister, I do not know if you can answer this: are the terms of the reference from this new report substantially different from the old one?

Ms McCARTHY: Is this the one that you tabled?

Mr WESTRA van HOLTHE: That is the one that was tabled earlier.

Ms McCARTHY: Okay.

Mr CHAIRMAN: Do you need a copy of that?

Mr Giles: It was tabled.

Ms McCARTHY: No, I have not received it.

Mr WESTRA van HOLTHE: You can have that one if you like.

Ms Scrymgour: I have written all over mine, so you cannot have it. I have questions, too.

Ms McCARTHY: Sorry, member for Katherine, what was your question?

Mr WESTRA van HOLTHE: Are there any stark differences between the terms of reference in this report and the previous one of PricewaterhouseCoopers?

Ms McCARTHY: I will ask Dwayne, our financial officer, to respond to your question regarding similarities or otherwise.

Mr McINNESS: What we would need to do is actually compare this terms of reference, because it was still in draft format, so it had not been finalised. I am not sure if this is the final version.

Mr CHAIRMAN: We will take that on notice.

Mr McINNESS: Yes.

Mr CHAIRMAN: If you could just repeat the question?

Question on Notice No 5.8

Mr WESTRA van HOLTHE: Do the terms of reference for the latest sustainability report differ in any great way from the terms of reference from the earlier PricewaterhouseCoopers report, and in what way?

Mr CHAIRMAN: That is question No 5.8, and you are happy to take it, minister?

Ms McCARTHY: Happy to take it, thank you, Mr Chairman.

Mr WESTRA van HOLTHE: I would like to ask a clarifying question. This document does not say 'draft' anywhere as far as I can see. Is it a draft or ...

Ms McCARTHY: It is a draft.

Mr WESTRA van HOLTHE: It is a draft. Thank you. These terms of reference say the report that comes from this will build on the work from the original report. Does that mean you will then allow the original report to leave Cabinet and go back to the department? Is that how it works?

Ms McCARTHY: Member for Katherine, this whole process is about working with the shires and ensuring they grow in a way that is financially sustainable. As I said in my previous responses there are decisions that Cabinet makes that will be staying with Cabinet. If that is a decision at that particular time, to maintain that current position, then so be it.

Mr WESTRA van HOLTHE: Presumably the department will do the work on this. How will the department build on the work of the first report if they do not have it, if it is in Cabinet?

Ms McCARTHY: We have some very intelligent people in the agency who I am sure will be able to advise Cabinet quite effectively.

Mr WESTRA van HOLTHE: I am sure you do, minister. Let me ask this question then. Can you give a guarantee that the report that flows from these terms of reference will not also be made a Cabinet confidential document?

Ms McCARTHY: Member for Katherine, I can give a guarantee that I want this to be a process that all shires are very much a part of, with LGANT. That means that this is an open process; a process that each of the shires recognises is about putting things on the table. Our government recognises that as well.

Mr WESTRA van HOLTHE: Thank you for not answering my question. So you cannot give the guarantee - that is fine. The new study focuses on the financial aspect of the shires. What about service delivery? The question is: are ratepayers and occupants of areas within the shires receiving better or worse service delivery than under the old system of community government councils? I am happy to refer to anecdotal evidence.

Ms McCARTHY: You would be referring to an overall review, wouldn't you? Member for Katherine, there are probably a couple of elements to your question there. Initially, this is about financial sustainability. As the Minister for Local Government I am concerned that our shires get off and stay on the right footing in terms of finances. That is what this is about. It is about making sure that whatever each of the shires are doing, they know their roles and responsibilities in representing the constituency. That is the first thing. Regarding core services and employment, they are always an ongoing conversation.

This particular document that you have tabled here at the Estimates Committee is a draft document. I would like to make clear to Estimates Committee members that we will also, as part of the \$30m package over the next three years, be creating a database so that we can see in employment in each of the shires that there is an increase in employment; but not only an increase, that there is a retention rate that is increasing as well. That is the second element to the question. The third one regarding the core services, of course with every responsibility of each of the shires and municipalities, they must provide evidence as to how they are going with core services. That is an ongoing issue; it is not just a one-off.

Mr WESTRA van HOLTHE: I do not see much reference in that document with respect to core services and service delivery. Will you please give the committee a guarantee that the report will make some assessment of the service delivery currently compared to the service delivery under the old system of community government councils?

Ms McCARTHY: I can say to this committee that those three areas of financial sustainability, local employment, and the effectiveness of core services, are three areas that we are constantly vigilant about, irrespective of whether there is a one-off consultation, irrespective of whether it is once a year in terms of reporting. As I travel across the Territory, as mayors and presidents talk to me, they are the three areas that our government is constantly watching.

Mr WESTRA van HOLTHE: If I were a constituent or a ratepayer in a shire, I would not take too much comfort from the answer you just gave, minister. The main thing that affects people on the ground is service delivery and what they are getting. Anecdotally, I hear many stories about poor service delivery and I do not blame the shires for that. I blame the financial sustainability position that they find themselves in.

Ms McCARTHY: One thing we agree on in terms of financial sustainability is that we have to work with each of these shires to make sure that they have a future in terms of sustainable finances and that is what we are doing.

Mr WESTRA van HOLTHE: Absolutely, I agree with you. Changing tack a little now: in 2013, the transfer of local roads will take place. This is the transfer of NT roads to various local councils across the Territory. Can you explain please the mechanism for this to occur and any time frames around it?

Ms McCARTHY: Member for Katherine, I will refer to Matt Fagan from our Service Delivery Coordination Unit.

Mr FAGAN: There is an ongoing discussion between the Department of Lands and Planning, the Department of Housing, Local Government and Regional Services, and the shires, around the process of transfer of local roads and those discussions are ongoing.

Mr WESTRA van HOLTHE: So there is a discussion. Something is supposed to happen in 2013. That is the date that has been floated out there by you, minister, the Minister for Local Government, and also the

minister for lands and planning or infrastructure or whatever or roads, whatever he does. So is 2013 when it is going to happen? Is that when the process starts? Are you meeting that deadline?

Mr FAGAN: This might be a question that is better directed to the Minister for Transport and minister for planning.

Mr WESTRA van HOLTHE: I accept that it is not directly local government. However, I would have thought that it would have been able to be answered within this thing. I mean, you must talk to that department.

Mr CHAIRMAN: I guess, there are two questions: (1) where does it fall financially? and (2) where does it fall from an operational point of view?. If it does not fall within this output at all and you do not have the information in front of you then you cannot answer it but if it does, then, obviously, an answer is welcome. Otherwise we can ask the other minister.

Ms McCARTHY: What I will do, Mr Chair, is answer part of this question. I am sure the member for Katherine will be able to get more from the roads minister in terms of the actual process. The issue of roads is a huge one and it is not just for local government. It is also in my other portfolio of regional economic development. We are pushing a whole-of-government approach to the federal government in that we need to improve our road networks right across the regions. That is what we are doing in our work with the federal government, in particular with the federal Minister for Local Government and Regional Development, Simon Crean. We are pursuing with him a coordinated approach about how we look at our roads network. In relation to your question about what kind of work is going on, a body of work is occurring. We have not reached a conclusion on it, but you can be assured there is a massive body of work going on between a number of agencies.

Mr WESTRA van HOLTHE: The reason I ask the question - and I have a few more on roads, minister - the shires, and LGANT for that matter, would like some certainty around this.

Ms McCARTHY: Absolutely.

Mr WESTRA van HOLTHE: They would like to know when they can expect the transfer of some or all of these roads. We can wait until next week when the other minister appears and ask him the question; however, I would have thought he might have briefed you on the progress of this.

Ms McCARTHY: Member for Katherine, it is an integral issue to how we are going into the future. It is not just in local government, it is also an area the cattle industry has consistently raised over a number of years around the state of the roads. However, local government is looking at the managing of the roads. I am very aware the Local Government Association and the shires want to see this progressed. Let me reassure the Estimates Committee we are doing exactly that - progressing it.

Mr CHAIRMAN: This point has come up previously in the Estimates Committee - just as a matter of explanation. Ministers talk to other ministers all the time and are briefed. We are here to debate the budget and the minister who has carriage financially or operationally of a certain matter, in this case the transfer of roads, will be the one who comes briefed with the stuff in their papers and with the witnesses who are prepared to answer the questions. While Ms McCarthy has been briefed by Mr McCarthy, if you do not have it with you and are not financially and operationally responsible for it, then that is not what we are here today to do.

Ms McCARTHY: I am happy to talk about it.

Mr CHAIRMAN: From a policy point of view you can answer questions. Technically we are not here to debate policy but to debate operations or financial positions of the departments. It is not playing ducks and drakes. Mr Gerry McCarthy is going to be coming in fully briefed with witnesses who can answer those questions.

Ms McCARTHY: If I could add to that, Mr Chairman, while our agency is working with my colleague's agency in relation to the overall roads plan, there is also the other portfolio of mine, Tourism, and the roads there. I am very aware, as minister responsible for these areas, the significance of making sure any future plans for our roads are made as well as we can.

Mr WESTRA van HOLTHE: I will phrase this question so it can be answered here. An audit of the local road network is supposed to be undertaken to develop baseline data and a gap analysis. What role has

your department played in that, and can you advise at what point we are with that baseline data and gap analysis?

Ms McCARTHY: Member for Katherine, as you would be aware we have a Service Delivery Coordination Unit as part of this agency's whole-of-government approach, and that is an area we have been working in a coordinated effort. I will hand over to Matt Fagan regarding the submission to the Commonwealth on that.

Mr FAGAN: A gap analysis has been done of the roads; as a first stage, within a 50 km radius of each of the Territory growth towns. It is a detailed gap analysis and estimate of funding to bring roads up to a variety of standards. That analysis has also done on some of the major link roads between growth towns and regional centres, for example, the road between Katherine and Ngukurr. That work has been undertaken and completed. It was done as a cooperative effort between the Department of Housing, Local Government and Regional Services and the Department of Lands and Planning with some assistance from the Department of Construction and Infrastructure.

Mr GILES: What was the cost?

Mr FAGAN: Of the ...

Mr GILES: To determine how much money was needed to bring the roads up to scratch?

Mr FAGAN: Just for the first stage? The cost of doing the analysis or the cost ...

Mr WESTRA van HOLTHE: Let us have both actually, if you do not mind, Mr Fagan.

Mr FAGAN: The cost of doing the analysis is all done in-house ...

Mr WESTRA van HOLTHE: Okay, thank you.

Mr FAGAN: The figure for just that first stage was \$1.73bn. That is in the capital upgrade for those roads. I should say, too, that it is not necessarily the expectation that all of the roads need to be brought up to a sealed standard. However, the analysis was done on the basis of bringing the roads up to a sealed standard.

Mr WESTRA van HOLTHE: Have the local governments affected by this, and LGANT, been provided with that information as yet?

Mr FAGAN: Yes.

Mr WESTRA van HOLTHE: They have.

Mr GILES: It is my understanding - if I may ask a question, Mr Chairman?

Mr CHAIRMAN: You are stretching it, but okay.

Mr GILES: It is my understanding there was a submission made to Infrastructure Australia, possibly two years ago - I forget the date - seeking significant infrastructure dollars for roads in the Northern Territory, particularly bush roads we are talking about. To my knowledge, there was no money that came forward for the roads. Clearly, it was not a high enough priority for the federal government. What correspondence have you had with the federal government about that regarding Infrastructure Australia, with Anthony Albanese, and how that all fits together?

Ms McCARTHY: Member for Braitling, we constantly want to work with the Commonwealth government over our roads. There was a submission put forward. It is more appropriate that the roads minister is able to articulate that and answer the specific questions in relation to it. I can confirm, yes, there was a submission put forward to the Commonwealth.

Mr GILES: You must be very disappointed they have not come to the party. It would certainly make the shire councils work a lot better if the roads were done.

Ms McCARTHY: We do not give up, member for Braitling - we do not give up.

Mr CHAIRMAN: At that stage it is the shadow's call.

Mr WESTRA van HOLTHE: I did that without my mouth moving as well, Mr Chairman.

Mr CHAIRMAN: Do you still have a question, shadow?

Mr WESTRA van HOLTHE: Yes, I do. Minister, with a time line set for the beginning of the transfer of roads of 2013, as a matter of urgency, did you provide any submissions to the minister for infrastructure or roads with respect to any funding submission to the federal government to bring these roads up to standard?

Ms McCARTHY: Member for Katherine, in this year's budget?

Mr WESTRA van HOLTHE: Yes, that is right. In March of this year, the minister for infrastructure had not sent any funding submissions through to the federal government, which means the Northern Territory has missed out on a round of funding for 2011-12 for this road upgrade, project - whatever you like to call it. I wonder whether you have been prodding him in the back to get him to do it because, with the 2013 handover date, the Northern Territory government will only have 12 months of road funding to bring these roads up to standard before you start handing them over. Had the minister for infrastructure got this funding submission in for 2011-12, you would have had two years of funding. Did you prod the minister, and in what way? Did you make some submissions to him? Did you write letters to him? Did you push him along in any way?

Ms McCARTHY: There are a couple of elements to your question, so if you will allow me an opportunity to answer as best I can. First, the process for Cabinet is we all come to Cabinet with our respective needs in our portfolios, and that is the process. Budget Cabinet sits for weeks and weeks in the lead-up to making final decisions. Within that process, there are many cases put forward. Roads is one of them and is a critical one. To answer your question in terms of the process within our own Cabinet and Budget Cabinet processes, of course, we are pushing for the roads. We have seen, with the previous two budget announcements, the incredible infrastructure commitment across the Northern Territory with the growth towns and the nearly \$1bn that was allocated in the previous budget, with a further commitment of the transportation areas across the regions in this year's budget, in terms of the wharves; across from Wadeye round to Numbulwar, we have seen the commitment to the Central Arnhem road and the bridges, they have definitely been a part of what our government has been about in growing the regions.

So, yes and yes and yes, roads is absolutely there in the forefront of every minister's mind, but in particular my mind, in particular, my colleague, the member for Barkly, but also the Chief Minister, who was the one who led the case for the infrastructure bid at the national level.

I can also add that we do not just stop when someone says no. We keep going back, and going back and going back, because that is what we are here to do. We will continue to fight on behalf of the people of the Northern Territory to ensure that these regions grow in a way that allows access across all these areas.

Mr WESTRA van HOLTHE: Okay, then let me ask you this question. The funding submission from the Northern Territory government to the federal government with respect to roads under this program has not been sent, or at least it was not sent prior to deliberations of the federal government on Budget 2011-12. Are you disappointed that that funding submission was not sent in time to be considered for the 2011-12 federal budget?

Ms McCARTHY: I am not quite sure where you are getting your information from but the Chief Minister sent the submission in December 2010, so that would be plenty of time for their budget deliberations.

Mr WESTRA van HOLTHE: Okay. We are probably walking into the realm of questions for the minister for infrastructure, because I have certainly been advised that other organisations have been advised that the submission never went in, or a submission for road funding never went in.

Ms McCARTHY: If I can clarify, I am not sure who you are referring it to, but a submission went to the Hon Simon Crean, Minister for Regional Australia, Regional Development and Local Government, as per my response earlier when I said that we are having constant discussions with Simon Crean as the Local Government minister and the regional economic development minister in terms of RDA and our economic development committees across the north. So, with respect, I am not quite sure where your information is coming from, but that is what I am talking specifically to.

Mr WESTRA van HOLTHE: The funding submission was a funding submission for local roads to the Commonwealth, and it was supposed to be by November 2010 and had not been done as of March 2011. Perhaps it was not done because the baseline data and gap analysis had not been completed.

Ms McCARTHY: Member for Katherine, we have to agree to disagree. I have information here that says the Chief Minister provided the submission to the Hon Simon Crean, minister for Regional Australia, on 10 December 2010.

Mr WESTRA van HOLTHE: Okay. Can I just go back a step then, when was the gap analysis completed?

Ms McCARTHY: If I may refer to Matt Fagan.

Mr FAGAN: It was completed in the second half of 2010, and then collated into a form for the submission that went to minister Crean via the Chief Minister, and to Infrastructure Australia via the chief executive of the Department of the Chief Minister.

Mr WESTRA van HOLTHE: Okay, then can I ask, when was it provided to LGANT and the shires?

Mr FAGAN: They were provided with the drafts of the gap analysis in the process of putting the submission together to check that the data that was collected by the NT government agencies accorded with their views of the local roads and then LGANT was provided with a copy of the submission after it was submitted.

Mr WESTRA van HOLTHE: After it was submitted? So, in December of last year?

Mr FAGAN: I cannot give you the exact date but they have had it for some time.

Mr WESTRA van HOLTHE: Okay, thank you.

Answer to Question on Notice No 5.1

Ms McCARTHY: Mr Chairman, I am happy to answer a question on notice. Question No 5.1: please advise the staffing allocation for Local Government this financial year and next financial year. The response: 36 in 2010-11 and 2011-12.

Mr CHAIRMAN: We are going to take a five-minute break at this time.

The committee suspended.

Mr CHAIRMAN: We will recommence. Minister, the call is with the shadow minister and we are in Output 1.1 Local Government.

Mr WESTRA van HOLTHE: Still on roads, a slightly different tack. Minister, South Australia receives supplementary local road funding for SA councils and has been doing so since 2007 amounting to around \$58m, with a further \$51m slated out to the middle of 2014. Why does the Northern Territory not receive similar funding? You have been in power for 10 years, what are you doing about it?

Ms McCARTHY: Member for Katherine, you guys were in power for 27 years, what did you do about that? I will hand over to Matt Fagan.

Mr FAGAN: The arrangement you have cited in relation to South Australia was a special arrangement for South Australia the Australian government agreed to, given their special circumstances. No other state or territory has received that arrangement outside of the normal allocation of financial assistance grants for roads. The approach the Northern Territory government is taking - we spoke before about our roads submission. That has been put into Infrastructure Australia. As a result of that submission and some other work that was going on at the same time, Infrastructure Australia has established a Remote Indigenous Infrastructure Working Group to put together a framework for funding for roads, in particular, but also other essential infrastructure in remote Indigenous areas, with a view to putting something to the Australian

government budget process in October of this year. We are fully engaged in that process. We sit on that working group. Our roads submission is a key part of informing that process, so we are seeking to achieve, hopefully, an even greater level of funding than South Australia has received by engaging in that process with Infrastructure Australia, which is the primary adviser to the Commonwealth government on infrastructure issues.

Mr WESTRA van HOLTHE: South Australia gets this because of exceptional circumstances and, presumably, that is stuff like remoteness, distance, and things that are quite common to the Northern Territory as well. Why do they have exceptional circumstances and we do not? The other question is, as you have described, Mr Fagan, we get a committee. South Australia has \$100m and we get a committee. It is not very satisfactory, in my view.

Ms McCARTHY: I do think that is a question. It is a statement, is it not?

Mr CHAIRMAN: Questions cannot actually ask for an opinion.

Ms McCARTHY: It is nice for you to have an opinion, member for Katherine.

Mr Giles: Can you drive on a committee or do you drive on a road?

Mr WESTRA van HOLTHE: That is right. Do you have any plans to work towards a similar funding arrangement with the federal government for the Northern Territory?

Ms McCARTHY: Member for Katherine, I have said in my previous answers that in our discussions with the minister for Local Government, Simon Crean, who is also the Regional Economic Development minister, that clearly we have plans for the Northern Territory under *A Working Future* and *Growing Our Regions*. Yes, of course, this is an ongoing discussion with Simon Crean. When we are given a no, it does not mean we give up; we keep going back to the Commonwealth and keep working on it. I am sure you will be able to get more of the details from my colleague, the member for Barkly.

Mr WESTRA van HOLTHE: Where we are at now, then, with roads funding from the federal government is ad hoc? We apply each year and we get whatever the federal government decides?

Ms McCARTHY: That is not what I am saying. What I am saying is it is an ongoing discussion I have, as Local Government Minister, with the federal Local Government minister. Clearly, you need factual information about our roads submission that only the minister for roads can give you. I cannot give you that.

Mr WESTRA van HOLTHE: Minister, would we get our roads funding for the roads that will be affected by the transfer to the councils in the years to come without any guarantees for what the ongoing funding will be? When I say ad hoc, I mean on a year-by-year basis. Would you be far more comfortable knowing you had secured funding for a number of years for this type of road program within the shires?

Ms McCARTHY: Let me just make it clear to the committee that there is no ad hoc process within our government for any purpose when we pursue funding for the Northern Territory. There is no ad hoc process regarding the roads. There has been a clearly defined process between a number of agencies, led by the Chief Minister, regarding his submission in December last year. If you do want to know further details, you do need to speak with the roads minister regarding the overall strategy. I can say to this committee that there is a very strong approach from all ministers, in particular those members who represent the bush, that there will be an ongoing plan here for the regions.

Mr WESTRA van HOLTHE: Okay, thank you. Just to move along, minister, you have announced a \$30m three-year funding program for Indigenous jobs within the shires, \$8.4m from the NT, and \$1.6m from the Commonwealth, or is it the other way round?

Ms McCARTHY: No, it is \$8.4m from the Northern Territory government.

Mr WESTRA van HOLTHE: And \$1.6m from the Commonwealth. So that is \$10m a year. Given that the budget for Local Government is only \$5m more next year than the estimate for this year, where is the other ...

Ms McCARTHY: Sorry, member for Katherine, I am ...

Mr WESTRA van HOLTHE: I will start again.

Ms McCARTHY: Could you just start again? Yes, I can just hear all the papers going in my ears here.

Mr WESTRA van HOLTHE: You have \$10m a year starting from financial year 2011-12 for this Indigenous jobs program.

Ms McCARTHY: That is correct.

Mr WESTRA van HOLTHE: The difference between the final estimate for this year's budget and the budgeted amount for Local Government next year, 2011-12, is only \$5m. That means that the additional \$5m, or I worked it out it is actually \$3.2m or something, has to come from somewhere. Are you cutting programs anywhere to raise funds for the jobs program?

Ms McCARTHY: Member for Katherine, to go back to the question, the variation of \$5.6m you are referring to?

Mr WESTRA van HOLTHE: Yes, but given that there is \$10m going into this new Indigenous jobs program, that means the extra money has to come from somewhere.

Ms McCARTHY: That is correct.

Mr WESTRA van HOLTHE: I am wondering what programs within Local Government is this extra money going to come from?

Ms McCARTHY: Member for Katherine, let me go through this: we have had additional funding of \$10m for the shires Indigenous employment package; additional Commonwealth funding of \$0.7m for the Local Government Capacity Building Project; and an additional *A Working Future* initiative funding of \$0.3m. Now, when we were looking at the future of 500 and more jobs across the Northern Territory you would be acutely aware of the concerns we had in the previous 12 months at the loss of those jobs and the end of funding ...

Mr WESTRA van HOLTHE: Very much so.

Ms McCARTHY: ... with the CDEP-matched funding.

Mr WESTRA van HOLTHE: Yes.

Ms McCARTHY: It is one area that I have targeted specifically with my concerns about losing people who are employed in the shires, knowing that (a) there had to be certainty for the shires; and (b) that we needed to ensure those families across the Northern Territory also had certainty about their future. So, yes, it meant looking at our current situation within Local Government financially, but it also meant pushing through with my colleagues, through to Treasury, with the Treasurer, a package that showed and reflected the importance of Local Government to our government as a whole in the financial support that was given to this package. It also meant that, in our discussions with the Commonwealth, who, as you may recall, were refusing to support any further funding beyond 30 June, we were faced with a situation that was just not on. We did not want to lose over 500 jobs across the Northern Territory. My staff, in not only my ministerial office, but also the agency, worked incredibly hard to ensure we could put forward, through the budget process, a package that represented the importance by the Territory government on this issue.

Now, you ask about whether that comes from any other areas. We will break down for you how that funding package came about and then, perhaps, we can go on from there in some of those programs. I will hand over to Ken Davies, Chief Executive, to break that down for you.

Mr DAVIES: The \$4.4m was Cabinet-approved additional funding for the three-year shires Indigenous employment package. \$2m was a redirection of funding from the Service Delivery Coordination Unit to support the shires indigenous employment package. So, that funding was funding that was allocated to Territory Growth Towns to do small place-based initiatives.

Mr WESTRA van HOLTHE: Small?

Mr DAVIES: Small place-based initiatives - do small infrastructure projects, to work with local implementation groups to put in place small local projects. The view was ...

Mr WESTRA van HOLTHE: For example?

Mr DAVIES: For example, a water park at Ali Curung would have been one of the things that was proposed. So, the view was that jobs were to take precedence so that money was redirected out of an allocation set aside for that basis. There was also the redirection of unallocated funding from within the agency's budget. We had made some efficiencies so we generated an additional \$2m that was directed to the shires employment package from our base budget. Finally, \$1.6m came in from the Commonwealth government so we can put in place, through DEWR, an Indigenous mentoring program so that we could allocate mentor support to support the workers going into the program to reduce worker turnover and improve retention. That totalled \$10m. It is a three-year commitment.

Mr WESTRA van HOLTHE: Thank you. You have identified where those extra monies have come from which was the Service Delivery Coordination Unit.

So the funding for the shires will be distributed according to their current methodology applied to NT government operational subsidies paid to council. I can probably refer you to your fact sheet where it says just that – distribution of the funding packages based on the current methodology applied to the NT government operational subsidy paid to local government councils. Does that mean the shires will get this funding automatically or will they have to apply for it?

Ms McCARTHY: Member for Katherine, I will hand over to Ken Davies.

Mr DAVIES: That is correct, but it also takes account of the shires' commitment to develop workforce development plans. So, we want to make sure they are in place and we have overlaid it with an uptake on the previous matching funding program, to make sure we line up with how that was funded as well, so we are using that as a guide. Some shires had a bigger take-up of employing people than others and we want to make sure that people are not unnecessarily put off. We are working with the shires and I have a senior officer in the department who is going to be doing that shire by shire negotiating around their workforce development plans.

Mr WESTRA van HOLTHE: You mentioned the matching funding. Does that mean councils, to take this up, will have to provide matching funding as well?

Mr DAVIES: No, that was the previous program that was in place with the Commonwealth government. The Northern Territory government was putting in some funds through the op subsidy and the matching funding program was a \$10m program that minister Macklin had agreed to put in place that was turned off at the end of this financial year. Actually, was it at the end of last financial year, Dwayne? And we carried it over for the next 12 months.

Mr WESTRA van HOLTHE: So, the quantum is \$10m in a year and that is supporting 530 jobs.

Ms McCARTHY: That is correct, member for Katherine. Let us clarify for the committee's understanding that this is a new program. It is not the matched funding program. This is a new program, jobs package with the mentoring concept with the intent of retaining the staff that we get into the shires.

Mr WESTRA van HOLTHE: Thank you, minister. What is the minimum wage in Australia currently?

Mr CHAIRMAN: That is not within your Output.

Mr WESTRA van HOLTHE: I will use it for a springboard into the next question. If I work out an annual salary for a worker who is employed under this \$10m program, \$10m divided by 530 jobs comes to less than \$19 000 a year. The minimum wage in Australia is currently something like \$33 000.

Ms McCARTHY: Five hundred and thirty, it was.

Mr WESTRA van HOLTHE: This will amount to a salary of around \$14 000 less than the minimum wage in Australia. You have touted this as real jobs. That document talks about real jobs. \$14 000 less than the minimum wage in Australia - how can you justify saying these are real jobs. Is this not just welfare, work for the dole, CDEP, what is it?

Ms McCARTHY: Member for Katherine, it is our government's genuine attempt at ensuring people across the Northern Territory have a chance at real jobs, unlike any of the policies you may want to have in place or previously had. This is the beginning of that road. We know we have incredible challenges. We

had incredible decades of neglect. We want to see that we are building decades of prosperity across our regions. Councils will receive a subsidy of 50%, effectively, in that regard. Shires are still required to contribute from their operational subsidy.

However, this goes back to your initial question, member for Katherine, which is a fair question about the financial sustainability. I have said all through this process that that is an area of great concern and vigilance in my role as Minister for Local Government. I am conscious that financial sustainability is pivotal to the growth of these regions; however, it is also about local employment. We know we are starting from a base of CDEP and welfare. We know to have superannuation, to have fair pay, to have maternity leave, and all the entitlements that any Australian gets in most reasonable places across the country is what we want for all our people across the Northern Territory. We will not get it in one big hit. This is an important step, an important start, but by all means it is not going to be enough right now. It is an important stepping stone.

Mr WESTRA van HOLTHE: Will a person who goes onto this program - becomes employed on \$19 000 a year - then lose all their Centrelink benefits and things like that?

Ms McCARTHY: Member for Katherine, you throw the figures of \$19 000 per annum around as though that is the case. I cannot say it is the case simply because it will be up to the respective shires to work out their arrangements with each of their employees as any employer across the country has that entitlement. Let me correct that, please. It is really important for the committee to not put a figure out there that is inaccurate, and it is not our position to say what the figures will be for those individual arrangements with employees. Let me say that from the outset.

The second part of your question was?

Mr WESTRA van HOLTHE: About how you justify having someone that far below the minimum wage working. I do not know if there was another question. I am happy to move on to the next question if you wish.

Ms McCARTHY: It is really important to recognise our government does not see this as the be-all and end-all, but it is a critical important step. The alternative was to have 530 families without jobs.

Mr WESTRA van HOLTHE: I will work through this quickly. You have said the shires will have to make some arrangements with those individual employees about what their end salary will be. If I take \$19 000 as a start - because you have asked me to not put that out there as a definitive figure and I am happy to do that - the shires are going to supplement that to bring the salary up. The lowest wage you can receive in the Northern Territory Public Service as a Physical 1 is about twice that; about \$37 000. Two times 19 is 38, so you are effectively asking the shires - they will be compelled almost, I think - to bring an employee up to that level, which is exactly the same as having matched funding, which will have to come out of their operational funding, will it not?

Ms McCARTHY: Member for Katherine, you are spot on in looking at the other grant funding that goes to shires. Of course, we have to look at that and consider that. What we are also doing, while we are conscious of this level of low employment, in the figures, generally speaking, we are also conscious this is about building a workforce in the regions and working with the Local Government Association of the Northern Territory to do that regarding the database. Let us remember - and it is important for the Estimates Committee to recognise this - there has never have been any consistent data over many decades around employment in these regions. We are building not only an effective, hopefully, long-term workforce with fair and equitable conditions we are aiming for, but we are also building the statistical data that was just not there.

Mr WESTRA van HOLTHE: Okay, thank you. I am going to move on, because I know the member for Macdonnell has some questions. I have a couple left, even though I have a ton of them, but I will just go to a couple. Completely changing the subject, minister, is it true that an employee of the department of Local Government had a \$3500 bill for one-month usage of a government-supplied iPad?

Ms McCARTHY: Member for Katherine, I would be able to pass that on if I could, but we would have to take that question on notice.

Mr DAVIES: Mr Westra van Holthe, I would like to try to answer that, if I could. I will ask my CFO, who can let you know exactly what happened there.

Mr McINNESS: It is true that did come through in one of our bills. The cause of the problem was it was purchased on a plan, but that plan did not flow through. That is currently being corrected. It is an incorrect billing.

Mr WESTRA van HOLTHE: It is an incorrect amount?

Mr McINNESS: It is an incorrect amount. It is a fault of the supplier, not a fault of the department.

Mr WESTRA van HOLTHE: Okay. How will I be able to check that is rectified? Can I put that as a question on notice that I be advised of the details of that once it is rectified?

Mr DAVIES: We will take that on notice.

Question on Notice No 5.9

Mr CHAIRMAN: Could you repeat that question?

Mr WESTRA van HOLTHE: Yes. I understand a department of Local Government employee had a \$3500 bill for one-month usage of a government-supplied iPad. Can I please be provided any information that details the correction of that figure from the department?

Mr CHAIRMAN: That is question No 5.9. Are you happy to take that?

Ms McCARTHY: Happy to take that on notice.

Mr WESTRA van HOLTHE: Thank you. I will be pleased to hear it can be rectified with an administrative stroke of the pen, I suppose. One last question before I hand over to the member for Macdonnell - or maybe a couple of questions. How much does the Northern Territory government owe the East Arnhem Shire for waste management charges?

Ms McCARTHY: Member for Katherine, I refer to Ken Davies.

Mr DAVIES: Mr Westra van Holthe, we are in the process of negotiating with the East Arnhem Shire around the years they made a set of charges to the department - the last couple of years. In the specifics around what they are claiming they are owed, I will go to the CFO who can answer that. We are negotiating with them and we have not concluded those negotiations. I can say the East Arnhem Shire charges are double those of any of the nearest shire.

Mr McINNESS: Currently, the department owes, over two financial years, \$1.7m based on their gazetted waste management charges. All rates have been paid to date. A portion of the waste management charges have been paid. We are in discussion with the East Arnhem Shire about the level of charges. Their current charges are \$1442 per dwelling for waste management. The next closest shire was \$510.

Mr WESTRA van HOLTHE: I guess they could be charging more, because they have something like 13 or 14 people per house in their shire, but the question then is: these are gazetted waste management charges, you said. Right. Rating submissions including charges are sent through to the Minister for Local Government for approval. Am I correct in saying that?

Ms McCARTHY: For waste management.

Mr WESTRA van HOLTHE: It is called a rating proposal.

Ms McCARTHY: Yes, yes.

Mr WESTRA van HOLTHE: And that includes waste management charges, does it?

Mr DAVIES: Mr Westra van Holthe, the rating proposals that the minister signs off on are only related to mining tenements and pastoral leases. The shires set their own rates by resolution.

Mr WESTRA van HOLTHE: Right. I am just going to ask the minister to clarify that. My understanding is that shires have to have rating proposals submitted to the department at least three months before the end of the financial year. So that is the shires, not just mineral leases. Can you confirm that?

Ms McCARTHY: Sorry, member for Katherine, it is for mining and pastoral leases only.

Mr WESTRA van HOLTHE: I will check on that and come back. I am going to end my questioning on 1.1 and hand over to the very patient member for Macdonnell.

Ms ANDERSON: Minister, in my travels in my electorate, and this is a combination of questions from me and the member for Nelson, because he has recently visited, through CTC, in the Top End, and he has been in my electorate as well. The reform of the shires was something that needed to happen. But what we are hearing, as local members on the ground, is that there are no jobs, there are no real jobs. If you have a look at places like Alcoota (Engawala) and Harts Range you have two-and-a-half people employed in one of those communities and three in the other. It does not matter where you go. I get calls from people in Docker River saying that they cannot get jobs. The question I am going to ask you is, is there a possibility that you can give us a breakdown, shire by shire, of how many Indigenous people you employ throughout the whole shire?

Ms McCARTHY: Member for Macdonnell, thank you for the question. It is forefront in my mind as I work across the regions looking at local employment. In my response to the member for Katherine, there are two critical aspects to this. One is that we have to not only employ and retain people, but we must pay wages and conditions that are fair and equitable into the future. We have a fair way to go with that. The second part of it, though, is there has not been the data, and as dull as that may sound to people out on the ground, the reality of government is that unless we can look at data to help us and inform us in fighting for further funding, we are at the start. It is going to be a hell of a road, but an important one that we are doing with the Local Government Association of the NT and the shires.

What we are doing is looking at the Central Desert, MacDonnell and Barkly shires, wanting to make sure that with this jobs package we are also starting to accumulate that data of jobs and retention. Regarding your question about what that data looks like now, I would be happy to see if we could get that information to you as best we can, if you can keep in mind that it is a growing data list.

Mr CHAIRMAN: Is that a question on notice?

Ms ANDERSON: Minister, is that the current employment in every shire of Indigenous people in the whole of the Northern Territory? That is the information that I am asking for.

Ms McCARTHY: Is that what you would like?

Ms ANDERSON: Yes, please.

Ms McCARTHY: Certainly. We can take that on notice, Mr Chairman.

Question on Notice No 5.10

Mr CHAIRMAN: If you could just provide that again as a question, member for Macdonnell?

Ms ANDERSON: Total Indigenous employment in all the shires in the Northern Territory?

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

Ms McCARTHY: Yes.

Ms ANDERSON: And the other area I would like to ask you, minister, is how many of these people are actually employed in the administration sector of the shires?

Ms McCARTHY: If we can incorporate that in that first question then as a breakdown, Mr Chairman?

Mr CHAIRMAN: Okay, we will incorporate that within 5.10. So, it is essentially a breakdown.

Ms ANDERSON: Minister, this question is on behalf of my colleague, the member for Nelson. In his travels he has been informed about conflict in shires with people working for the shire and then being elected to the shire. The question the member for Nelson has put is: can there be changes to the *Local Government Act* to ban people who work for the shires from nominating themselves and becoming councillors because there is a direct conflict of interest? That is what causes much of the animosity that you see on the communities.

Ms McCARTHY: Member for Macdonnell, I am pleased to inform you and the member for Nelson that it is an issue that has also been consistently raised with me. In our own reviews of particular areas, it is one aspect of the *Local Government Act* that we will be looking at changing prior to the next local government elections.

Ms ANDERSON: Thank you, minister. The last one now, Mr Chairman, and this is on behalf of my colleague again. Can a community break away from an existing council or shire? That is the question the member for Nelson has put on the sheet.

Ms McCARTHY: Anyone in particular?

Ms ANDERSON: He said he had spoken to people at Pine Creek and also Victoria Daly shire.

Ms McCARTHY: Can I share something with you, member for Macdonnell and everyone else here? We had concerns last year regarding Mutitjulu raising that question and MacDonnell shire and one of the things with any kind of change is that these things are tested. We worked closely with MacDonnell shire and Mutitjulu to work out how it was that they wanted to receive their services. A frank response is that we want the shires to work effectively and I am conscious that there is discontent at different levels; that people say they feel disempowered or not receiving the services. My attempt, primarily, is to always engage those people. I say to you and the member for Nelson that if you are receiving those kind of concerns, I would want to bring parties together to consider how we can make the shire that currently represents them more effective.

Ms ANDERSON: Thank you. The biggest problem that we have in the shires is the amount of money that the shires have to operate because we have to have a look at the distance factor in most of the communities that we deal with and that is across the board in the whole of the Northern Territory. One of the questions on my sheet is: why is there no increase in municipal and essential services grants?

Ms McCARTHY: What we have with the grants that go to the shires is the \$20m in operational subsidies. I do not see the logistics of getting to these places as the only critical issue. We discussed in detail the need for better roads. One of the other critical areas that I see of real concern is the governance education that is just as critical. We want effective shire councils; we want effective municipalities, so that these people can be the voices for the people that they represent, and so that they can lobby every minister whom they need to in order to improve the conditions for the lives of the people they represent in their region.

Ms ANDERSON: Thank you, minister.

Mr CHAIRMAN: Do you have questions, member for Brainting?

Mr GILES: Minister, can you please list the cost of every by-election that has occurred for every shire since the last shire elections?

Ms McCARTHY: I can get that for you, member for Brainting.

Question on Notice No. 5.11

Mr CHAIRMAN: Would you mind repeating that question?

Mr GILES: Minister, please list all the costs for each by-election for each shire since the last shire election?

Mr CHAIRMAN: That is question No. 5.11.

Mr GILES: Minister, have you, or your government, given any consideration to reforms of the council election system where there is not a need for a by-election but you can go to the second winner – if that makes sense. So, if someone in a ward or a council is not ...

Ms McCARTHY: Are you referring to the voting methods?

Mr GILES: Yes, sorry, I do not have the right terminology.

Ms McCARTHY: You are looking at the review of the voting system and how votes take place.

Mr GILES: Instead of going to a by-election ...

Ms McCARTHY: That is something we are consistently looking at, member for Braitling.

Mr GILES: Has the government, you, or the department been working with shires on the issue of asset stripping? In other words, taking assets from communities and moving to central locations and the communities now feel disenfranchised because they cannot perform work on their own communities such as grading of roads and some of the things they used to do. Have you done any work on that?

Ms McCARTHY: If you are asking me whether we have been approached about concerns in regions about assets no longer there, that is something I take on board in different places I go or local members raise with me. If you are talking about whether we are actively engaged in that, I would say no.

Mr GILES: How does it work for local shires paying rates in communities and the new leasing system in growth towns? What is the bill for local government shires paying rates in growth towns?

Ms McCARTHY: I will refer this question to Mr Fagan but, before I do may I say to the Estimates Committee that this is, again, an important area as we embark on the growth of the regions in the growth towns. Also, with the houses being built across the Territory, we want to ensure whatever is established into the future has firm foundations based on fairness and equity in what happens elsewhere. I will hand over to Mr Fagan.

Mr FAGAN: Member for Braitling, when you ask about the cost of the rates, are you talking about the ability of the shires to charge rates, or what they would have to pay in lease payments?

Mr GILES: Yes, that is what I am asking.

Mr FAGAN: I am not going to be able to give the answer you want. The negotiations ...

Mr GILES: I do not have a written question looking for a specific answer. I am more engaged in the discussion.

Mr FAGAN: The negotiations between shires and land councils are ongoing. There is no resolution of the lease payment issue between shires and land councils at this point. In fact, to my knowledge there is no resolution of any lease payment arrangements between the Executive Director of Township Leasing and the relevant shires for the areas where he holds leases either. The answer is that it is yet to be resolved.

Mr GILES: All the assets the shire would own in growth towns, none of that is secured at this point, is that right? Is that what I am hearing you say?

Mr FAGAN: Yes. Through the minister, it is secured in the main through the five-year leases under the Northern Territory Emergency Response. Like many other organisations, including both government and NGOs, we have a time line of August 2012 to seek to resolve those arrangements.

Mr GILES: Thanks, Mr Fagan. Minister, if there is no resolution to the leasing post that date in 2012, effectively those assets are in no man's land - I will use that term - because they are on Aboriginal land and there is no security of tenure on those assets?

Mr FAGAN: Without any other lease being put in place it would revert to the Aboriginal Land Trust.

Mr GILES: Last question. Does the department, rather than the shires, have any assets in any growth towns that would come under this? Can you just give me a rough idea of what those assets would be?

Ms McCARTHY: Mr Fagan.

Mr FAGAN: The Department of Housing, Local Government and Regional Services' main assets on Aboriginal land are government employee housing. The Northern Territory government, obviously, has schools, power stations, etcetera, but the main asset for this department is government employee housing.

Mr DAVIES: I can just add to that, the CEO Housing also has housing precinct leases in place.

Mr CHAIRMAN: That concludes consideration of Output 1.1.

Ms McCARTHY: Excuse me, Mr Chairman, we have a response to question on notice, No 5.7.

Mr CHAIRMAN: That is not a problem. We are moving on to Output 1.2, but you can give your answer first.

Ms McCARTHY: Ken Davies.

Answer to Question on Notice No 5.7

Mr DAVIES: It was question No 5.7: of the three shires in deficit in January 2010; what figure in cash at bank is untied funding. This is yours, Mr Westra van Holthe. For the MacDonnell Shire, of the figure quoted, \$5.6m was tied and \$9.4m was untied in the cash at bank. For the Tiwi Island Shire Council, \$3.09m was tied funding and they had \$4m cash at bank untied. For the West Arnhem Shire Council \$3.81m in tied funding and \$2m in untied funding.

Mr WESTRA van HOLTHE: Effectively, West Arnhem is insolvent with a \$2.7m deficit.

Mr Giles: Is that a question?

Mr WESTRA van HOLTHE: It is not a question ...

Mr Giles: It should be.

Mr WESTRA van HOLTHE: We have moved off local government; I do not know that I can ask it.

Mr DAVIES: I do not think that is correct, Mr Westra van Holthe, unless the CFO wants to respond specifically around that.

Mr McINNESS: Essentially, their cash position is reasonably strong. The deficit could be for a number of reasons. It could be related to non-cash items, funding they may have received in one year but not spent until the next year - timing issues. There are all sorts of things. We need to look deeper into the financial transactions but, essentially, if you look on the face of it from a cash position, they are liquid as at 30 June.

Mr WESTRA van HOLTHE: Thank you.

Output 1.2 – Regional Development

Mr CHAIRMAN: We are now on Output 1.2 - Regional Development.

Mr WESTRA van HOLTHE: Does the Service Delivery Coordination Unit fall under Regional Development? Is that where it sits?

Mr DAVIES: No, it sits in the Department of Housing, Local Government and Regional Services. It is a separate unit, a stand-alone unit, and Matthew is the Executive Director in charge of that unit.

Mr WESTRA van HOLTHE: So what output ...

Mr CHAIRMAN: What output is it in?

Mr DAVIES: It sits within the Indigenous Policy output.

Mr WESTRA van HOLTHE: Thank you, that is fine. Regional Development. Mindful of the time, minister, in your 2030 plan at page 35 relating to growth towns, you will construct 10 new commercial hubs which I think is admirable - great idea. Can you describe for me what a commercial hub is in that context?

Ms McCARTHY: What we want to see, member for Katherine, with the growth towns in *A Working Future*, is to look at regional economic development as the next important step for each of these growth towns. It is not about relying just on government funding from the Northern Territory and federal government; this is about working with these areas so they can look at economic development as a way of going forward with private investment. I will hand over to Richard Austin and Fran Kilgariff for the day-to-day work in those areas.

Ms KILGARIFF: The hubs they envisaged as being government business centres where various government departments could operate from, where there might be areas where businesses could use if they want to set up in those towns, local businesses, because one of the rationales for it is that they get around the object of not being able to lease land if you want to start a business. That was one of the ideas behind those government hubs.

Mr WESTRA van HOLTHE: All right, thank you. So it will necessarily involve the construction of something out there? Okay, thank you. Minister, you have a time frame in your 2030 document that says by 2012. That leaves just six months to complete the work. How is it going?

Ms McCARTHY: Is there not, member for Katherine, a lot of work to do?

Mr WESTRA van HOLTHE: There is, there certainly is. How are you going to do it?

Ms McCARTHY: First, it is about growing the information with our people on the ground. One of the ways that we have been working on this is through our Futures Forums. We have been able to have one in Ngukurr, and most recently in Ntaria. We know that it is going to be a fairly slow process as we are trying to roll out many other programs in these regions. The important thing to remember is that it is going to take us a fair while to see some solid outcomes in these regions.

Mr WESTRA van HOLTHE: Has work, physical work, commenced on any of these hubs yet?

Ms McCARTHY: I will hand over to Matthew Fagan in terms of the work that we are doing in the regions.

Mr FAGAN: The first stage of the process was through our local implementation plans to get agreement from the Commonwealth government, local government, and local people about how these hubs might be developed, where they might be located, how they would work, whether they would be a bridge scheme or a development of another kind, so that preliminary work is being done. At this point there is not any physical work that has commenced in relation to the hub.

Mr WESTRA van HOLTHE: Okay. When do you intend to commence physical work and how will you fund it?

Ms McCARTHY: Member for Katherine, can I just take you to one side here in what we are trying to do with our processes. With all the reforms that have been taking place across the Northern Territory, in particular with the local government reform, and also the concerns around the intervention with the sense of people feeling disempowered, we embarked on the last 10 months, going back to - sorry, 12 months - the middle of last year, to want to have genuine dialogue with each of these growth towns and our regions. Part of that was about bringing the federal government, the Northern Territory government, the shires, and the people in those respective places together. It is a process that takes time. It is a process that, at first, was fraught with many difficulties, because when you try to get different groups together, that has challenges all of its own, bar the logistics of those locations.

In November last year, for the first time, we were able to sign an agreement between the people of Gunbalanya; the federal minister, Jenny Macklin; me; and the West Arnhem Shire's involvement in terms of a plan for Gunbalanya. Our government has recognised from the outset that if we are going to grow these regions in a way that is genuine, it has to be about the people themselves driving the way they wish to see their place grow, but without a loss of culture, identity and relationship to country. It is a slow process. It is a process that governments have not embarked on before, so we have consciously as a government said no. Until the people themselves are very much a part of how they wish to see economic development take

place, we will go as slow as we can and I will put the brakes on until I am confident that the people of these places are saying this is the way they wish for it to grow.

In that process, we have been able to sign local implementation plans. Of the 15 across the Northern Territory, we have signed 12 since November last year in a genuine attempt at dialogue and engagement with the people. Just bear me out. The purpose of these plans is to be able to say to business and to others that if you want to do business in Ngukurr, Gunbalanya, Gapuwiyak or Hermannsburg, this is the plan that the people there have set. It is about putting on the table a genuine partnership and relationship that these are our commitments for this particular place. It is also about putting governments on notice that if it is agreed that certain things are going to happen, why has it not happened? But it is also about saying to the local people that if we are going to invest in massive infrastructure in these places, you need to also be committed by making sure your kids are going to school, by making sure that you are committing to the things that you have agreed to in these local implementation plans.

Of the 29 across Australia, there are 15 in the Northern Territory. I have pushed this in my role as minister that, unless we have genuine engagement with the people on the ground, it will not matter what kind of money we are putting into these places or what kind of businesses there are, if they have not felt that they are determining the way they wish these places to grow.

So, to answer your question in terms of the physical bricks and mortar or whether we have a hub anywhere in particular, the answer would be no. What we do have is genuine engagement amongst 12 of our 15 RSD towns across the Northern Territory who are saying: 'This is the future we want', and that has never happened before in the history of the Territory.

Mr WESTRA van HOLTHE: Thank you. The regional development budget going into next year has been cut by a \$1m. It has gone from \$7m-odd to \$6m-odd. How can you genuinely say that you are committed to this process? You have not commenced the building of any of these commercial hubs. You have no time line for when that is going to happen. You have cut the budget in regional development which is the section or the branch or the department that is responsible for driving this program. How can Indigenous people be comfortable or convinced that you really have their best interests at heart when it comes to getting regional development and private enterprise happening and commercial opportunities in their communities?

Ms McCARTHY: Member for Katherine, if I can just correct, though, the decrease of \$1m is primarily due to the carry forward of funding from 2009-10 into 2010-11. I just need to clarify that for the record for Estimates.

In regards to your overall question about how can I convince Indigenous people, we are making it clear that we want to engage and work directly with people on the ground, not only through regional economic development but also through my other portfolios of Local Government and Indigenous policy. The *A Working Future* policy framework is a key framework that comes under the overall framework over 2030. This is about the vision that we see with the people of the Northern Territory, for the people of the Northern Territory, by the people of the Northern Territory.

Mr CHAIRMAN: That is a beautiful way to take the dinner break. Back at 7.30 pm.

The committee suspended.

Madam DEPUTY CHAIR: Thanks very much, everyone. We will resume Output 1.2 Regional Development.

Mr WESTRA van HOLTHE: Thank you. Minister, from what you have said to me tonight with regard to regional development, I am simply not convinced that you are serious about this. You are providing, between you and the Commonwealth government, \$10m to provide a jobs program that will put Indigenous people on salaries that are below the poverty line, and if that is then to be topped up by the shires that will eat into their operational funding. You have a 2030 strategic plan brought out in 2009 that gives some time frames. The one I referred to before was the commercial hubs by 2012, and we have discovered that there is none even built, there were no plans for when they will be. So how much can we put in this 2030 document? It is just barely worth the paper it is written on. There are many time frames, many deadlines, in here that have not been met by your government. How can we be convinced that anything you say will come to fruition?

Ms McCARTHY: Member for Katherine, I will go back to the beginning of your question in which you state that we are about paying people less than what they should. I remind you that in my response to that question the alternative to that particular situation was to see 530-odd families without jobs, and we are not about that. We recognise that there has been a discrepancy for many decades in full employment opportunities for people, all people, across the regions, but in particular for Indigenous people. The difference here is that we do have a plan. We have a plan that we are investing in the future of the Northern Territory across our regions, through our budget with the overall infrastructure build, with the *A Working Future* budget of almost \$1bn infrastructure money going to these regions that has not gone there before. That is our plan. Like any plan that anyone has, there will always be issues that come along the way that divert, or cease, or cause problems within that plan. That does not mean we are not committed. It is really important, if we go to the basis of your question about commitment, to want to see these places grow, and we are absolutely committed.

Mr WESTRA van HOLTHE: I just worked out that unemployment benefits are worth about \$12 500 a year, and by the time you tack on all the other benefits that flow from that, that might probably all be lost under your Indigenous jobs program and Indigenous people will not be all that better off.

Ms McCARTHY: Member for Katherine, I will just hand over to the CE, because clearly you are not hearing me.

Mr DAVIES: Mr Westra van Holthe, I will try to put it in the context of dollars; the wage, on-costs, and subsidies. The Northern Territory government has a \$1.6m mentoring program that is going across the shires, so that leaves \$8.4m for direct wage costs. It is anticipated that the councils will fund \$8.4m as well, and this has been negotiated with them, which will give a total wage allocation of \$16.8m, which will enable the employment of 530 people, many of whom will choose to go part-time at \$31 698 per person or, if it was full-time equivalent, that would translate into 400 people at \$42 000 per full-time equivalent. The Australian minimum wage as at 1 July 2011 is \$589.30 a week, or \$15.51 per hour, that is for a 38 hour week, which translates to \$30 965 per annum. That is the minimum wage. So, wherever you go here, and this requires the 50% that the councils are putting in, plus our contribution, around the workforce development plan, these are real jobs. There are 530 of them, and they will fit within the context of being a minimal wage.

Mr WESTRA van HOLTHE: Last question. So this is really a dollar-for-dollar matching funding program for the shires, even though you have not touted it as such?

Ms McCARTHY: It is a process that the shires have worked with us on, with regard to looking at employment. It is an issue that they consistently raised about the employment issues for their regions and this is the outcome that we have come to, yes.

Mr WESTRA van HOLTHE: No more questions on regional development, Madam Deputy Chair.

Madam DEPUTY CHAIR: Do you have any questions, member for Macdonnell?

Ms ANDERSON: Minister, my question is asking for information. On page 115 of the Budget Paper No 3, and in that paper there are grants that have been given to start up 25 businesses. Can you please give details of these grants and the location of the businesses and what type of business it is, whether it is a takeaway, tourism, or whatever, and what businesses have commenced operation?

Ms McCARTHY: Yes, member for Macdonnell, we have that information with us. I will just check whether it is with Ms Kilgariff or with Mr Austin at the moment.

Mr Giles: I would have thought this was the most obvious question.

Ms McCARTHY: Member for Macdonnell, we did have those grants with us. If you could just bear with me a few more minutes.

Madam DEPUTY CHAIR: Do you want to take it on notice and when you have found the answer ...

Question on Notice No 5.12

Madam DEPUTY CHAIR: Would you mind repeating that question?

Ms ANDERSON: On page 115 of Budget Paper No 3, grants have been given to start up 25 businesses. Can you please give details of these grants: location of business; type of business, for example, takeaway, tourism; amount of grant; and what businesses have commenced operation?

Madam DEPUTY CHAIR: That is question No. 5.12.

Madam DEPUTY CHAIR: Any further questions, member for Macdonnell?

Ms ANDERSON: No, that is it, thank you.

Mr GILES: I have a question. Minister, following the question by the member for Macdonnell, can you also identify how many people have been employed in those businesses, whether they are Indigenous or non-Indigenous, and how long they have been employed for?

Madam DEPUTY CHAIR: Is that a separate question on notice? Would you mind repeating that question?

Answer to Question on Notice No 5.12

Ms McCARTHY: Madam Chair, my apologies, we have just found it. I will also be able to answer the member for Braiting's question.

Member for Macdonnell, you wanted to know each of those grants?

Darwin: All Fix Mechanical; Anne Kngwarreye; Bevan Tjampitjimpa; Born & Bred Yard Maintenance; CBUSH Mowing Service; Gary Lang NT Dance Company; HVE Diesel Services; J9 Recruitment Pty Ltd trading as All Aspects Recruitment and HR; Limilngan-Wulna (Land Holding) Aboriginal Corporation; Long Enterprises; Northern Territory Indigenous Tours; Outbush Pictures; Prestige Garden Care; Rainbow Mowing & Gardening; SED Consulting; and Wikstarr Sports.

Katherine: Gulwardi Film.

East Arnhem: Gapaguchi.

Central Australia: Arrulka Business Aboriginal Corporation; Dee Dee's Treasures; Ipolera Aboriginal Corporation; Kurrparru Tours; Ntaria Cleaning Services; RD Mowing & Curbing; Tommy Crow; Uripmerre Tours.

Victoria Daly: The Lazy Lizard Caravan Park; Bradshaw and Timber Creek Contracting Pty Ltd.

Roper Gulf: Seven Emu Station; Yugul Mangi Aboriginal Corporation.

Barkly: The Purple Hibiscus Coffee Shop; W & S Stokes Contracting Pty Ltd.

West Arnhem: Kakadu 4WD Safaris; Ronald Lami Lami; Aunty Pam's Café.

The total Indigenous employment is 78.

Mr GILES: Madam Chair, is it possible to refer back to the member for Macdonnell because she asked the first question and that information has been obtained, in case she wanted to ask a subsequent question.

Ms ANDERSON: No, no, I am happy with that.

Mr GILES: Is it possible to get that paper tabled, minister?

Ms McCARTHY: Absolutely.

Mr GILES: I can look at it at a later date. Are we able to ask about some of the business ideas - what they were for?

Ms McCARTHY: All right.

Mr GILES: I would not mind, just as a matter of interest, about Seven Emus.

Ms McCARTHY: Certainly. I refer you to Richard Austin.

Mr AUSTIN: The grant for Seven Emu Station was for some work around tourism - they are looking at a fishing camp. Over the years they have had people come in there and they are looking at putting up infrastructure.

Mr GILES: These grants can be used for infrastructure as well as business development.

Mr AUSTIN: Infrastructure is part of the business development.

Mr GILES: What is the limit of the grant, minister?

Ms McCARTHY: Richard Austin.

Mr AUSTIN: \$25 000.

Mr GILES: How many of those grants have been for \$25 000? Can you give a rough indication of the size of each grant, or is that on that paper that is coming around now?

Ms McCARTHY: That paper will not have that, member for Brainting. I will see if we have the actual figures with us as well. Can we take that on notice?

Question on Notice No 5.13

Mr GILES: The question on notice is: please provide details on size of grant for each grant under the Indigenous Business Development Program and the Regional Economic Development Fund?

Madam DEPUTY CHAIR: Thank you. That is question 5.13.

Ms McCARTHY: Madam Deputy Chair, they are two separate programs, so you would still like both?

Mr GILES: I would like both.

Ms McCARTHY: Okay.

Mr GILES: So my following question would be what are the grants under the Regional Economic Development Fund?

Ms McCARTHY: Okay, we take those on notice.

Madam DEPUTY CHAIR: That is question 5.13.

Mr GILES: Minister, it was budgeted for 33 Indigenous businesses and organisations to be assisted under the Indigenous Business Development Program. There is only estimated to be 25; is there a reason why? We are only talking about eight, but is there a reason why it is less than the number? Is there poor marketing or lack of take-up?

Ms McCARTHY: Can you show me where you are referring to in the explanations to variations and key deliverables?

Mr GILES: Page 115 of BP3 under Regional Development. It shows there has been a bit of a downturn in the estimation against budget for 2010-11. I am wondering ...

Ms McCARTHY: From 33 to 25.

Mr GILES: Yes, it is only a small number; it is only a small program. I am wondering why, in these times of growth, people are going backwards.

Ms McCARTHY: No, it certainly would not be that. I am informed the reduction to the 2010-11 estimate is due to a number of potential business cases which are not expected to be ready for an application to be lodged before the end of 2010-11. That is not to say they will not be ready; it is an expectation that possibly will be the case.

Mr GILES: Minister, how many applications under the program and the fund have been rejected, and for what reason were they rejected?

Ms McCARTHY: We do not have rejection information with us. We can take that on notice.

Question on Notice No 5.14

Madam DEPUTY CHAIR: Can you repeat that question, please?

Mr GILES: Minister, how many applications under the Indigenous Business Development Program and Regional Economic Development Fund have been rejected in the last financial year and for what reasons were those applications rejected?

Madam DEPUTY CHAIR: That is question 5.14.

Mr GILES: Minister, the approvals under those two programs, if I can call them programs, how many were off the Stuart Highway, so to speak? When you read out the first it only sounded like three.

Ms McCARTHY: With the list that has been tabled, you will see that it is broken down into Darwin, Katherine, and East Arnhem. You will have East Arnhem, Central Australia, Vic Daly, Roper Gulf, Barkly, and West Arnhem. Member for Braitling, I expect you would hazard a guess in looking at those. If you want us to look up their addresses ...

Mr GILES: Maybe Richard might be able to tell us how many of those are out of urban centres, if that is all right, minister?

Ms McCARTHY: Member for Braitling, you actually have the information in front of you. We can look through this now. That information tells you that in Darwin - what you are asking is: is it on the Stuart Highway? I do not know if it is on the Stuart Highway in Winnellie or Stuart Park regarding whether these businesses are off the Stuart Highway.

Mr GILES: The core question is are they out in the bush, or are they in town?

Ms McCARTHY: All right. You see with Katherine, the film production Gulwardi. You have East Arnhem, Gapaguchi. In Central Australia there are businesses there. Vic Daly, Roper, Gulf, Barkly and West Arnhem - all of those are outside of Darwin.

Mr GILES: I appreciate that Alice Springs is outside of Darwin. Thanks for pointing it out. I was interested in what is not in Alice Springs and what is not in Katherine. That was the core of my question.

Ms McCARTHY: Richard, if you would like to assist the member.

Mr AUSTIN: We did not have the figures in front of us, but a quick look through, 11 businesses I can count would be off the Stuart Highway, as you call it.

Mr GILES: Yes, you know what I mean. Eleven out of 25. How many of those would be based in Darwin?

Mr AUSTIN: Sorry, I just have to count out the ones underneath Darwin. Fifteen.

Mr GILES: Fifteen of the Darwin ones are in Darwin?

Mr AUSTIN: I am looking at them now. I think so.

Mr GILES: There are only 16 in Darwin. Is that right? Sixteen in Darwin region and 15 of them are in Darwin. It does not really sound too much like regional development. It sounds like a good program you can access anywhere.

Ms McCARTHY: It is about new Indigenous businesses, member for Braitling. Indigenous people are all over the Northern Territory.

Mr GILES: That is wise of you to point that out to me. The Future Forums: four have been held this year, or there will be four held this year, 15 next year. What happens at a Future Forum, how much does it cost to hold, and who goes?

Ms McCARTHY: We had the first at Ngukurr towards the end of last year. From memory, that was around 20 but I will confirm that with Fran Kilgariff. We also had one in Ntaria recently. The figure for Ngukurr was \$31 000. Do we have the figure for Ntaria as well?

Ms KILGARIFF: No, we do not.

Ms McCARTHY: \$31 000 for Ngukurr. We can find out the cost for Ntaria.

Madam DEPUTY CHAIR: Do you want to make that a question on notice then?

Question on Notice No 5.15

Mr GILES: Yes I do. I am just recalling the question. What is the total cost for all the Future Forums that have been held to date? What is the budget for the 15 Future Forums to be held in the next financial year?

Madam DEPUTY CHAIR: That is question 5.15.

Mr GILES: Minister, a couple more regarding coordination. Regional development is really important. The biggest thing happening in the regions that I can see is SIHIP. You must be thoroughly disappointed with the performance of that program ...

Ms McCARTHY: Not at all.

Mr GILES: Regarding coordination, how do you work with things like the Ord River Stage 2?

Ms McCARTHY: I knew you were going to ask me that one. Just bear with me, member for Braitling. I got this one especially for you ...

Mr Elferink: Might be with the other document you lost.

Ms McCARTHY: What was that?

Mr Elferink: I am just muttering under my breath – ignore me.

A member: It is not your area.

Ms McCARTHY: It is not my area, but I recall you were very interested in it last year and I wanted to see if we could have something for you on this ...

Mr GILES: I can tell you why, because Regional Development is a very important portfolio. Not much happens in it apart from a couple of grants, and you have the opportunity to drive forward significant reforms in the bush of the Northern Territory. The Ord River is one such opportunity.

Ms McCARTHY: Thank you, member for Braitling, I shall certainly ...

Mr GILES: It would be great if you took it up.

Ms McCARTHY: I was able to get some information, thinking that you would possibly ask this. Would you like me to ...

Mr GILES: Yes. Or you can table it, either way.

Ms McCARTHY: Okay. Let me read it, or just a bit of it. The Western Australian government committed \$220m from their royalties for the region's program to extend the Ord River Irrigation Scheme into Stage 2, so this will open up the 8000 ha for expressions of interest mid-year. When the expressions of interest have been received, the level of interest and opportunity for development will be much clearer. The minister responsible and our government will continue to monitor that progress to ensure that the Northern Territory capitalises on the development opportunities as much as possible.

Mr GILES: Have you done any modelling for the regions, in particular growth towns - I know this is not the Indigenous portfolio, but it is the regional portfolio - in relation to the carbon tax and implications on the Northern Territory for the regions?

Ms McCARTHY: We are very conscious, as the Chief Minister has said, that we need to see the details of what that is. With my area of the reforms across the Northern Territory and those growth towns, you are right, we need to be very much across that, and I will certainly be making it sure that I am.

Mr GILES: So you have not had any internal briefings or done any modelling to date about the likelihood of the carbon tax in the Northern Territory?

Ms McCARTHY: We cannot do any modelling on information we do not have.

Mr GILES: So you have not done anything?

Ms McCARTHY: We cannot do any modelling on information we do not have, member for Brainting.

Mr GILES: No worries, I will leave it there, Madam Deputy Chair.

Madam DEPUTY CHAIR: Thank you, so we conclude Output 1.2.

Output 1.3 - Interpreter and Translator Services

Madam DEPUTY CHAIR: I call for questions on Output 1.3 - Interpreter and Translator Services.

Mr WESTRA van HOLTHE: Budget Paper No 3, page 116, indicates that your target for the number of Aboriginal interpreters for the current year was 400, yet you only have 350 registered according to that, but in your opening statement, you said there were 488. Minister, who is correct: you or the budget paper?

Ms McCARTHY: There is a very good reason for that. Registered interpreters – 400 - 350.

Mr Elferink: You said 400, and 350 ...

Ms McCARTHY: Hang on, member for Port Darwin, it is all right.

Mr Elferink: We wait with bated breath.

Ms McCARTHY: Oh, thank you.

Mr WESTRA van HOLTHE: In the 2010-11 estimate, 350, yet you said in your opening statement it is 488.

Mr Elferink: It is a matter of interpretation.

Mr WESTRA van HOLTHE: That is right. Oh, very quick for this time of the night, Mr Elferink.

Ms McCARTHY: We will get our Aboriginal Interpreter Service to the table which, I might add, is the first time for a while, is it not?

Ms ROSAS: It is. Colleen Rosas. The reason is that they are casual interpreters. Many of those casual interpreting numbers have started going down because we are now starting to employ interpreters in temporary full-time positions, rather than as casuals, so those numbers are fluctuating all the time. At the moment, we have about 22 interpreters who are full-time public servants, rather than casual.

Mr WESTRA van HOLTHE: Thank you. Is the Katherine Language Centre funded through your section? No, okay. That is all from me on Interpreter Services.

Madam DEPUTY CHAIR: Member for Macdonnell.

Mr ELFERINK: One question I guess, no, that was one for her and away she goes.

Madam DEPUTY CHAIR: Oh right, I am with you. So that concludes consideration of Output ...

Mr GILES: Madam Deputy Chair, I would not mind asking a question too. There are 22 full-time interpreters, and I am not getting into the same debate from before, but what is the average salary for an interpreter?

Ms ROSAS: Full-time interpreters are on the NT Public Service stream of AO3. Then we have another capacity of AO5, the more senior interpreters, and I cannot tell you off the top of my head.

Mr GILES: No, that is all right. How many AO3s and how many AO5s?

Ms ROSAS: We will have six AO5s within the next couple of weeks. We have three on board now; there are another three being recruited. The casual interpreters can earn anything up to - a full week's work could earn up to \$2500 a week.

Mr GILES: How many permanent AO3s do you have?

Ms ROSAS: They are not permanent as such. They are temporary contracted officers until 30 June 2012. At the moment we have the capacity for 22 full-time equivalents.

Mr GILES: In Budget Paper No 3, page 116, it has listed community-based interpreters; 22 is the budget and 16 is the estimate. Is that the people we are talking about?

Ms ROSAS: Yes.

Mr GILES: So there are 16. So there are 350 estimated registered interpreters but we are only using 16?

Ms ROSAS: No, no, no. The 350, that was casual interpreters. They are separate completely from the others. Those other ones have been drawn out of that, the casual pool.

Mr GILES: What training and development do you do of the casual and full-time interpreters and what is the budget for that?

Ms ROSAS: I would not be able to give you the figures for the budget. Much of our training we do internally. We have five trainers employed across the Territory. The interpreters undertake language assessments, induction training, legal training, health training, topic specific training, and the Diploma of Interpreting. We are currently negotiating an MOU with BIITE for them to do the Diploma of Interpreting. We also have a number of interpreters who do the national accreditation training so are nationally accredited. Within the last nine months we have had 15 people reach the national level. We also have interpreters at the professional level of accreditation.

Mr GILES: Excellent. Thank you very much. That is what I wanted to know. Fantastic, well done.

Ms SCRYMGOUR: A point of order, Madam Chair. I would like to just, member for Braitling, acknowledge, and also, minister, you and with Colleen, it is fantastic to finally get the Interpreter Service up.

Members: Hear, hear!

Ms SCRYMGOUR: And you do a fantastic job.

Mr Elferink: I remember a certain rebel member for Macdonnell back in 2000 arguing for this stuff. I feel quite parochial about this.

Madam DEPUTY CHAIR: If we can just keep moving.

Output 1.4 - Water Safety and Animal Welfare

Mr WESTRA van HOLTHE: Bearing in mind I only have a very short time, minister, this question relates to an internal memorandum from the Department of Housing, Local Government and Regional Services to you and noted by you on 2 August, 2010 which relates to Mataranka Station. I refer to the bottom of page 1 which says:

For a complaint to be successfully filed, it would need to be filed no later than 3 September 2010.

On the back page it says:

If legal proceedings are initiated the Animal Welfare branch will not have the resources to investigate the matter within the required time frame and would need to contract additional assistance.

From 2 August to 3 September is a month. Did you authorise additional contract assistance for the Animal Welfare branch within that month? If not, why not?

Ms McCARTHY: We are in the Animal Welfare section now?

Mr WESTRA van HOLTHE: We are.

Ms McCARTHY: Did I authorise extra resources to go into the Animal Welfare branch?

Mr WESTRA van HOLTHE: Correct. Did you, and if you did not, why not? You had a month to do it.

Ms McCARTHY: Member for Katherine, I am pleased to inform the Estimates Committee we have done a tremendous amount of work in resourcing that unit.

Mr WESTRA van HOLTHE: In 2010, minister, did you authorise additional resources for the Animal Welfare branch to finish this investigation so a complaint could be filed in time to meet the statute of limitations? If not, why not?

Ms McCARTHY: In August 2010 I noted the concerns of that brief. Sorry, that brief you are referring to is in July or June? I just need ...

Mr Elferink: It does not matter.

Ms McCARTHY: This is important and it does matter, member for Port Darwin, because an inquiry is under way, as you would be well aware. It is important I get a direct picture of which brief you are referring to so I can answer appropriately.

Mr WESTRA van HOLTHE: It is dated 13 July 2010 by Mr Davies, and noted by yourself on 2 August 2010 - some two weeks later.

Ms McCARTHY: What we were able to do between that time was ensure there were changes within the branch to ensure there was resourcing to allow an investigation not only with Mataranka, but one of my primary concerns other than Mataranka was there could be other places across the Northern Territory which may require investigation. The answer is, yes.

Mr WESTRA van HOLTHE: You authorised additional Animal Welfare branch assistance - contracted assistance prior to 3 September?

Ms McCARTHY: I would have to check the dates, but I can tell this committee I pushed very strongly with my CE that we needed to advance and improve that unit immediately, and that work was undertaken immediately.

Mr WESTRA van HOLTHE: Did it happen within that month? The crux of it is whether you were going to be able to file charges before 3 September?

Ms McCARTHY: I am referring specifically to the resourcing of the Animal Welfare branch of the unit ...

Mr WESTRA van HOLTHE: Yes, they required additional ...

Ms McCARTHY: ... to be able to carry out not only any investigation in Mataranka, but any other area as well.

Mr WESTRA van HOLTHE: I am trying to be specific here. The third page of this memo says, in part:

If legal proceedings are initiated, the animal welfare branch will not have the resources to investigate the matter within the required time frame and would need to contract additional assistance.

Did it get additional assistance in that time frame?

Ms McCARTHY: I will refer to the CE because I cannot, without having a time line, member for Katherine - bear with me; this is not about not answering you. I am conscious that an inquiry is under way. I want to make sure and, as I do not have a copy of the brief you are referring to, I can only go on what you are saying in regard to dates. I would like to say that in resourcing of that branch, it was a major step to do so immediately, and I will hand over to Ken Davies.

Mr DAVIES: Mr Westra van Holthe, that briefing went to the minister on 13 July. We, at that time, were awaiting the outcome of the Ombudsman's report. I am going into things that will come up in the CTC hearing and going forward. We were flagging that if we were going to prosecute within the statute back into September 2009, we would need additional resources. At that stage, we did not have a large enough profile of evidence to go back and do the work in 2009. We were anticipating and hoping the Ombudsman's report would become available and, on that basis, we would have additional evidence and from there we were going to move as quickly as we could, which is what we did. Once we received the report, we appointed Ray Murphy immediately, and he got things under way.

Mr WESTRA van HOLTHE: When was Ray Murphy appointed?

Mr DAVIES: He was appointed in October or November

Mr WESTRA van HOLTHE: Of 2010?

Mr DAVIES: That is correct, of 2010. Once the Ombudsman's report had come through.

Mr WESTRA van HOLTHE: Three months after the statute of limitation.

Mr DAVIES: I will go back to what I said before, Mr Westra van Holthe. At that time we did not have an evidence base to proceed to a prosecution and we were awaiting the report. We thought it was going to be with us by June or July. It was not tabled until October.

Mr WESTRA van HOLTHE: Waiting for the report from whom?

Mr DAVIES: From the Ombudsman.

Mr WESTRA van HOLTHE: The animal welfare department is charged with the responsibility, in part, of investigating complaints of animal welfare. What stops the department of animal welfare from conducting an investigation at the same time as the Ombudsman?

Mr DAVIES: We had done that and at that time, going on the work we had done in 2009 with door inspectors and that type of thing, we did not have a case profile that would allow us to proceed to a prosecution.

Mr WESTRA van HOLTHE: I refer to another document received under FOI. This is a copy of a report from DoR - I guess he is a vet - Mr John Eccles. This is dated 5 September 2009, a year before that memo came to light. It says:

Considering what has been observed at the station ...

It is quite lengthy, so I will not read the whole thing:

... I am going to recommend that under the Animal Welfare Act, the manager, Mr Ian Gray, and his supervising officer, Mr Ken Suter, be held accountable.

That means, prosecute. If you read this, and I am sure you have, it talks about weaners and other cattle in yards in desperate need of food. It says:

The animals held in the laneway and the yards have not been provided with appropriate food or water for an extended period up to 5 September 2009. Treating the animals in such a manner is likely to cause them suffering.

How much more evidence did you need?

Mr DAVIES: Mr Westra van Holthe, I came into that agency in December 2009. When we got to this particular matter - and this brief followed from that - when I went back and looked at the evidence file and what we collected within the agency at that point in time, we did not have sufficient evidence base to proceed to a prosecution.

Mr WESTRA van HOLTHE: What evidence did you review to form that conclusion?

Mr DAVIES: We looked at the files in our Animal Welfare branch. We were waiting on further feedback from the Ombudsman's report and, at that time, we did not have sufficient evidence to proceed with a prosecution for the matters in 2009.

Mr WESTRA van HOLTHE: Who makes that determination? You or the Department of Justice?

Mr DAVIES: We sought legal advice about whether we could prosecute and, at that point in time, we did not have anything we could provide that was going to be substantive enough to lead to a prosecution.

Mr WESTRA van HOLTHE: Remember, you are talking to a former policeman who used to prosecute matters quite regularly in the courts. You only need a prima facie case to commence a prosecution. I submit on that memo from Mr Eccles alone, you had a prima facie case to commence a prosecution.

Mr DAVIES: We did not do that, Mr Westra van Holthe, and that will be part of the Council of Territory Cooperation hearings and the inquiry. Part of it was about the resourcing levels we had in our agency, but we did not proceed to do that.

Mr WESTRA van HOLTHE: Why did you not proceed to do that?

Mr DAVIES: Because, we did not, at that point in time, have the required evidence to proceed.

Mr WESTRA van HOLTHE: I am sorry, Mr Davies, you are going around in circles. That is ...

Mr DAVIES: I can tell you the report by Mr Eccles was overridden by more senior officers who are DoR vets. That was his analysis at that point in time. I would like to leave the rest of this to the inquiry.

Mr WESTRA van HOLTHE: No, I am happy to talk about it now. Mr Eccles, I am assuming, is a person qualified to make assessments under the *Animal Welfare Act* through his work as a vet for DoR?

Mr DAVIES: As I understand it, at that point in time we were relying on a range of DoR vets who were providing us with advice. Mr Eccles was not the only one who was involved in this matter.

Mr WESTRA van HOLTHE: The report from Mr Eccles says:

It appeared that there had been no attempt to adequately feed the stock being held in those yards, or those 350-plus animals, cows, calves, weaners, that were being held in a laneway adjacent to the Stuart Highway. The stock in the laneway had only limited access to water, simply a 2 m long trough. The next watering point was 10 km away in Wire Hill Paddock, to which they had access. The laneway paddock, as mentioned in the initial report on 4 September 2009, held almost no available feed for stock for at least the first 2 km to 3 km from where the stock had congregated around the water trough. Basically, nothing much of any nutritional value would have been available for the stock within 5 km of this water trough ...

Ms SCRYMGOUR: A point of order, Madam Deputy Chair.

Mr WESTRA van HOLTHE: If I could finish, if you do not mind ...

Madam DEPUTY CHAIR: Pause, please, a point of order has been called.

Ms SCRYMGOUR: Listening to the questioning, as the minister and the CE of the department rightly pointed out, it is part of an inquiry. You are going to information which will be submitted to that inquiry. Unless the member for Katherine has questions relevant to the budget and the appropriation, no further questions in relation to this should be put forward.

Mr ELFERINK: Madam Deputy Chair, may I speak to the point of order?

Madam DEPUTY CHAIR: Yes.

Mr ELFERINK: This matter has been a source of great embarrassment for government. A motion by this committee, particularly started by a Labor member of this committee, to attempt to shut down this line of questioning will be seen in the media as another attempt to continue covering up. I am quite happy to have that argument in the media, and if the member for Arafura wants to continue embarrassing government by allowing those allegations to continue, then bring it on. I can tell you right now, Madam Deputy Chair, you will have a fight on your hands with me, and my colleagues on this side of the table, if there is any motion or any attempt to shut down this line of questioning.

Ms SCRYMGOUR: Madam Deputy Chair, speaking to the point of order, I suggest you rule on it. Bring it on, member for Port Darwin. I am scared, I am threatened. You want to be able to walk out of here, issue your press release and shove it off to the media. You talk about playing jokes about this in the media and running this thing. All this is about you getting your media and headline grab tonight and tomorrow morning. I suggest we get back to what estimates is supposed to be about, the appropriation, and Madam Deputy Chair, I suggest you rule.

Madam DEPUTY CHAIR: Thanks. And I will rule, member for Katherine. This matter has already been referred by the House to a parliamentary committee. We have had evidence from both the minister and the CE of the agency to that effect. Member for Katherine, if you have questions around the outputs in front of us in relation to the budget ...

Mr ELFERINK: Do you want to take this back into the PAC, because you are about to get a dissent motion?

Madam DEPUTY CHAIR: Member for Port Darwin, as I have said ...

Mr ELFERINK: The cover up continues and you cannot help yourself.

Ms SCRYMGOUR: It is not covering up.

Madam DEPUTY CHAIR: Member for Port Darwin, the matter around animal welfare governance has been referred for inquiry to a sub-committee of the Council of Territory Cooperation.

Mr ELFERINK: We cannot talk about it anywhere else; that is a nonsense.

Ms SCRYMGOUR: Put up your dissent motion and see how far it goes.

Madam DEPUTY CHAIR: That is where the matter has been referred to, and that is the appropriate place to be discussing it.

Mr ELFERINK: It is also appropriate to discuss it. It is part of the animal welfare budget and what it is doing. This is ridiculous and, if that is your ruling, you can expect a dissent motion right now.

Ms Scrymgour interjecting.

Mr ELFERINK: I move dissent, Madam Deputy Chair. We resolve back into the PAC.

Madam DEPUTY CHAIR: We will suspend the committee while members of the PAC convene.

The committee suspended.

Mr CHAIRMAN: It is 8.22 pm and we will be taking a break in about 40 minutes. We are with member for Port Darwin who ...

Ms SCRYMGOUR: The member for Katherine.

Mr CHAIRMAN: No, we have to start back one step from that.

Mr ELFERINK: Excuse me, Mr Chairman, I withdraw the dissent motion.

Mr CHAIRMAN: The motion is withdrawn. We are at Output 1.4. The call is with the shadow minister.

We are going to continue questions in that output as long as the committee bears in mind the following test of relevant, adopted from the Senate Procedures Committee in 1999, that any questions going to the operations of financial positions of the departments or agencies who seek funds in the estimates are relevant questions for the purpose of estimates hearings. That is the test we apply to questions asked here.

Members are welcome to ask any question on any issue they wish within that output as long as they meet the test of relevance. We will continue as we were and will apply that test to questions as we go. The call is with the member for Katherine.

Mr WESTRA van HOLTHE: Thank you. Mr Chair, I provided the minister with a document I had received and ask if I could have that copy back. I am happy for it to be tabled, but I did provide it so the minister could refer to it.

Ms McCARTHY: Can we have it tabled?

Mr CHAIRMAN: Is that with tabled papers? Okay.

Mr WESTRA van HOLTHE: Minister, what is the current staffing of the Animal Welfare branch.

Ms McCARTHY: Member for Katherine, I will hand over to our chief executive, Ken Davies.

Mr DAVIES: Thanks, minister. Mr Westra van Holthe, in relation to the current staffing, we have a director of Water Safety and Animal Welfare that sits over – he is director of the branch and has responsibility for both the water safety area and the animal welfare area. That position reports directly to the Senior Executive Director of Local Government, Fran Kilgariff, and also the Animal Welfare Authority. In relation to the resourcing in the Animal Welfare branch, there is a Manager of Animal Welfare, there is a Senior Animal Welfare Inspector and two Senior Animal Welfare Inspectors in Darwin.

There is one senior welfare inspector to be based in Alice Springs and two senior welfare animal inspectors based in Darwin. There is a further animal welfare inspector by two, and there is a Manger of Community Education and Engagement and a Project Officer allocated too. We also have a 0.5 position that looks after some customer services in relation to animal welfare, and we have a Senior Project Officer engaged in animal welfare 0.5 of the time. This is as of June 2011.

In July 2010 there was the same structural arrangement sitting over the top of it with the Director, Water Safety and Animal Welfare and the Senior Executive Director, Local Government. At that point in time, there was a Manager of Community Education and Engagement. There was an Animal Welfare Inspector, a Project Officer, and a Manager of Water Safety and Animal Welfare in the branch. There were four positions; it is now substantially different. I am prepared to table both of these organisation charts.

Mr WESTRA van HOLTHE: That will be good, thank you. That would be useful. The change in staffing of the Animal Welfare branch came as a result of the criticism directed at government over the Mataranka debacle? Is that correct?

Ms McCARTHY: Member for Katherine, I make it clear to the Estimates Committee from the outset, we have made significant advances in improving resourcing in the unit. Clearly, the issue at Mataranka was an absolute disgrace. What happened at Mataranka was a disgrace and we have moved on that within the agency in resourcing. However, there are other elements of that whole issue which is going to be scrutinised - and rightly so - through the CTC process.

Mr DAVIES: Mr Westra van Holthe, I would need to get the timing. This will come up at the CTC inquiry - the point at which these additional positions were allocated within the branch. They certainly started last

year. I can provide that later. Regarding the budget outlay, when you look at it we have been repositioning resources from within our agency's footprint. We have 680-plus staff to put in positions here and then recruit to them. We have recruited investigators from Department of Justice. We had a very lean organisation when I started in the agency and we, very deliberately at the direction of the minister, moved to improve the capacity - particularly to do investigations.

Mr WESTRA van HOLTHE: The improvement in capacity is in response to what happened at Mataranka - an acknowledgement by the minister that there was insufficient staffing in the Animal Welfare branch?

Ms McCARTHY: Member for Katherine, you will find when we go through time lines, a number of steps took place prior to my push with the CEO to see an increase in that unit take place. To answer your question regarding Mataranka, Mataranka, as it should, raised alarm bells very loudly so we had to see, not only within our agency but across government, there was an MOU established. We will go into further details of that, no doubt, at a later date.

Mr WESTRA van HOLTHE: Minister, you still have not responded in any meaningful way with respect to the month you had in 2010, between 2 August and 3 September, in which to file a charge against anyone under the *Animal Welfare Act*. You were advised in that memo the Animal Welfare branch did not have sufficient resources at that point to effect the investigation and prosecution. You have, since then, moved forward with staffing. Why did you not move forward when you were given that red flag to say: 'We need to prosecute within a month; we need the staff to do it'? Why did you not?

Ms McCARTHY: We did move. I explained previously that when we moved it was not only about resourcing the unit, it was also a clear recognition that there were discrepancies across government in agency communication. We moved very effectively in the communication that needed to take place between a number of agencies that clearly had not been taking place.

Mr WESTRA van HOLTHE: Yes; the memo does not really cover the breakdown in communication between departments. What it does cover is the fact there was a requirement for additional resources to be put in place in that one month period in order to file a prosecution with the statute of limitations. I am not convinced additional staff were provided because you have not been able to tell me, during that month.

Ms McCARTHY: I will hand over to Ken Davies, but let me make it clear here, member for Katherine, you are referring to the memo, and I am referring to the action. You are asking me what I did once I was aware of these issues. I am expressing to you, as the member questioning me, and to the Estimates Committee that this action took place. The concern was not only in the resourcing of the unit. The concern was, very appropriately, about the lack of effective communication across agencies. That was a clear focus. It may not be documented in the memo, but as minister responsible, I could see other factors at play here. I will be more than happy to discuss that when we go through the time line at the CTC.

Mr WESTRA van HOLTHE: Once again, minister, you have answered my question with the same answer. You were given a red flag on 2 August ...

Ms WALKER: A point of order, Mr Chairman! The member keeps asking the same question. The minister is saying she has answered that. We have talked about the fact this issue has been referred by the House to an inquiry, through the Council of Territory Cooperation. I ask the member for Katherine to move to the next question.

Mr CHAIRMAN: I will speak to this briefly and remind the committee again of our test of relevance, which is the operation of financial positions of departments, and also of Standing Order 114:

A question fully answered cannot be renewed.

Estimates is conversational in nature, and there is a degree of back and forth and we are doing that at the moment. When a question is asked several times and the same answer is given several times, normally I would suggest moving on and finding a different way of asking the question, or a different issue.

Question on Notice No 5.16

Mr WESTRA van HOLTHE: I can ask the question, Mr Chairman, and it may have to be taken on notice. Can the minister please advise me, during the period 1 July 2010 to 30 October 2010, whether any

additional staff were employed or otherwise engaged in the Animal Welfare branch; what dates those people commenced work; and were any of them given a brief or instructions to work on the prosecution of anyone at Mataranka Station?

Ms McCARTHY: Member for Katherine, I can take that question on notice.

Mr WESTRA van HOLTHE: All right.

Mr CHAIRMAN: I think that was given pretty succinctly; normally I would ask you to repeat it.

Mr WESTRA van HOLTHE: Thank you. I probably would not remember what I said.

Mr CHAIRMAN: That is question No 5.16.

Mr WESTRA van HOLTHE: I have no further questions.

Mr CHAIRMAN: Member for Port Darwin.

Mr ELFERINK: Minister, when you say you allocated extra resources to the staff when you became aware of this issue, what were those resources; how much money; what was hired; what was purchased; etcetera? Can you give us a breakdown?

Ms McCARTHY: Member for Port Darwin, we can provide that breakdown for you. We may need to take it on notice.

Mr ELFERINK: By personnel?

Mr DAVIES: The org charts I have tabled, Mr Elferink, make it pretty clear where it was in July 2010 and what is in there now.

Mr ELFERINK: That is not what I asked. The minister said in answer to the question: 'The moment I was aware of this, I insisted extra resources be allocated'. She spoke to you, Mr Davies, and said: 'Make this happen'. You then allocated the extra resources. What did those resources purchase at that time?

Ms McCARTHY: We can take that on notice.

Question on Notice No 5.17

Mr CHAIRMAN: Member for Port Darwin, could you ask the question again?

Mr ELFERINK: What were the resources immediately brought to bear by the CE upon receiving an instruction from the minister to apply resources to this issue?

Mr CHAIRMAN: That is question number 5.17. You are happy to take that on notice.

Mr ELFERINK: Mr Davies, whilst I have the question on notice, can you cast your mind back and remember if it involved people?

Mr DAVIES: Mr Elferink, I will go to the advice as well. That memo was advice from me to the minister and was flagging that if a prosecution was to proceed I would need to allocate additional resources to do it.

Mr ELFERINK: That is right.

Mr DAVIES: That is correct. In that context, that was advice I gave to the minister, and it was my advice to her flagging that is what I would have to do. In the context of what I allocated, we started to talk about additional positions going in there; we started talking about proper investigative training; and we started talking about the MOU with DoR. I will need to go back and get the exact time frames for you.

Mr ELFERINK: In the allocation of resources, you can understand my concern that the minister, upon your advice, says, tick allocation of resources, and your response to this particular inquiry on foot is to run a training course. You can imagine that would cause a ...

Mr DAVIES: No, the minister specifically asked me to put additional human resources into the branch.

Mr ELFERINK: Into this particular investigation?

Ms McCARTHY: We have taken, Mr Chairman, that question on notice regarding the specifics of the resourcing of that unit. We are more than happy to do that.

Mr ELFERINK: Into that particular investigation. You had a month window. Did it occur to anyone, minister, to call the police, who are expert criminal investigators - they do it all the time - to assist you with these investigations?

Ms McCARTHY: As we look back on what happened in that time, member for Port Darwin, it is an area of absence in calling the police. It is an area where we could have done better, and we should have done better. I have said publicly we are not blameless in this. And the answer to your question is, yes.

Mr ELFERINK: What? You did call the police?

Ms McCARTHY: Yes, we should have called the police.

Mr ELFERINK: Did you call the police?

Ms McCARTHY: No, we did not.

Mr ELFERINK: Did you go to any other bureau attached to the Northern Territory government with experience in criminal investigation, perhaps the Department of Justice, and ask for direct assistance in relation to this investigation?

Ms McCARTHY: Mr Chairman, if I may express to the Estimates Committee we are talking about particular time frames of an inquiry that is very important - that we are able to express the time frames as fairly as we can. The member for Port Darwin is asking for information. Clearly, there was information at various times which we sought, but what we also did around that time was work with the Ombudsman. We were given notice through the Ombudsman and the deputy that this report coming to parliament was one we were waiting for in order to pursue any other evidence that came from that report.

Mr ELFERINK: Minister ...

Ms McCARTHY: Now ...

Mr CHAIRMAN: The minister still has the floor.

Mr ELFERINK: No, that is fine. I thought she had finished.

Ms McCARTHY: Excuse me. This is important because what you are asking is particular aspects of an inquiry that is under way. We need to have the opportunity to fairly and effectively describe our role throughout a particular period. You are cherry picking certain moments. It is very difficult to give to the Estimates Committee a very clear vision of what we did. I have answered your question regarding the police, but I also want to add on the public record that we were working with the belief the Ombudsman's report was coming down much sooner.

Mr ELFERINK: Was there communication, minister, between you or your department and the Ombudsman during the period the Ombudsman had her investigation ongoing and before she handed down her report?

Ms McCARTHY: I have stated on the public record, member for Port Darwin, that I met with the Ombudsman and I need to clarify the date of that meeting. From memory, it was in June. It was after a particular memo which was quite disturbing and I wanted a direct briefing from the Ombudsman.

Mr ELFERINK: In June you were aware of the concerns on Mataranka Station?

Ms McCARTHY: The concerns at Mataranka were raised in 2009, member for Port Darwin.

Mr ELFERINK: You are talking about June 2010. When did the issues in 2009 occur? Remember there is a 12 month period in which you can bring a prosecution? June was well within that 12 month period, correct?

Ms McCARTHY: That is correct.

Mr ELFERINK: You were aware in June 2010 of the potential to commence a prosecution. I would go so far as to say the reason the Ombudsman was communicating with you was to alert you to the possibility of a prosecution.

Ms McCARTHY: No. The reason the Ombudsman was communicating with me was because I requested it.

Mr ELFERINK: Mr Davies, when you referred to an insufficient prosecution profile, how did you expect to gain more information about the matter to determine whether to proceed?

Mr DAVIES: We were expecting the Ombudsman had surfaced additional material that was going to run into 2010 that would stay within the 12 months statute. We expected, in her report, she was going to point to matters that had occurred in 2010 we could look into and prosecute. That is why, immediately the report was tabled in parliament, I appointed Ray Murphy.

Mr ELFERINK: Yes, but by that stage it was too late.

Mr DAVIES: It was too late for 2009, agreed.

Mr ELFERINK: Minister, is it the position of your government that it was the Ombudsman's fault that a prosecution was not commenced?

Mr CHAIRMAN: Pause one second there.

Ms McCARTHY: It is not the position of the Northern Territory government that ...

Mr CHAIRMAN: Mr Davies is still answering the previous question.

Mr ELFERINK: Mr Davies, sorry.

Ms McCARTHY: ... it is the Ombudsman's fault.

Mr DAVIES: No, that is not the case at all, Mr Elferink. We anticipated there would be matters we could look into more robustly than we had in 2009 that would be revealed in the Ombudsman's report that would fit within the statute.

Mr ELFERINK: Minister, clearly the Ombudsman was communicating with you and your department about these issues. This should have alerted you to say: 'Goodness, we had better do something about this'. You would have expected a full and thorough investigation from your department in June as to what was happening in Mataranka. Did you order a full and thorough investigation as to what was happening in Mataranka after your meeting with the Ombudsman in June?

Ms McCARTHY: After my meeting with the Ombudsman I was very concerned about the lack of communication across agencies in relation to not only Mataranka but many other areas across the Northern Territory. One of the things in my discussions with the Ombudsman was that her report was going to be vital in assisting whatever steps we took. At the same time, I was conscious of the fact that there could be other Matarankas out there, and the fact that there was a lack of effective communication across agencies, which is where we moved on, at the same time.

Mr ELFERINK: Did you order a full and complete investigation into what was occurring in Mataranka after your meeting with the Ombudsman in June?

Ms McCARTHY: No.

Mr ELFERINK: That was not so hard. Why not?

Ms McCARTHY: I just answered that question, Mr Chair.

Mr ELFERINK: I do not accept the answer because all you have done is tell me what you did, which was order some more resources when an investigation should have been commenced. Why did you not commence an investigation? I ask you again, without telling me about your resources, why did you not order an investigation be commenced into the information you had been provided by the Ombudsman?

Ms McCARTHY: Member for Port Darwin, I will answer the same question with the same answer. I was waiting for the Ombudsman's report, which was due to come down much sooner than it did, and in the interim we pursued resourcing within the Animal Welfare Unit, as well as ensuring there was effective communication across agencies in the Northern Territory government by making sure an MOU was in place to not only look at the issue of Mataranka, but also any other areas of concern across the Northern Territory if there was a lack of communication across agencies, which was clearly one of the issues in all of this.

Mr ELFERINK: In June, in the anticipation of the earlier arrival of the Ombudsman's report, you wanted to establish an effective communication system to be able to respond to the Ombudsman's report? Is that correct?

Ms McCARTHY: No, member for Port Darwin.

Mr ELFERINK: Explain it to me.

Ms McCARTHY: You are making up another response here. I am saying in communication between departments - DoR, my agency and other agencies - it was very clear from my briefing with the Ombudsman that there was ineffective communication across agencies.

Mr ELFERINK: You then moved to fix that in June?

Ms McCARTHY: I moved to fix that after my briefing with the Ombudsman.

Mr ELFERINK: You were waiting for the Ombudsman's report to come down; you were getting all of these communication systems in place ...

Ms McCARTHY: Resourcing as well.

Mr ELFERINK: Why did all of that not work?

Ms McCARTHY: In terms of?

Mr ELFERINK: You put all these things in place. The Ombudsman was telling you there was a problem. You had a 30-day window to respond now that you had all these resources in place. Why did it not work? Why did it fail?

Ms McCARTHY: Member for Port Darwin, one of the things I have said consistently in all of this is we could have done better and we should have done better - and we did not.

Mr ELFERINK: No more questions.

Mr CHAIRMAN: That concludes consideration of Output 1.4, output group ...

Mr GILES: I might want to ask some questions too, Mr Chairman, if that is all right?

Mr CHAIRMAN: Do you have questions to Output 1.4, Output Group 1.0?

Mr GILES: I do. I did not want to ask any questions on this, minister, but with the same theme in mind about the Montara oil spill, child protection inquiry - I believe you were previously child protection, minister - SIHIP and all the other things ...

Mr CHAIRMAN: Are we going to a ...

Mr GILES: We are, Mr Chairman. I understand the role of the Estimates Committee; do not worry. You said you have made mistakes, minister, and you could have done better. However, I am recalling - and I

did not get involved at the time - was it Warren Anderson? Who was the person you tried to prosecute who had the wild animal farm?

Ms McCARTHY: With Tipperary?

Mr CHAIRMAN: Did you just ask about Tipperary?

Mr GILES: Yes.

Mr CHAIRMAN: The question has been asked ...

Mr GILES: No, I am not asking about Tipperary, I am thinking about it.

Mr CHAIRMAN: Sorry.

Mr GILES: The members for Katherine and Port Darwin have asked questions about time lines. I do not understand why you did not go to prosecution; why you did not do it. You have been talking about staffing and all that; I want to know why you did not do it.

Mr CHAIRMAN: The question has been asked and, minister, you are welcome to answer it. That question has already been asked four or five times.

Mr GILES: It was asked about staffing and ...

Ms SCRYMGOUR: A point of order, Mr Chairman! Standing Order 114 ...

Mr CHAIRMAN: That question was directly asked. I take your point of order; I think I know where you are going.

Ms SCRYMGOUR: ... and Standing Order 112.

Mr CHAIRMAN: The question has been asked. The minister has answered it previously. You can answer it the same way again, but I remind you of Standing Order 114.

Ms McCARTHY: I will say to the member for Braitling that the Ombudsman's report to the parliament was a critical factor in all of this, and I will leave it at that.

Mr GILES: I might ask a question on the Aboriginal Areas Protection Authority.

Mr CHAIRMAN: That is coming up. At the completion of Output 1.4, Output Group 1.0, we are then into Output Group 2.0, Indigenous Policy and Service Delivery Coordination, Output 2.1, Indigenous Policy and Service Delivery Coordination. Once that is done, Aboriginal Areas Protection Authority. It is its own separate output. It is on the agenda after Indigenous Policy. Can you see it?

Mr GILES: Yes.

Mr CHAIRMAN: That concludes questions to Output 1.4, Output Group 1.0.

OUTPUT GROUP 2.0 - INDIGENOUS POLICY AND SERVICE DELIVERY COORDINATION
Output 2.1 - Indigenous Policy and Service Delivery Coordination

Mr CHAIRMAN: The shadow minister is the member for Braitling and the call is with him. In nine or 10 minutes we will take a break. Do you need to change witnesses at all?

Ms McCARTHY: No it is all right, we will change if we need to.

Mr CHAIRMAN: We are ready to go.

Mr GILES: Minister, I was listening to you talk about local government. You talked about the CDEP jobs, or the money put towards the shire for the 500 jobs. Can you tell me how much money the NT contributed and how much the federal government contributed? I believe there was an initial thing about a bigger package, is that right?

Ms McCARTHY: It is a \$10m a year package; \$8.4m is the Northern Territory's.

Mr GILES: I cannot hear you. Can we ask the member for Arafura to be quiet?

Mr CHAIRMAN: I remind committee members of Standing Order 51 and Standing Order 61.

Ms SCRYMGOUR: Very sorry, Mr Chairman. He has a glass jaw.

Mr GILES: You sit there muttering away trying to shut down debate all the time.

Mr CHAIRMAN: I suggest to all committee members the call is with the member for Braitling. The member for Braitling is asking a question of the minister. We are here to examine the budget and we should ask questions relating to the budget.

Ms McCARTHY: Of the \$10m, \$8.4m is Northern Territory funding.

Mr GILES: So, \$10m per year for five years.

Ms McCARTHY: For three years.

Mr GILES: Why did you decide to go down this path of this subsidy with the federal government on this issue?

Ms McCARTHY: The alternative was to see 530-odd families without jobs. I did not want to see that.

Mr GILES: Did you think it was important?

Ms McCARTHY: Absolutely.

Mr GILES: Minister, in light of the recent ban on live cattle trade, and recognising a number of Indigenous pastoral properties are owned or operated – 54 - and the hundreds and hundreds of Indigenous employees in real jobs in the pastoral industry, what internal briefings and work have you done to develop a proposal to rescue those jobs?

Ms McCARTHY: Member for Braitling, one of the concerns we have as a government is not just on Indigenous jobs in the cattle industry. What is happening nationally and internationally in regard to the ban is about jobs right across the country, irrespective of colour. Every job in this situation is absolutely vital. The issue raised by the member for Nelson regarding Indigenous employment in the cattle industry - of course we want to see those jobs maintained, but we also want to see it for non-Indigenous people in the cattle industry.

Mr GILES: What you have said everyone else in this room agrees with. You have come together with a rescue package for Indigenous jobs in shire councils in some type of subsidy fashion. We are talking about real jobs in the pastoral industry for Indigenous people and I recognise there are non-Indigenous people as well. What rescue package do you have in place ready to go if it gets to the point where people are being blanket sacked?

Ms McCARTHY: Obviously we need to keep monitoring what is happening with the ban on live exports across the Territory and across the country. I am working with my colleague, the minister for Primary Industry, and with the Chief Minister, to ensure we are looking at that; however, there is not a particular case right now to go to the federal government to say: 'Let us look after the Indigenous stockmen here'. We have to ensure this is about the concerns of all in the cattle industry. To come back to your question about Indigenous employment in the cattle industry, there has been a significant program within the Department of Resources and the cattle industry. I would suggest, in breaking down that detail, you may wish to put those questions to my colleague, the member for Casuarina.

Mr GILES: The member for Casuarina, the minister for the relevant portfolio, will be getting those questions; however, I find it worrying you would jump to the defence of the jobs in the shire, which was a good move, but it sounds like you have done no internal workings or numbers, financing or budgeting for Indigenous people in the pastoral industry, the people who built the pastoral industry in the Northern Territory. I find that very concerning.

Ms McCARTHY: I find it quite concerning, member for Braitling, that you would make a cheap shot about Indigenous employment versus non-Indigenous employment in the cattle industry. It is a cheap shot you are trying to embark on. I am surprised at you for even going down that path.

Mr GILES: As the Minister for Indigenous Development, I would have thought you would have been doing something for them. You certainly are no Dexter Daniels in this regard. I would have thought you would have been coming up with some type of rescue package or work with the federal government to come up with a rescue package, if it is needed, through a risk management framework. Clearly that is not the case.

Ms McCARTHY: Member for Braitling, we are concerned about all the cattle families across the Northern Territory, not just Indigenous people in the cattle industry. We have to watch very closely what is going on here. I take great offence that you seem to think we are not doing anything. We are incredibly concerned about the impact this will have on the live export cattle industry in the Northern Territory given it is the second most important economic driver to the Northern Territory economy. Shame on you for trying to politicise this in a way where ...

Mr Giles: It is not politicising. It is trying to work out whether you have done any working or modelling on the job.

Ms McCARTHY: ... you are trying to say we should be focusing on Indigenous stockmen. Shame on you! This is about all cattle industry, all cattle families across the Northern Territory and our government is doing everything it can to work with the federal government to ensure every single member of the cattle industry is supported. Shame on you!

Mr GILES: Shame on you. Thank you very much, teacher. The ANZ Bank can announce an assistance package for the beef industry and try to help people, and different people are helping out different sectors; however, you cannot focus on your portfolio, but that is all right. Minister, what is the position of the homelands policy for the Northern Territory government?

Ms McCARTHY: Member for Braitling, to finish on that, we are in discussions with the Cattlemen's Association, Luke Bowen, about many of the issues affecting them at the moment and working closely with what is happening with Indigenous people as well. This is all about every single cattle family across the Northern Territory.

Mr GILES: Pity you were not that passionate about the cattle on Mataranka. Minister, where is the homelands policy for the Northern Territory government at?

Ms McCARTHY: Member for Braitling, can you repeat the question?

Mr GILES: I am trying to find out about the homelands policy, where it is at.

Ms McCARTHY: The headline policy statement has not changed. We have been working on that in the last 18 months with members of the department going to over 300 outstations across the Northern Territory and homelands. It is an area we are wrestling with. I would say to the Estimates Committee with next year coming very thick and fast and the \$20m for MUNS and the arrangement with the Commonwealth that is going to end, my focus at the moment is wanting to see beyond next year that we have a substantial package in place across the regions for the homelands and outstations. I am also conscious within those discussions that it is also the end of the NTER towards the end of next year. These are ongoing discussions we are having with the feds.

Mr GILES: You do not have one at the moment?

Ms McCARTHY: The headline policy exists, yes.

Mr GILES: Just the headline policy. Are growth towns expected to cover 90% of the Indigenous population in remote areas?

Ms McCARTHY: What do you mean?

Mr DAVIES: The footprint within 100 km radius.

Ms McCARTHY: I will refer you to Matt Fagan.

Mr FAGAN: The hub and spoke service delivery model which involves services from the growth towns and also regional services from places like Katherine, Darwin and Alice Springs, is a viable service delivery model for about 80% of the remote area.

Mr GILES: 80%?

Mr FAGAN: 80% of the remote area.

Mr GILES: I thought it was 90%. With that in mind, what is the plan for the other 20% at the moment? What are you doing for that 20% at the moment?

Ms McCARTHY: For the non-growth towns?

Mr GILES: Yes, you have a strategy for growth towns which we generally support. What is the plan for the other 20%?

Ms McCARTHY: It is an ongoing discussion that we have because those people who are living in the areas that are not growth towns raise this all the time. It is through the land councils and the Indigenous Affairs Advisory Council that we keep working on those strategies. I have asked members of the Indigenous Affairs Advisory Council to provide support in any way as to what we can do long term for those areas. I am also very conscious of the fact that the 20 growth towns themselves, in relation to the *A Working Future* policy, is an enormous policy and we have to ensure this is also about the federal and Territory governments working together.

One of the things that has consistently been said in the past, and I know the member for Macdonnell has also expressed this over the years, is that you can have all types of funding coming at different levels but if there is no coordination there is so much wastage. Part of this process of *A Working Future* is to coordinate, through the STCU, a better process so there is no wastage. In doing that, I am also very conscious of the fact that over the next 12 months we have to do more in regard to the areas that are not considered growth towns.

Mr CHAIRMAN: We are going to have to take a break at nine. We need to take a break every hour-and-a-half. I say we take a break at nine. If your next question is a flow-on one I do not mean to interrupt.

Mr GILES: I can come back to it after.

Mr CHAIRMAN: We will take a five minute break.

The committee suspended.

Mr CHAIRMAN: We will start again, minister. We are at Output Group 2.0, Indigenous Policy and Service Delivery Coordination, Output 2.1, Indigenous Policy and Service Delivery Coordination.

Mr GILES: Minister, how many outstations/homelands are there in the Northern Territory?

Ms McCARTHY: Member for Braitling, we have figures of the outstations we have visited. A total of 332 homelands and outstations were covered under our consultations, but we estimate there to be well over 400 outstations across the Northern Territory.

Mr GILES: Minister, how many houses are there in the Northern Territory in outstations or homelands?

Ms McCARTHY: I will refer that question to my CEO, Ken Davies.

Mr DAVIES: Mr Giles, we estimate 2200. It is an estimate and the amenity of those houses is variable. It goes all the way from very much legacy dwellings, lean-tos, all the way through to proper houses.

Mr GILES: Thank you, Mr Davies. Minister, how many of those houses are estimated to be occupied more than nine months of the year?

Ms McCARTHY: Yes, we do have those figures for you. I will refer to the Chief Executive.

Mr DAVIES: I cannot give you the specific detail of the number of houses that are occupied in that frame. I would have to refer to our outstations resourcing people to get that information for you, Mr Giles.

Mr GILES: Are they here today?

Mr DAVIES: They are not here at the moment.

Ms McCARTHY: Can we take that on notice, please, Mr Chairman, because we do have that information.

Question on Notice No 5.18

Mr GILES: Mr Chairman, please place on notice a question to the minister. What is the estimated number of dwellings on outstations/homelands occupied for a minimum of eight to nine months per year?

Mr CHAIRMAN: That is question No 5.18.

Mr GILES: Minister, how many outstations and how many houses are estimated to be vacant more than at least four months in a year?

Ms McCARTHY: We will have to take that question on notice as well, member for Braitling.

Question on Notice No 5.19

Mr GILES: Mr Chairman, the question to the minister is: how many outstation/homelands houses are estimated to be vacant more than four months of the year?

Mr CHAIRMAN: That is question No 5.19, minister.

Ms McCARTHY: Thank you.

Mr GILES: Minister, who manages the 2200 estimated dwellings in the homelands/outstations? Is it Territory Housing?

Ms McCARTHY: Member for Braitling, our agency provides funding to outstation resource centres and shire councils for housing management and maintenance on our outstations/homelands. A total of \$7.1m for the housing management and maintenance grants has been allocated for 2010-11.

Mr GILES: Is that for all 2200 estimated dwellings?

Ms McCARTHY: Let me clarify that. In 2010-11, housing management and maintenance program funding has been offered to seven shire councils and 22 outstation resource centres for the 538 outstations/homelands.

Mr GILES: Sorry, I missed that. Seven shires and 22 outstations resource centres.

Ms McCARTHY: Yes. Seven shires, 22 outstation resource centres. The Indigenous community housing management and maintenance funding for outstations - to go to your question of the 2423 dwellings.

Mr GILES: It was 2423?

Ms McCARTHY: Sorry, 2423 dwellings is the answer.

Mr GILES: Every outstation dwelling is funded in some way, shape or form, whether it is through the shire or through an outstation resource centre.

Ms McCARTHY: Referring to the chief executive's answer earlier, the 2423 dwellings, that is not to say they are the only dwellings. As I said in the beginning, we have had staff go through many of our

outstations, well over 300, documenting as much as they could. It is important that the committee is aware of this. There could be a number of other dwellings we have not taken into consideration.

Mr GILES: Yes, I appreciate that. I am trying to understand how everything is managed out there. With the reforms under the growth town strategy, houses in the growth towns, or the 20 locations - correct me if I am wrong - are all public housing houses, everyone should have a tenancy agreement - maybe there are a couple who do not, could you clarify that? People are now paying Territory Housing-type rent based on income assessment of household, is that right?

Mr DAVIES: Mr Giles, we are rolling out a remote public housing tenancy framework. We have not been able to - we have 5000 assets that we have to deal with, so it is a work in progress. There are still numbers of people, particularly in smaller communities, that have not been refurbished yet, where they will be on old arrangements that could involve base payments, a poll tax or whatever. There will be, in the smaller remote towns, not in our big growth towns where we have started the building programs, families that still have not been picked up in the remote tenancy management framework. We are not going to be rolling that framework into the outstation houses. We rely on the outstation resource centres and the shires to work with people in those outstations to manage the tenancies.

Mr GILES: Thanks, Mr Davies. Minister, on page 113 of Budget Paper No 3, it is estimated there will be 5498 remote public housing dwellings. Would that 5498 just be growth town dwellings, or would that be growth towns and communities that are neither outstations nor growth towns?

Mr DAVIES: I will let our CFO explain that to you, Mr Giles.

Ms McCARTHY: Can I check on the question again, member for Braintree?

Mr GILES: Do you have Budget Paper No 3?

Ms McCARTHY: Yes, I have page 113.

Mr GILES: Under key deliverables, it has 'Remote Public Housing'.

Ms McCARTHY: Yes.

Mr GILES: 2010-11 budget 4570, estimate for 2011-12 - estimate for 2010-11 is 5498, for budget - 6924.

Ms McCARTHY: Okay.

Mr GILES: I have a question about how it grows so much, because SIHIP can only account for so much of that. I also would like to know whether that is the growth town ones or the ones that are neither growth towns nor outstation homelands?

Mr McINNESS: Essentially, the 5498 dwellings include Territory-owned dwellings - those places where we have housing precinct leases in place. The NTER, 53 minor communities where we do not have leases in place are Territory-managed dwellings. Then, included in that 5498 are around 600 outstations that are managed by the shires. We provide funding to the shires, so that figure is included there.

Mr GILES: Six hundred outstation houses or 600 outstations?

Mr McINNESS: Dwellings. It then grows, in 2011-12, because the regions we discussed earlier are essentially the outstations that are managed by outstation resource centres. There is some work going on around the management arrangements and our funding. We provide funding to the outstation resource centres to provide housing-related services. We are trying to tighten those up for the 2011-12 year and that reflects those dwellings then coming on into these numbers. I have the exact figure over here somewhere, but ...

Mr GILES: Going by this it looks like 1500.

Mr McINNESS: Yes, it is around 1500. It does not include improvised dwellings. We have an estimate.

Mr GILES: I am hearing, Mr McInness, that extra 1400 to 1500 will be outstation houses - I use outstations for want of a better term - or dwellings that will come into the Territory Housing framework.

Mr McINNESS: No, that is not quite right. The measure is about how many dwellings we have involvement in, either indirectly or directly, so it is around the dwellings we manage, the dwellings we own and the dwellings we provide funding for.

Mr GILES: I would like to clarify that. The 5498 includes growth towns, some NTER ones which do not have a proper lease, plus 600 outstation houses.

Mr McINNESS: Correct. It is about 689 outstation dwellings managed by shires.

Mr GILES: That is 600 of the 2423 which should leave about 1823. You are going to put another 1400 or 1500 on that, which will leave 300-odd unmanaged or unfunded.

Mr McINNESS: Not unfunded; they will still be funded, but they are not recognised as a dwelling; they are improvised dwellings essentially. In relation to the 2011-12 budget, of the 5498, another 1328 dwellings are managed by outstation resource centres. We provide funding for all the dwellings, but we only recognise the dwellings that are reasonable, we do not recognise the improvised dwellings.

Mr GILES: Would you provide funding for something that would be classified as a lean-to or a humpy?

Mr McINNESS: I would have to clarify that, but the total dwellings we provide funding for is 2400.

Mr GILES: How many of the houses estimated in outstations are managed by shires?

Mr McINNESS: Six hundred and eighty-nine.

Mr GILES: Are those 689 insured?

Mr McINNESS: No, they are not.

Mr GILES: If a Territory Housing house in Darwin or Palmerston burns down, who pays for the reconstruction? This is not housing; I am trying to understand how it works in an outstation.

Mr McINNESS: Our public housing dwellings in urban areas are self-insured. We only have public liability insurance taken over them.

Mr GILES: Consolidated revenue would pay for the reconstruction?

Mr McINNESS: Yes.

Mr GILES: In a growth town if a house burnt down, who would pay for the reconstruction of that?

Mr DAVIES: I will go to Matthew on that.

Mr FAGAN: The lease arrangements require insurance to be taken out in relation to the assets and, essentially, the same thing; the Territory self-insures so Territory Housing has a lease over that house and would replace it.

Mr GILES: You have to replace it?

Mr FAGAN: Yes.

Mr GILES: Of the 689 in the shires, if they burn down - I am using burn down as a hypothetical - who replaces those ones?

Mr FAGAN: Because there is no lease arrangement, no ownership arrangement in relation to the Territory government or the shire, the responsibility for insurance rests with the owner of the property, which is generally the land trust and/or some arrangement with the residents of the outstation.

Mr GILES: How much funding does Territory Housing allocate to a house in an urban location compared to a growth town, compared to an outstation run by a shire, compared to an outstation house run by a community organisation? Do you know what I mean?

Mr DAVIES: Mr Giles, \$7500 is allocated to maintain a remote house in a remote locality.

Mr GILES: Can you classify remote for me, Mr Davies?

Mr DAVIES: Our growth towns and the communities that are being refurbished. The average allocation going to outstations per house is around \$2000 to \$2300. There is a contributory element that the tenants are meant to provide to the outstation resourcing centres. We do not have a line of sight to that funding regime at all; we just fund it in as a grant. However, it is \$7500 for the small remote communities and the Territory growth towns per house.

Mr GILES: A couple of examples might be Daly River or Santa Teresa. How much would a house in those two communities get?

Mr DAVIES: Per house, \$7500 per year.

Mr GILES: Is it any cheaper to ...

Mr DAVIES: Daly is still problematic. We still do not have a lease over the Daly community.

Mr GILES: They only get \$2000 a house?

Mr DAVIES: I would need to check that. They are still getting the \$7500. We have to get a lease in there to do the refurbishment program and we are still working on that.

Mr GILES: Thanks, Mr Davies. I know that you and I have been over a few of these points before; it is always good to clarify.

Mr DAVIES: Yes, sure.

Mr GILES: The houses in receipt of \$2000 through an organisation that are not insured, what is the total value of those houses? Do you have an estimated asset value?

Mr DAVIES: We do not, Mr Giles. We have an asset value for the public housing footprint and we will have an asset value for the houses we take on in relation to our remote communities where the CEO Housing has a lease. However, in relation to those houses, they are built on Aboriginal land and they were largely built by the Australian government, so we do not do a direct valuation on those places and hold them as part of the base asset for the Northern Territory.

Mr GILES: Minister, surely you must see some inherent risk in having hundreds, if not thousands, of houses uninsured in the Northern Territory. Have you done any work about how the risk can be alleviated or minimised for these houses in these outstations?

Ms McCARTHY: Member for Braitling, we are very aware of those risks in regard to insurance. It comes back to what our overall policy is in *A Working Future*. What you have touched on with regard to the outstations, the leasing of land - all of this is connected. We know, just with the value of land, we are setting up, hopefully, for generations to come, a future that looks at the fairness of the way we set up structures. Through the valuation we need to look at the Australian Valuation Office, which is what we want to set up in leasing across the Northern Territory so it is fair, and so it is a system similar to what occurs across the Northern Territory and other areas other than on Aboriginal land.

We recognise the risks in the outstations and homelands, but it is not just in insurance. It is the bigger picture of growing the regions, generally. We know that is where our policy is in supporting people to stay on country, with their relationship to country and culture, but recognising in order to do that, there has to be other ways of having economic drivers.

We saw recently with Nhulunbuy the incredible contract that was signed for the next couple of decades. It comes back to how does this economic driver allow the people in that region, Balanda and Yolngu, be able to live on country and use and have access to that. We recognise that for these regions.

You are right, the risk is high, but we are not walking away from it because it is too great. It is just a concentration that we have to maintain.

Mr GILES: I am not saying you are walking away. What I wanted to know is what you have done to minimise the risk. While I am talking about this, how many houses or dwellings, particularly that are

uninsured or poorly managed, have deteriorated in the last few years where people cannot live in them anymore - burnt down or otherwise?

Ms McCARTHY: There are two elements to your question. To go to your first one, what we have done, this is with the shires which have the responsibilities of some of those homeland houses, but also with the outstation resource centres themselves. This is clearly something they are aware of, and working with their own constituencies on that. The second part of your question ...

Mr GILES: Can I add into the first part? Have you approached TIO or any insurance companies to work out some modelling?

Ms McCARTHY: I can say - and I will pass it on to Ken in a moment - the issue of financial institutions - whether it is TIO or even the big banks, Commonwealth or National - as a government we are exploring how we can have incentives for financial institutions to support the growth of these regions. We know government cannot fund everything. I have constituents on Groote Eylandt, traditional owners who work in GEMCO, who would like to build their own houses. How can they do it? They have the financial capability to do it but financial institutions are reluctant or have concerns.

Mr GILES: It goes to insurance. You have not had any insurance conversations?

Ms McCARTHY: I have not had that discussion with TIO, but I will pass that on to Ken.

Mr DAVIES: No, we have not, Mr Giles. I want to frame it in the context of we are in this reform agenda. We are going through the Territory growth towns; we are refurbishing communities. I have said to you before in our discussions that the line of sight to these 2400 dwellings with the tenants and who is in them and how we manage them going forward, is one of the big challenges we have.

The Australian government has been funding us to support the outstations. That is not going to continue past June next year, so we have some work to do there. It is fair to say that for large asset groupings it is cheaper for an owner to self-insure as they then meet the risk but do not pay a premium or profit to someone else to take the risk. They are things we have to talk to outstation resource centres and shires about. If we are funding them to maintain houses, then maybe they can take out an insurance policy that covers the houses as well, and that is all about us tightening up. The other thing that has to happen that has become pretty apparent to us, Mr Giles is that we have to understand what those tenants in those houses are paying to maintain them as well.

Mr GILES: That was my next question.

Mr DAVIES: We do not know, to be frank ...

Mr GILES: Can I cut you off there, with all due respect. Do the shires have to report back to you what people are paying?

Mr DAVIES: At the moment, no. We fund them to maintain. It is just a provision for housing maintenance and management, and it is done on a per house basis. We do not ask them to report to us directly what they are recouping from the tenants, no.

Mr GILES: It might be a good idea, minister.

Mr DAVIES: We are certainly going to be doing that as part of this revamping around the whole framework.

Mr GILES: I understand that the Ramingining Outstation Resource Centre is in liquidation.

Ms McCARTHY: Yes, member for Braitling. I will hand that over to Mr Fagan.

Mr GILES: I have not asked the question yet. I was going to ask what will happen to the houses it looks after?

Mr FAGAN: The houses managed by the Ramingining Homelands organisation are subject to the NTER five-year leases, so the tenure is attached to that. The Northern Land Council and other organisations are working around who will take over the long-term leases over those assets in the town. In relation to the outstation houses that Ramingining Homelands serviced, again, are on Aboriginal land. They

were not owned by Ramining Homelands, but the department is taking direct action to ensure a level of service continues to be provided.

Mr GILES: What is that direct action, minister?

Mr FAGAN: Mr Austin might be able to give you examples of things we have been doing when required.

Mr AUSTIN: At this moment in time, our resources within the department are dealing directly with the outstation residents, and if there are issues they are reporting, we are sending out electricians to fix those problems to ensure those houses are maintained in a proper state.

Mr GILES: Are they still paying rent, minister?

Mr AUSTIN: My understanding is they are not. The organisation has ceased to operate. All of the operations are frozen until the issue of the administration is resolved. Employees have been dismissed and the operations have been shut down. It is not operating as an entity at all.

Mr GILES: It has shut down and Territory Housing is providing services, where required, for repairs and maintenance and tenants are not paying rent. Is that what I heard you say?

Mr AUSTIN: In a strict sense, they are not tenants. It is not a landlord/tenancy relationship.

Mr GILES: Would it be fair to say all the properties we are talking about - not all, the ones we are talking about - built by the federal government not that long ago are being handed over to landowners - they are yours - and we keep providing a subsidy, through Territory Housing, for the management of them without paying rent in many cases?

Ms McCARTHY: I will leave the housing side of it to Mr Davies.

Mr DAVIES: Mr Giles, they are assets on Aboriginal land. As Mr Fagan has said, in effect, they belong to the land trust and to the people on those outstations. The money to support them is really supplementation around maintaining services, and is a minimal amount to maintain the infrastructure and the houses in a reasonable condition. It is not enough to maintain them over the longer term. Unless a lease is generated and some form of land tenure for them to come into the public housing model, we cannot fund them any further than we currently do. They are assets on Aboriginal land and they are private owners.

Mr GILES: I understand the area you operate in. I understand those issues and, in many ways, I feel for the environment you are in. However, difficult though it may be for you, as minister, and bureaucracy, rather than hand over hundreds of houses funded by the federal government, and if you equate them to the value of some of those SIHIP mansions, that is a large amount of money you are handing over in assets on Aboriginal land without any return or responsibility. You are continuing to put \$2000 or \$7500 into a number of these properties.

We do not know if people are paying rent. In many cases, people are not paying rent as you said. That seems an enormous risk, and an enormous failure in policy. I know the difficulties you operate under. Do not think I do not understand or appreciate it, but it seems to be an enormous failure.

Ms McCARTHY: No, you are spot on, member for Braitling. I can only take us back to the historical reforms we are trying to embark on, conscious that with every area we go forward five steps, we go back a couple of steps. We recognise, as a government, that we are looking at decades of neglect and the language I want to use here in what we are trying to build, conscious of the legacy issues, is that we have to look, as a parliament, at decades of prosperity. How can we build that and where are we going? That is part of the question you ask, and rightly so.

Mr GILES: You have a very opportune time as government, regardless of how long you remain, to drive forward some reforms. If you are only in government for the next 12 months, or for longer, there is opportunity to drive the reform through.

Ms McCARTHY: Member for Braitling, can I remind you our policy is about supporting growth in the regions, as complex and complicated as that is, but your colleague says these places should not exist and people should move back into Katherine, Alice Springs and Tennant. We come from very different

perspectives of how the Northern Territory should grow. We recognise the complexities and the frustration but are not walking away.

Mr GILES: Let us go to the next question.

Ms McCARTHY: I do, I do. Talk to the member for Fong Lim. Ask him about the hellholes.

Mr GILES: Minister, it is four years today since the announcement of the intervention. Today the federal police are pulling out of police stations in the intervention communities. What happens to those temporary police stations now the AFP has pulled out? Will the Territory government commit to ongoing resourcing at the same or increased levels of those police stations in management of the police stations as well as police staffing and resourcing?

Ms WALKER: A point of order, Mr Chairman, is this the right output for this?

Mr CHAIRMAN: The minister will advise us if it is not the right output.

Ms McCARTHY: Mr Chairman, in regard to specifics of the NTER, for example, with policing, the Police minister would have that. I deal with the overall policy of *A Working Future* and with the federal minister about the NTER. Going into specifics of each of those areas, you might want to put that to the Police minister or I can take it on notice to get that information for you. I say to the committee, quite clearly, we are in the midst of negotiations with the Commonwealth expressing our view that the financial gains we have received through infrastructure and other services with the intervention we do not want to lose. That is our first and foremost position with the Commonwealth and what we are continuing with now.

Mr GILES: I might put that on notice. It was not a specific police question.

Ms ANDERSON: Mr Chairman, the Chief Minister answered this question yesterday in full so it will be on *Hansard*.

Mr CHAIRMAN: I was going to flag that. The minister cannot take on notice a question from another minister's output. The question has been answered, and there are other ways to get that answer.

Mr GILES: It is a policy question on Indigenous Development.

Ms McCARTHY: If it was answered it will be on the record.

Mr GILES: Minister, the Coordinator-General recently provided his fourth and final report. I would like to touch on two areas he reported on. One was drugs and substance, the other was gambling. I will touch on the drugs first. I am interested to know if there are people who have transitioned from petrol when Opal came in to alcohol and drugs, and if there has been any analysis done in that area? It might be seen as a health issue, but it is also an Indigenous policy issue - chroming, ganja, whatever.

Ms McCARTHY: Member for Braitling, the issues raised in the Coordinator-General's report - part of that role is to ensure each of the ministers who have respective concerns over those portfolios need to respond to me, and you are correct in regard to the overall policy. I cannot give you direct data on what mapping has been done with ganja or alcohol. That would be for the Health minister.

Mr GILES: Are you coordinating a policy response on the drugs and substance issues as identified by the Coordinator-General for remote services?

Ms McCARTHY: I have asked each minister to look at the Coordinator-General's response and respond appropriately.

Mr GILES: The Coordinator-General, in relation to gambling - I am not reading it verbatim - in general terms, spoke about the need to get rid of illegal gambling and regulate gambling. What are your thoughts on that? It is an open-ended question; however, what is the response from government on that issue?

Ms McCARTHY: Member for Braitling, it is a bit out there in relation to the general question. We have had many campaigns, as a government, to assist people seeking support for gambling. There are organisations to assist those who are problem gamblers or have addictions, the same as there are organisations to support people who might have other addictions - drugs or otherwise. Our government is

clearly supportive, through the Health minister's portfolio, to ensure these organisations are funded to support those people. I do not think I can give any clearer answer than that.

Mr GILES: Does your government have any policy or response to the two recommendations on page 93, one being card games in public areas be shut down, and the second that work begins to devise a means to regulate gambling in remote communities? If you have not had a policy response, are you preparing anything?

Ms McCARTHY: Member for Braitling, this report came to me in the last few weeks. We are looking at the recommendations to respond within Cabinet and our processes. It is also about looking at all of the recommendations that have come through the Coordinator-General.

It also comes back to the discussion I raised earlier in relation to the local implementation plans and the planning for each of these areas. These are issues people in their regions need to put on the table, to say this is how we want to address gambling, or this is how we want to address some of the issues that are coming out, whether it is ganja or others. We have, as a government, as far back as when the member for Arafura was the minister for Families and Children, looked at the petrol sniffing side of things and made laws to assist people who have issues with petrol sniffing.

We are taking on the recommendations from the Coordinator-General's report to see (a) if it is part of what we are already doing in regard to legislation, or (b) should we be including it.

Mr GILES: Can you please provide a snapshot of all the leases you currently hold, and the types of leases - all the leases that are being worked on? What are the rental or leasing implications, what financial amounts have been paid, what has not been paid, and what is owed?

Ms McCARTHY: Member for Braitling, we have significant work on those areas you have requested. Could I take all that on notice and we can provide a fairly thorough briefing for you with that picture.

Mr CHAIRMAN: Do you want to do that as a question on notice, or do you want it as a briefing?

Mr GILES: Why not do both?

Mr CHAIRMAN: Take it on notice and get a briefing?

Mr GILES: If I say a briefing I might not get both.

Question on Notice No 5.20

Mr CHAIRMAN: Can you put that as a question?

Mr GILES: Minister, would you please provide details of all the leasing on Aboriginal land, including growth towns and non-growth towns; all the types of leases you hold; all the types of leases you are aware of; all the leases you are currently negotiating; what the rental implications are; what the rental payments have been to date; what rental payments have not been made that should have been made; and what the rental payments should be in the future?

Mr CHAIRMAN: That is question 5.20. Are you happy to take that on notice?

Ms McCARTHY: Happy to take that on notice.

Mr GILES: I am happy to receive it through a briefing.

Ms McCARTHY: That would be great.

Mr CHAIRMAN: Maybe the answer to the question on notice is that a briefing was given.

Ms McCARTHY: A briefing to be given.

Mr GILES: I would like to see it as question on notice.

Mr CHAIRMAN: It is a question is on notice. I am suggesting the possible answer might be: 'We sat down with the member for Brainting and gave him everything'.

Mr GILES: The answer could be tabulated in an Excel spreadsheet of some form. That could be a question on notice. I would like to receive the information personally.

Mr CHAIRMAN: It is definitely on notice. It is there.

Ms SCRYMGOUR: You should join the CTC.

Mr GILES: What is that?

Mr CHAIRMAN: Council of Territory Cooperation. A beautiful place. Full of love and harmony.

Mr GILES: I pass it over to the member for Macdonnell.

Ms SCRYMGOUR: We hold hands and you get all the answers you want.

Ms ANDERSON: Thank you, Mr Chairman. Minister, this question was asked by my colleague, the member for Nelson, of the Chief Minister yesterday. The Chief Minister said it is only appropriate this question be asked of you, and he has it written down. Can the audit of homelands and outstations infrastructure be made public?

Ms McCARTHY: Member for Macdonnell and member for Nelson, we have the Indigenous Affairs Advisory Council working with that information. One of the issues which has come up within the council is members have raised with me concerns that in the audit which has taken place, historically, information taken on the ground does not get back to them. I have been advised by the council to first get back to those residents who we take information from. I see no issue after doing that, to provide you and the member for Nelson with the information.

Ms ANDERSON: Minister, is the federal government starting consultation processes with homelands commencing in 2012?

Ms McCARTHY: No, this is an area of huge concern. Next year is the end of the \$20m agreement. I am being quite persistent with the Commonwealth that we need to have a plan beyond next year. I would like to think that plan should be taken in context with the Northern Territory intervention coming to conclusion, and how we can, in a sensible fashion, work with the people of the Northern Territory and the Commonwealth to use that money much more wisely; that is, with our homelands as well.

Ms ANDERSON: Minister, which outstation resource agencies will be funded by the NT government for the delivery of municipal and essential services in 2011-12?

Ms McCARTHY: I will refer to Ken Davies.

Ms ANDERSON: If you can table it.

Ms McCARTHY: Do you want me to table the paper or take it on notice.

Ms ANDERSON: Take it on notice or table it.

Mr DAVIES: If we have it we will table it now.

Ms ANDERSON: Thank you.

Ms McCARTHY: We will take the question on notice, Mr Chairman. If we get it in the interim we will table it.

Question on Notice No 5.21

Mr CHAIRMAN: Could you repeat the question?

Ms ANDERSON: What outstations and resource agencies will be funded by the Northern Territory government for the delivery of municipal and essential services in 2011-12? Have the funded amounts for any outstation resource agencies changed between the 2010-11 financial year and the 2011-12 financial year?

Mr CHAIRMAN: I will make that one, No 5.21. I will treat it as one question.

Ms ANDERSON: Thank you.

Mr CHAIRMAN: That concludes consideration of Output 2.1.

OUTPUT GROUP 3.0 – PROTECTION OF SACRED SITES

Output 3.1 – Protection of Sacred Sites

Mr CHAIRMAN: The committee now moves on to the Aboriginal Areas Protection Authority. I am flagging we are now going to the Aboriginal Areas Protection Authority, after that Indigenous Essential Services, followed by Tourism, then Territory Discoveries, then Women's Policy, which is last. We are currently an hour-and-a-half past where we were going to be, so it is probably unlikely we will have time for Women's Policy, having just asked the opposition. It is likely the last thing we will touch on is Tourism, so with opposition permission and making it absolutely clear, we are not going to have time to get there, bearing in mind it is now 10 pm, Women's Policy could probably go home.

Mr GILES: It is highly important, maybe you should wait until 10.55 pm.

Ms McCARTHY: It is a 100 hundred years of women.

Mr CHAIRMAN: It is a 100 years of women; it is a very important area.

Ms McCARTHY: Members of the Estimates Committee, I thought I would note that.

Mr DAVIES: We are going to get to Indigenous Essential Services?

Mr CHAIRMAN: We are definitely going to get to Indigenous Essential Services.

Mr WESTRA van HOLTHE: If the shadow turns up we will ask questions; if not, forget it. I do not think he is coming in.

Mr CHAIRMAN: Thank you, minister. Would you mind introducing the officials accompanying you, and do you have a statement?

Ms McCARTHY: Yes, I do. I have with me at the table Ben Scambary, Chief Executive; Chris Capper, Senior Director, Policy and Planning; and Clive Naylor, Director of Corporate Services.

The Aboriginal Areas Protection Authority is a statutory body established under the *Northern Territory Aboriginal Sacred Sites Act*. The primary function of the AAPA is to administer the act to protect sacred sites across the Northern Territory. The intent of the act is to achieve a practical balance between the recognised need to preserve and enhance Aboriginal cultural traditions in relation to sacred sites, and promote social and economic development in the Northern Territory.

The act establishes procedures for the protection of sacred sites, which include the registration and recording of sacred sites and the issuing of authority certificates in relation to development proposals. Authority certificates define the manner in which development can occur in relation to sacred sites to ensure such places are protected and the values of these places are preserved for all Territorians. AAPA is a small agency but one which plays an important role in the social, economic and cultural development of the Northern Territory. In the past year, the AAPA has been involved at the planning stage in most major developments across the Northern Territory. These include undertaking sacred site clearances for the significant investments by the NT government in infrastructure development in remote communities, in particular, the SIHIP project.

AAPA continues to undertake clearances for the NT roads network across the Territory, and works closely with industry sectors such as mining and exploration, the pastoral sector and the seafood industry sector to provide advice on sacred sites and to assist these industries in managing their risks and liabilities

in protecting these places. While working with these groups on projects of major importance to the Northern Territory, AAPA also works closely with custodians of sacred sites to ensure development occurs in a manner that is respectful of Aboriginal culture. I am particularly pleased staff from the agency are with me before the Estimates Committee.

Mr GILES: Thank you very much and welcome. Sorry it is so late. Why has the budget decreased from \$5.8m to \$5.1m this year?

Ms McCARTHY: Member for Braitling, we are looking at \$4.9m to \$5.8m, an \$868 000 variation. The variation for 2011-12 is \$702 000. I will hand over to Ben Scambary to provide the details.

Mr GILES: I did not have my numbers in front of me and did not know if your numbers were relevant.

Mr SCAMBARY: Member for Braitling, the difference in the figures reflects the increased revenue we have drawn in this year. Next year we do not anticipate receiving quite the same amount of revenue from our cost recovery services.

Mr GILES: Minister, why did you receive the extra money?

Ms McCARTHY: Member for Braitling, I will pass to Ben Scambary in a moment. It is important to recognise the work of AAPA in the SIHIP project, clearly with the substantial number of houses needing to be built.

Mr GILES: A money earner, was it?

Ms McCARTHY: There also needed to be more work, but I shall hand over to Ben.

Mr GILES: I have been trying to find out who all the money earners were in SIHIP; here is another one. Just joking.

Mr SCAMBARY: The increase in revenue relates to an unexpected increase in demand for our services in 2010-11 and there is a long-term reason for this. Prior to 2009-10, we were experiencing an increase in demand which meant increased applications for authority certificates. In 2008-09, we received 309 authority certificate applications and issued 237 certificates. The average time frame for issuing those certificates was 141 days and the number of on-hand applications was steadily increasing.

In 2009-10, the trend of increased demand continued and this was met by an increase in appropriation from the NT government as well as increases in cost recovery revenue. Part of that revenue related to the Coordinated Community Authority Certificate Project, a three-and-a-half year project at a value of \$2.1m which sought to coordinate the activities of major agencies involved in SIHIP infrastructure.

Mr GILES: Like a blanket for a town or something?

Mr SCAMBARY: Yes, to provide sacred site clearances for the 73 communities across the Territory. We ran that on forward funding rather than a cost recovery basis which achieved a fairly high degree of efficiency in the cost and also the priority of issuing those certificates.

Mr GILES: Minister, is there a waiting list for site searches now, and what is the average time frame to have a site search clearance done? Then I will ask what is the chief reason clearances are not given?

Ms McCARTHY: Member for Braitling, Ben Scambary.

Mr SCAMBARY: In relation to the number of applications we have on our books at any one time, at this time last year we had 250 and currently we have 170. Increased efficiency in our systems and a process of review has reduced that number by 32% to sit at around 170. Continuing trends in demand mean we will probably sit around that level at any one time for the next few years. As our workload is demand driven it is difficult to estimate where that will be exactly, but around 170 at any one time.

Mr GILES: What is the time frame for getting them done now? You said previously about 141 days.

Mr SCAMBARY: The time frame at the moment is 136 days for completion, on average. Some are very quick to process because they are not complex; others involve vast areas in very remote locations and are quite resource intensive and difficult to get to.

Mr GILES: One of my concerns with tourism is we do not do enough in new product development; however, I will leave that for my Tourism shadow to ask those questions. Sacred sites are an untapped resource for tourism. It is fantastic and should be used more and more. They should be published, they should be preserved, they should be promoted, and we should use them for tourism. Many international tourists want to see sacred sites and we hide them. It is a fantastic thing and should be promoted.

Several years ago a toilet was placed in the wrong spot at Numbulwar. Someone was fined \$500 – the people who did it, S & R Building Constructions. I do not know if the fine was paid; however, it went to prosecution. It went to court and lost. Did you lose or win?

Mr SCAMBARY: We lost.

Mr GILES: How much did you spend on that case? Was the prosecution done externally through consultants or through government?

Mr SCAMBARY: In relation to costs, our legal fees were fairly low on that. We used the services of the Department of Justice and a private barrister. Costs were awarded against us on appeal and the total was \$24 874.75.

Mr GILES: That is nearly as expensive as a SIHIP toilet. You had to pay the expenses of the other party as well, which was included in the \$24 874.75?

Mr SCAMBARY: That is right.

Mr GILES: Did you have to pay the Department of Justice a fee for using their services?

Mr SCAMBARY: No, we did not have to pay the Department of Justice.

Mr GILES: Have you identified any concerns, to date, around the INPEX proposal?

Ms McCARTHY: Mr Scambary. In relation to sites at that location?

Mr SCAMBARY: Member for Braitling, the authority has issued a number of authority certificates for the INPEX project both for the ...

Mr GILES: Can you tell me the number?

Mr SCAMBARY: I cannot tell you exactly – five, roughly. These relate to the onshore development, the pipeline development and residential staff accommodation development. No sacred site constraints were identified.

Mr GILES: There were 10 reports of desecration of sacred sites last financial year. What were they and how did you go with the prosecutions? One of those might have been the toilet, I am not sure.

Ms McCARTHY: Member for Braitling, we will take that on notice?

Question on Notice No 5.22

Mr GILES: Minister, there were 10 reports of desecration of sacred sites in the Northern Territory, I believe, in the last financial year - it is definitely in your annual report. How many prosecutions were there? What were the reports of the desecration? To what extent? Where were they? What was the outcome of the prosecutions, and how much did the prosecutions cost to run?

Ms McCARTHY: I will take that question on notice, Mr Chairman.

Mr CHAIRMAN: That is question No 5.22.

Mr GILES: I have more I want to ask, but I know we do not have time. I will ask you about promotions in a briefing at another time.

Mr CHAIRMAN: Member for Macdonnell, I understand you had a question.

Ms ANDERSON: Yes, it is on behalf of my colleague, the member for Nelson, and has something to do with a bunch of trees in Humpty Doo. I will read the question so you know exactly what he is talking about. He said there is a small stand of trees in Humpty Doo that has impacted on the design of the park and ride facility and he wants more information about the story and the song line to those six trees having such a huge impact on the park and the ride facility.

Ms McCARTHY: Member for MacDonnell, we have a response for the member for Nelson. I will just hand over to Ben Scamبارy.

Mr SCAMBARY: Member for Macdonnell, this issue relates to a group of trees in relation to the Humpty Doo bus interchange. At the time in 2009, the authority was asked to issue an authority certificate in relation to this development. At the commencement of the consultations we discovered work had already commenced on an adjacent area which had been cleared for the purpose of the school bus pickup area. Custodians regarded the stand of trees at this location were associated with an important dreaming track that passed through the area. I do not have the information before me about the exact nature of that dreaming track. The initial result of that consultation was the custodians for that area requested those trees not be cleared for the purpose of the new bus interchange.

These are the types of situations we deal with quite often, where there is a conflict between development and sacred site protection. One of the processes under the act is to convene a conference where applicants meet with custodians. In this case, we did that, and from that discussion came a negotiated outcome that allowed for the protection of the sacred trees which are a sacred site, and the development of the bus interchange. The conference was conducted in February 2010.

The custodians agreed to protect one stringy bark tree in relation to Stage 1 of the car park, and to protect a stand of stringy bark trees in relation to Stage 3 of the car parking area, and there were no restrictions identified for Stage 2. Part of the outcome of that conference was general landscaping of the new car park development would be undertaken with plants and seed stock from the area to be cleared. The advice of DCI in relation to Stage 3, which was most heavily impacted by sacred site protection, was there were no immediate plans to develop that stage of the car park and, therefore, no immediate conflict between the site being protected and the development of the car park.

Ms ANDERSON: Can we get some more information apart from what the member for Nelson will get out of the *Hansard*. He has also requested the story for those trees and the song. Is it possible we can get all the appropriate information together for the member for Nelson?

Ms McCARTHY: Member for Macdonnell, we can provide, as we did in a letter to the member for Nelson - we offered a briefing to him in December. That offer still stands.

Mr CHAIRMAN: Thank you. That concludes consideration of Output 3.1, Aboriginal Areas Protection Authority. Thank you very much for your time.

Ms Scrymgour: First time in estimates.

Ms McCARTHY: Can I say thank you that we have AAPA here; that was terrific. AAPA and the Aboriginal Interpreter Service.

Mr CHAIRMAN: We now welcome back Indigenous Essential Services.

Mr GILES: it puts some difficulty on Indigenous Essential Services because there is not much time. We have to get to Tourism. I may only have one or two questions now.

Mr Westra van Holthe: We probably need to extend the time next year for estimates, member for Braitling, what do you think?

Ms Scrymgour: It is how you use your time, member for Braitling, as you well know.

OUTPUT GROUP 4.0 – TERRITORY HOUSING SERVICES **Output 4.1 - Indigenous Essential Services**

Mr CHAIRMAN: Minister, welcome. All the witnesses are the same, so welcome back. Minister, do you have any opening comments you want to make, or shall we move straight to questions?

Ms McCARTHY: No, in the interests of time.

Mr CHAIRMAN: Not a problem. Member for Braitling, you have the call.

Mr GILES: Minister, I was looking forward to your opening statement to hear about ...

Mr CHAIRMAN: The minister can give it.

Ms McCARTHY: Do you want me to give it?

Mr GILES: I would like to hear it as long as it is not *War and Peace*. I would be interested to hear why the change in the budget, that is all. That was an interesting component.

Ms McCARTHY: I will answer your question.

Mr CHAIRMAN: You can give the speech or answer the question.

Ms McCARTHY: The answer is - \$32.6m; actual to 31 March - \$26.7m; budget - \$32.4m, member for Braitling, I beg your pardon, I am just trying to ...

Mr GILES: You had an increase of \$9m for the next financial year? What was that money for?

Ms McCARTHY: I will ask Dwayne, our Chief Financial Officer, to respond to your question.

Mr McINNESS: You were after an explanation of the \$9m increase?

Mr GILES: I was wondering what the increase is for.

Mr McINNESS: The increase in 2011-12 is due to additional funding of \$17.8m for the Wadeye gas-fired power station. It is partially offset by \$2.1m for the Ampilatwatja power grid that was funded in 2010-11, and also a reduction of \$6.6m for the strategy of safe water.

Mr GILES: How many of the communities operate their power supply on diesel?

Ms McCARTHY: I will take that question on notice, member for Braitling.

Question on Notice No 5.23

Mr CHAIRMAN: Can you repeat the question, please?

Mr GILES: How many Indigenous communities take their power supply from diesel?

Mr CHAIRMAN: That is question No 5.23.

Mr GILES: How many Indigenous communities have some form of solar power supply in their communities?

Ms McCARTHY: I will take that on notice.

Question on Notice No 5.24

Mr GILES: Minister, how many Indigenous communities have some form of solar power supply in their communities?

Mr CHAIRMAN: And that is question No 5.24.

Mr GILES: Minister, who is the provider of installation, repairs and maintenance of solar in Indigenous communities?

Mr CHAIRMAN: On notice?

Ms McCARTHY: Yes.

Mr CHAIRMAN: We might actually add that to No 5.24.

Mr GILES: Minister, I am told Bushlight, who provides solar services in communities, is no longer providing those services – it does not have a federal government contract to provide those services. Can you verify if they are still providing services? It is federally funded; however, if they are not, who is providing the servicing for solar technology across outstation communities into the future?

Ms McCARTHY: It is an important question and I will ask Matthew Fagan to give you a response.

Mr CHAIRMAN: Before Matt answers, people may not have noticed but there has been a problem with the air-conditioner. It is being rebooted and probably will not come on again in time for the remainder of this committee meeting. There was a problem and it has been fixed.

Members interjecting.

Mr CHAIRMAN: I remind members of Standing Orders 51 and 69.

Mr FAGAN: Recently the people from Bushlight indicated they were still operating in this financial year but there was a lack of certainty about future funding from 30 June this year. They were urgently seeking a resolution of that with the Australian government.

Question on Notice No 5.25

Mr GILES: While Bushlight is a federally funded program, it has huge implications for Indigenous communities in the Northern Territory. What risk response does the government have if Bushlight cannot provide federal government funded services to the solar equipment in the communities?

Ms McCARTHY: I am conscious of those issues with regard to outstations and homelands, member for Braitling. I will take that question on notice as well.

Mr GILES: Minister, what is the carbon footprint of every diesel powered generation facility in every Indigenous community and outstation in the Northern Territory.

Ms McCARTHY: I will take that question on notice too, member for Braitling.

Question on Notice No 5.26

Mr GILES: Minister, on notice, what is the carbon footprint of every diesel generated power supply in every community and outstation and homeland in the Northern Territory.

Mr CHAIRMAN: That is 5.26.

Mr GILES: Minister, what modelling have you done in anticipation of a carbon tax coming in, and what are the implications for diesel generated power suppliers in remote communities?

Ms McCARTHY: I can answer half that question: no work has been done so far. No information has come from the Commonwealth as to what kind of methodology we can use; however, in relation to the diesel question, I can take that on notice for when that happens.

Mr CHAIRMAN: One more time then, member for Braitling.

Question on Notice No 5.27

Mr GILES: Minister, what modelling have you done, in relation to the implications of the potential carbon tax in Indigenous communities in the Northern Territory in mind of diesel powered generators?

Mr CHAIRMAN: That will be 5.27. The Estimates Committee finish its reporting process on 8 August. Perhaps there will be answer by August.

Mr GILES: The general conversation of many people is the carbon tax could be around \$26 per tonne. Have you done any modelling based on the concept of \$26 a tonne and the implications in diesel-generated power stations across the Northern Territory in Indigenous communities, outstations and homelands?

Ms McCARTHY: Going back to my initial response, no modelling has been done because no information has been provided to us, as a government, because the federal government is yet to confirm what it is doing. That would be a no to that answer, without having to take it on notice.

Can I jump in, member for Braitling, with ...

Mr CHAIRMAN: An answer, that is great.

Answer to Question on Notice 5.23

Ms McCARTHY: Diesel fuel is the main energy source for electricity generation on remote Indigenous communities. That was your question about diesel?

Mr GILES: Yes, I asked a broader question.

Mr CHAIRMAN: Do you know what number that was?

Mr DAVIES: 72, Remote Communities.

Mr CHAIRMAN: The number of the question on notice was ...

Ms McCARTHY: 5.23

Mr GILES: It was a broader question than that. I will have to review *Hansard*.

Mr CHAIRMAN: We can always address it later.

Mr GILES: That is right.

Ms McCARTHY: If it is not answered properly I will follow that up.

Mr GILES: Thank you very much; I will let my colleague have a go. It is highly disappointing, minister, with the impending carbon tax, for a big jurisdiction like the Northern Territory, that no modelling has been conducted or any hypotheticals - whether it be \$26 a tonne or otherwise. The implications for Indigenous communities are significant, and I would have thought a person in your position, of your stature, would have taken the initiative to do some modelling around that so we know the implications for the Northern Territory.

Ms McCARTHY: Thank you for your lecture, member for Braitling.

Mr GILES: Minister, thank you for your time.

Mr CHAIRMAN: This concludes consideration of Output 4.1, Indigenous Essential Services. We thank all present for their time and patience.

TOURISM NT

Mr CHAIRMAN: We move to Tourism. Welcome, everyone. Minister, do you have an opening statement?

Ms McCARTHY: Yes, I do. I welcome staff from Tourism to the table with me. A special welcome to John Fitzgerald, our new CEO of Tourism; and Valerie Smith; Noelene Biddell; and Rita Harding. I am conscious of time, so I will keep my introductory comments short.

Mr CHAIRMAN: Thank you, minister.

Ms McCARTHY: It is clear that this is a very challenging time for the tourism industry; a range of macro-economic factors are impacting export-exposed industries across Australia, including the local tourism industry. The high Australian dollar is a major concern as it makes this destination less price competitive in our international markets, and also makes it relatively cheaper for Australians to take holidays overseas rather than domestically.

The latest tourism figures released earlier this week indicate a 7% decline in total overnight trips to the Northern Territory in the year ended 2011. As average length of stay improved slightly, total visitor nights were down a lesser extent at minus-3%. Weak consumer spending in Australia is an indication the domestic market, representing the Territory's largest source market, will continue to be restrained over the coming months.

Tourism NT is focused on aggressively defending its market share from its key source markets, and has been active with a number of integrated campaigns since the beginning of the year. Since January, I have announced a series of programs including a \$540 000 Top End Kakadu campaign with partner Jetstar; the \$1.4m Red Centre Campaign in February and March promoting Alice Springs, Uluru and surrounds; a cooperative digital campaign with Air Asia; and a promotional initiative aimed at securing Uluru as one of the world's new seven wonders. The year will be topped off with a \$0.9m campaign promoting the Northern Territory festivals and events running during June and July. It will include a range of innovative public relations activities aimed at stimulating consumer interest in visiting the Territory.

Aviation remains a key priority for us. This year saw the addition of Manila as a new destination within the Jetstar hub. Qantas added Canberra over the past year, and Melbourne to Darwin flights commenced in May this year. Air Asia Indonesia commenced flights from Bali with connections to Southeast Asia and beyond. Virgin Australia introduced new flights between Sydney and Uluru from August 2010. We also had a range of expanded services from Airnorth and Vincent.

There is concern from some members of the tourism industry that the issues around Central Australia with antisocial behaviour and vandalism and the resultant media coverage has negatively impacted on the tourism sector in Alice Springs. The underlying issue is being addressed through a range of measures across many of the Northern Territory government portfolios. We are very conscious of that as an additional area we need to work with in Tourism. I am open to questions from the committee.

Mr WESTRA van HOLTHE: No questions on the statement.

Agency Related Whole-Of-Government Questions

Mr CHAIRMAN: Are there any agency related whole-of-government questions?

Mr WESTRA van HOLTHE: Minister, tourism operators are reporting lower turnover across the Territory to the tune of between 20% and 30% in this season so far, no doubt brought on by a number of factors including the Aussie dollar. More importantly, the perceptions of the Territory as a destination – and I cite the issues with crime rates and antisocial behaviour in Alice Springs and the fact Darwin beaches are closed regularly, as they were during the Arafura Games. The Tourism NT budget for this year has decreased by about \$2m. Can you justify cutting the budget for tourism? How is that going to help the tourism industry in the NT?

Ms McCARTHY: Member for Katherine, you are right about the budget Tourism has to work with. This has been an important budget for the Northern Territory, and I recognise, as Tourism minister, we can always do with extra financial support in this sector. We have decided to keep working with the current system within the agency. We have done a tremendous amount of creative push for the Northern Territory. For example, luring Oprah was something we were able to do on very short notice, but with funding we have benefited from 10 times over in having that approach to the Northern Territory in a creative campaign. Also, more recently the Melbourne Cricket Ground with the game and The Long Walk. We are being creative and are very conscious of the fact that, as a government, we could do more in this space financially, and we are not doing that. I thank and congratulate all the team at Tourism NT who are working to the best of their ability with everything we have.

Mr WESTRA van HOLTHE: I am sure they are, and full credit to all our public servants and those in Tourism NT. However, that does not explain how it is going to help tourism; perhaps it is going to hinder it.

I notice in Budget Paper No 3 the explanation for the key variation was a cut in federal government funding due to a reduction in Commonwealth revenue associated with one-off funding for trade shows and other programs. Will that translate into fewer attendances at trade shows where the Northern Territory would be represented, or fewer attendees at those trade shows?

Ms McCARTHY: Member for Katherine, it is not about doing that at all. I will hand over to John Fitzgerald, our Chief Executive Officer.

Mr FITZGERALD: Member for Katherine, that is a direct result of an event called Corroboree, which has just been held very successfully in the Top End. It is a Tourism Australia event. The Northern Territory hosted the event this year. We brought 320 travel agents from the UK and Europe, and 165 suppliers of product from around Australia to the Top End for that event. The costs were around \$800 000 to do that, mainly paid for by Tourism Australia. The Northern Territory made a contribution to that this year. The entire funding for that event will not be either incoming or expended next year, because that event will not be held in the Northern Territory. We had the benefit of having it in the Northern Territory this year. It was the largest travel trade event ever held in the Northern Territory. We had the benefit of it, but we are not losing any benefit. It is merely an in/out of financial monies coming from Tourism Australia, and our operators still have the opportunity to be involved in the next Corroboree event in another state.

Mr WESTRA van HOLTHE: Thank you for the answer, Mr Fitzgerald. That accounts for \$800 000 of that \$2m. Where are the other cuts going to be made? It refers specifically to trade shows. Are they trade shows we attend in other states?

Mr FITZGERALD: That is the lion's share in the marketing output. In the Destination Development Output we also have a decrease in funding of around \$500 000, which is also Commonwealth funding. That is a range of Commonwealth programs that have been supporting the development of some of our Indigenous product. Some of that is short-term program stuff that will come to an end in this financial year. Again, a large chunk of that is due to the Commonwealth programs coming to their conclusion.

Mr WESTRA van HOLTHE: Given the downturn this year which is quite apparent now but should have been well and truly indicated last year with the strength of the Australian dollar, why is it the Northern Territory government as a whole did not continue funding Tourism NT to make up the shortfall of Commonwealth funding? Why did you not replace that money with money from the Northern Territory government?

Ms McCARTHY: Member for Katherine, the area Mr Fitzgerald is talking about, Indigenous tourism, is one we are monitoring through other programs across government, such as regional economic development. We are mindful that in growing these regions we want to see tourism grown, and if we cannot get financial support from the Commonwealth we will look elsewhere. It is also about consistent lobbying with the federal government. These are things the federal government can see quite clearly in the Northern Territory's place for tourism in representing Australia.

Mr FITZGERALD: Member for Katherine, I might add we are still pursuing additional funding from the Commonwealth, but are not in a position to budget that forward funding. We are still hopeful the Commonwealth is going to continue to support, whether it be under the existing programs or working with them to find new programs. We have many Indigenous people. We have over 20 Indigenous operators involved in our Indigenous hubs where we are providing mentoring, back office support and helping get into the distribution systems of tourism, so we need that to continue. We are meeting with the Commonwealth. We are looking for those opportunities. We are getting a sound hearing at this stage, but are not at a point when we can put that into our budget cycle.

Mr WESTRA van HOLTHE: I am glad both of you have mentioned Indigenous tourism hubs. How many have been established? The 2030 plan, which is now nearly two years old, speaks about Indigenous tourism hubs, but with no time frame attached to them. Does that mean you do not have a key performance indicator by which you will measure when these Indigenous tourism hubs will be established?

Ms McCARTHY: Member for Katherine, regarding tourism, you have the Darwin, Alice Springs and Nhulunbuy hubs in Indigenous tourism, but as we have said to you in the previous answer, this is Commonwealth funding and we are conscious that we have to look at where it goes beyond this year.

Mr WESTRA van HOLTHE: Was Commonwealth funding for Aboriginal or Indigenous tourism hubs available when the 2030 document was produced?

Ms McCARTHY: Member for Katherine, I would have to take that question on notice.

Mr FITZGERALD: Yes, there was, member for Katherine.

Ms McCARTHY: There was.

Mr WESTRA van HOLTHE: There was?

Mr FITZGERALD: My advice is there was, yes.

Mr WESTRA van HOLTHE: The initiatives in *Territory 2030* could be wiped off the page simply because the Commonwealth says it will not fund it.

Ms McCARTHY: It is like any plan you have, member for Katherine, you need a vision for the future and it is our job, as members of Cabinet, to consistently put the case for the Northern Territory and whatever respective portfolios we have to ensure those plans come to fruition. I am conscious of the fact things happen, for example, a ban on live export can happen. There are things outside our control. We are constantly lobbying the Commonwealth on behalf of the Northern Territory for programs that are funded by the Commonwealth.

Mr FITZGERALD: To add to that, member for Katherine, the original hub was at Nhulunbuy which the federal government now funds directly; it is not channelled through the NT government. The other two hubs have developed since that time and have become the larger hubs. There are 11 businesses in Alice Springs and at least half a dozen directly in Darwin. The idea is these are not indefinitely funded by any level of government. The whole idea is to bring Indigenous tourism businesses into the mainstream distribution economy of tourism and, hopefully, make them sustainable over time. We know that will take some time and we believe the federal government is aware of that. Those negotiations are continuing, but, at the end of the day, we want to see these businesses sustainable on their own feet.

Mr WESTRA van HOLTHE: I find it a little disingenuous that the government produces a document called *Territory 2030* with a whole range of initiatives in it, with targets, actions and all sorts of things, yet underlying many of these is no substance because no funding is guaranteed. Would you not want guaranteed funding before you published it in a document like this? People hang their hat on this stuff.

Ms McCARTHY: As I have said, in response to previous questions, these are our plans; we need to have plans for the future. There are always going to be variables within those plans in whether funding is available or not; however, that does not mean we do not have a plan to actively pursue consistent funding and that is our plan.

Mr WESTRA van HOLTHE: Minister, staff numbers for the department are at 94, as they are for the current financial year and also next financial year. If you have the same number of staff, where is the Tourism NT position for Tennant Creek? If it does not exist, where has it been transferred to?

Ms McCARTHY: Member for Katherine, I will refer to our Chief Executive.

Mr FITZGERALD: Member for Katherine, that position does exist and we were having some trouble recruiting to it. I have just returned from Tennant Creek to meet with the industry and confirm that position will be filled. We are looking at the level of that position to see if we cannot make it a slightly more senior position in order to attract the right candidate who can do a range of things for us, perhaps a little more of an expansive tourism development agenda, even working with the Indigenous people in the Barkly region. We are trying to elevate that position. We are having it re-JESed to see if we can get it to a slightly higher level and then we will be out in the marketplace as quickly as we can to advertise for that.

Mr WESTRA van HOLTHE: Can I get a guarantee it will be 100% tourism position? It will not be a point something with another role?

Mr FITZGERALD: Member for Katherine, you have that guarantee, yes.

Mr WESTRA van HOLTHE: I will tell the people of Tennant Creek that; they will be very pleased. I have no further questions on whole-of-government, Mr Chairman.

Mr CHAIRMAN: Are your questions on whole-of-government, member for Braitling, or are they a different output?

Mr GILES: I do not know what output they are in.

Mr CHAIRMAN: What questions are they?

Mr GILES: I can ask them now probably.

5.0 TOURISM NT

5.1 Marketing

Mr CHAIRMAN: We are moving on to Output 5.1 Marketing.

Mr WESTRA van HOLTHE: Thank you, Mr Chair. Minister, in 2008-09 you had a marketing strategy to capitalise on the movie *Australia*. It can take some time to determine the success or otherwise of a campaign; however, I would like to know how much you spent on that campaign, what the key performance indicators were, and whether those key performance indicators have been met.

Ms McCARTHY: Member for Katherine, I will consult with Rita. Can we take that question on notice?

Mr WESTRA van HOLTHE: Certainly.

Question on Notice 5.28

Mr WESTRA van HOLTHE: I will ask the question again. Minister, in 2008-09 you employed a marketing strategy to capitalise on the movie *Australia*. Can you please advise how much money was spent on that campaign, what the key performance indicators were, and whether you have met those key performance indicators?

Mr Giles: Did the minister know there was a marketing campaign?

Ms McCARTHY: I was not minister at the time, member for Braitling.

Mr Giles: You were in Cabinet.

Ms McCARTHY: No, I was not.

Mr CHAIRMAN: That is the question?

Mr WESTRA van HOLTHE: That is it.

Mr CHAIRMAN: That is question 5.28.

Mr WESTRA van HOLTHE: I am glad you mentioned the Oprah visit, minister. In December last year Oprah Winfrey came to Australia. Can you please advise how much money was spent by your department, or any other government department, with respect to that trip?

Ms McCARTHY: Yes I can, member for Katherine. To go back to that question from the member for Braitling, it depends on what part of 2008 you are referring to - before I became a minister.

Tourism NT expended \$508 000 to secure the filming of Oprah Winfrey's 25th and final season in parts of the Northern Territory. Tourism NT worked with Tourism Australia to organise and manage a visit to the Northern Territory for 14 of the show's audience members. This included a visit to Gabarnmung Cave in Arnhem Land, to Alice Springs and Uluru, and Ms Winfrey joined the group for the Uluru component of the itinerary. Uluru was featured prominently in the broadcast in 145 countries, with an audience of more than 50 million viewers in the US alone. Our exposure and estimated value for that is A\$1.8m and \$8.6m in estimated advertising value.

Mr WESTRA van HOLTHE: So, \$1.8m and \$8.6m, was it?

Ms McCARTHY: Yes.

Mr WESTRA van HOLTHE: I am happy for this to be on notice, or table it if you want: can you please break down how that \$508 000 was spent?

Ms McCARTHY: We can take that on notice, member for Katherine.

Question on Notice 5.29

Mr WESTRA van HOLTHE: Can you please break down how the money was spent on the Oprah Winfrey campaign.

Mr CHAIRMAN: That is question 5.29. Can you specify the money in the question?

Mr WESTRA van HOLTHE: Yes, it was \$508 000 as advised by the minister.

Mr WESTRA van HOLTHE: Minister, would you reasonably presume the market most influenced by Oprah's visit would be the US market?

Ms McCARTHY: That would be a big presumption. I might refer to the experts in marketing, but I would assume yes would be the answer to that. I will also check with Rita.

Ms HARDING: Member for Katherine, yes in part. The US was a target market, as was Australia and also the UK. Already we know there has been 6% direct increase in the last quarter as a result of the Oprah Winfrey visit – as of the international visitor survey statistics released in March.

Mr WESTRA van HOLTHE: Can I ask for a clarification. 6% on what?

Ms HARDING: A 6% increase for the last 12 months. After the Oprah Winfrey visit we know, anecdotally, there was an increase of US visitors into the Centre. That was confirmed through the international visitor statistics for the last quarter which saw a 6% increase for that quarter compared to the previous year.

Mr WESTRA van HOLTHE: In the first quarter, you have been able to quantify the benefit of that marketing program?

Ms HARDING: That is correct.

Mr WESTRA van HOLTHE: Thank you. I have no further questions in marketing.

Mr GILES: Minister, I have a marketing question. I am not sure if my specific question is marketing or the other output areas, but I will ask it anyway. In Alice Springs, we have the 8th best desert golf course in the world. This is in the paper so you know what I am going to ask. I presume you are not a golfer; I could be wrong. I am not being sexist otherwise ...

Ms McCARTHY: Why do you presume that?

Mr CHAIRMAN: I know the minister has played golf before.

Mr GILES: You may have played golf, but what I am saying is ...

Ms McCARTHY: I have played on the Alice Springs Golf Course.

Mr GILES: Well, congratulations! You will know it is the best course in the Territory and the 8th best desert course in the world. I am very disappointed there is no marketing campaign for that course. Could that course be incorporated with the Rock, the Reef, or Sydney or Darwin or whatever? It is not promoted. We have a massive asset in Alice Springs. It should be promoted, especially with the upcoming middle class in China and Indonesia. It is more of a statement than a question. Maybe I could frame the question as why have you never promoted it, and what you plan to do about it?

Ms McCARTHY: I can answer the question, Mr Chairman. We include the Alice Springs Golf Course in our marketing. I will ask Rita to give you details.

Ms HARDING: The usual way of promoting the golf course as a major attraction and a must-do experience in Alice Springs is through online social media aspects as well as our media visits. It becomes a central place to visit for many visiting journalist programs. In the last year - although I do not have the exact numbers who visited - we had a Chinese delegation play on the golf course as part of the promotion. While it does not feature in marketing language in Hero promotions in advertising, it is actively promoted as an essential component for visits to Alice Springs.

Mr GILES: Minister, how is that campaign working? Being a member of the golf club, and talking regularly with the board and the CEO, not many people see the benefits of that campaign. I am speaking anecdotally.

Ms HARDING: While we do not track specific visitation as the direct result, it is certainly part of the promotion and positioning of Alice Springs. We could look at how we can better liaise with the golf club in order to see how we can improve that promotion and in our dialogue with them.

Mr GILES: Ms Harding, I would welcome that. I encourage it, and would be happy to facilitate it.

Mr FITZGERALD: To add to that, probably the business tourism market is an opportunity with the convention centre. When our Northern Territory Convention Bureau, which is part of Tourism NT, is out promoting Alice Springs as a conference destination, the golf course and similar assets like that are promoted. In fact, when we bring key buyers in those industries into Alice Springs, experiences like the golf club are often included in those familiarisation itineraries. It may not always be evident and perhaps we need to ensure it is more obvious that is being done.

Ms McCARTHY: We will take your suggestion on board, member for Braitling.

Mr CHAIRMAN: Do you have a second question, member for Braitling?

Mr GILES: No, not in that area.

Mr CHAIRMAN: That concludes consideration of output 5.1, Marketing.

Output 5.2 – Destination Development

Mr CHAIRMAN: We now on to Output 5.2 Destination Development.

Mr WESTRA van HOLTHE: Thank you, Mr Chairman. Minister, how much money has been provided to Tiger Airways historically in the last three years?

Ms McCARTHY: I will ask our Chief Executive to the table.

Mr FITZGERALD: Sorry, what was the question?

Mr CHAIRMAN: Can you repeat the question?

Mr WESTRA van HOLTHE: How much money has been provided to Tiger Airways in the last three years?

Mr FITZGERALD: The last three years?

Mr WESTRA van HOLTHE: You can go back longer if you want.

Ms McCARTHY: We are on aviation.

Mr FITZGERALD: Yes, sorry.

Ms McCARTHY: Bear with us, member for Katherine. We were running Destination Development, but we have moved into aviation.

Mr FITZGERALD: For the past two years, which is as far back as we have gone, the amounts provided for cooperative marketing total \$350 000 per year.

Mr WESTRA van HOLTHE: So \$700 000?

Mr FITZGERALD: Correct.

Mr WESTRA van HOLTHE: They stopped flying out of Darwin last year saying they would recommence flights from Darwin to Melbourne in February and have not done so. Are any payments still being made to Tiger under any contract you have with them?

Mr FITZGERALD: They will have to do an acquittal at the end of the financial year as to what activity has occurred. That will be received by the NT government and consideration be given for the amount of marketing funds that apply to the agreement. They have maintained their flights to Alice Springs so they are still flying to the Territory.

Mr WESTRA van HOLTHE: Yes.

Mr Giles: To one destination.

Mr WESTRA van HOLTHE: Yes, one destination.

Ms McCARTHY: A very important destination, member for Katherine.

Mr FITZGERALD: At the end of the day, Tiger has had its own challenges. You have probably read about it in the media. As a global company they have been tracking well, but due to the many natural disasters and occurrences in Australia in the last six months in particular, their Australian operations returned a loss of some \$9m. As we know, airlines are high-cost low-yield businesses and are very mobile assets. The whole low-cost carrier model, whilst it has benefited many destinations, including our own, also means those assets are very mobile. We will see, from time to time, fluctuations in the capacity that comes and goes. We are hopeful Tiger is one of those that has gone briefly but will return to the market when the strength is there.

Mr WESTRA van HOLTHE: I am hoping to see a good return on the investment. The Territory will benefit from the money you spend encouraging airlines to come to the Territory. Minister, what is your commitment to high-end tourism, and in particular, your commitment to establish a multi-user heliport located at the Darwin CBD somewhere?

Ms McCARTHY: That is a very good question, member for Katherine.

Mr WESTRA van HOLTHE: You can answer it by saying you have done nothing if you want.

Ms McCARTHY: It is a very good question. Would anyone care to respond to it?

Mr FITZGERALD: Is that an idea, or is that something that the minister has ...

Mr WESTRA van HOLTHE: I understand approaches have been made to the department.

Ms McCARTHY: Member for Katherine, there has been no direct approach to me. As I said in my introductory speech, the agency recognises there always has to be creative ways to lure the market to the Territory.

Mr CHAIRMAN: I believe that comes under the Minister for Lands and Planning.

Mr WESTRA van HOLTHE: Yes.

Ms McCARTHY: Any ideas are always welcome. If that has gone directly to the Transport minister I am sure he will have further details for you.

Mr FITZGERALD: Member for Katherine, my advice is we believe it might be part of the marine harbour plan and Tourism NT is part of that planning framework. It may not have come directly to us, but it has come into that planning environment, perhaps.

Mr WESTRA van HOLTHE: Minister, at the next estimates I will ask you the same question and see whether we have progressed further.

Ms McCARTHY: Noted.

Mr WESTRA van HOLTHE: It is a good idea, in my view.

Ms McCARTHY: I am sure the local member of the city area might be happy with that too.

Mr WESTRA van HOLTHE: No further questions in that output group.

Mr CHAIRMAN: Do you have any more questions?

Mr GILES: Minister, I have a concern that there is not a significant amount of product development being conducted in the tourism market. Much of our tourism product is tired and old. Kakadu is becoming more 'Kakadon't' rather than 'Kakado'. Uluru has been around for a long time and I am concerned, from a Central Australian perspective, there is not product development in Alice Springs. We have the Larapinta Trail which is slowly growing, however, there are not many new things coming onto the market in a more globally competitive world. What are you doing to develop more products, especially small end tourism products, messages people can take home, to bring more tourists to Central Australia? If we keep flogging the same dead horse our numbers will keep going backwards.

Ms McCARTHY: I disagree. I believe the beauty of the Northern Territory is places like Uluru, Kakadu and the lifestyle.

Mr GILES: I am not discarding those places.

Ms McCARTHY: We are always going to have those products. The creative element within Tourism NT is what you are referring to. Towards the end of last year we put out a 3D commercial on Kakadu which no other tourism agency across the country has ever done. It was a world first. The creative in selling the product is there and we always have to, within the industry, keep challenging ourselves because that is what the industry is about.

Mr GILES: Can I interrupt and redirect you to a different path. The Chief Executive understands what I am saying. It is about the upstream and downstream product development, not just the Kakadu and how to develop a CD – 3D or otherwise.

Ms McCARTHY: You mentioned Kakadu.

Mr GILES: It is becoming old and tired. We need to do other things. Maybe I could ask the Chief Executive to respond to my question.

Mr FITZGERALD: Member for Braitling, product renewal is something we all want to see and I have just arrived back in the Territory. I have only been back for four months and, pleasingly, we are starting to see things happening, even with some of our major assets. You mentioned Uluru; the ILC has purchased the facilities at Uluru and I will not quote the amount; however, they are going to inject tens of millions of dollars into that over the next three years.

A range of other assets have been developed. We have an investment attraction unit in our business. At the moment we are working with NRETAS to put together a signature lodger's program which is to develop unique accommodation on national parks in the Northern Territory. We have two sites identified and we are working on those at the moment; one in Litchfield National Park and one in the West McDonnell Ranges. This is really a blueprint for the future development which can occur.

We have Cicada Eco Lodge about to turn the first sod at Nitmiluk. Wildman River Wilderness Resort has opened in the last two months, and many of our international travel agents have already seen those facilities. Lasseters Hotel Casino is about to refurbish and add another 30 rooms and a day spa. Similarly, Skycity Darwin is producing what will probably be the most luxurious resort in Darwin, one of the experiences Darwin, as a city, has been lacking.

On top of that we have Indigenous tourism experiences developing. One example is the Ilpurla Trail walk into the blue in Central Australia. The Indigenous guys are about to lead their very first tour. We have spent three years working with those guys getting that product to the market place.

Perhaps it is not always as obvious; however, there is stuff happening and a real kernel of new development potentially brewing for the Territory. As the incoming CEO, I welcome some of that new development.

Mr CHAIRMAN: Thank you very much for your time. It is now 11 pm. We have finished. We appreciate everyone being here. Thank you, minister.

Ms McCARTHY: Thank you.

Mr CHAIRMAN: Thank you, everyone.

The committee suspended.
