

The Estimates Committee convened at 8.30 am.

MINISTER GERRY McCARTHY'S PORTFOLIOS

DEPARTMENT OF LANDS AND PLANNING

Madam DEPUTY CHAIR: Good morning, minister. Welcome.

Mr McCARTHY: Good morning, Madam Deputy Chair.

Madam DEPUTY CHAIR: I invite you to introduce the officials accompanying you from the Department of Lands and Planning and, if you wish, to make an opening statement.

Mr McCARTHY: Madam Deputy Chair, I introduce the Department of Lands and Planning officials with me this morning: Dr David Ritchie, Chief Executive Officer, Department of Lands and Planning; Ms Jasmin Aldenhoven, Chief Financial Officer; Mr Dave Malone, Strategic Planning Group Executive Director; Ms Leah Croke, Land Services Group Executive Director; Ms Sharron Noske, Transport Group Executive Director; and Mr Mark Norman, Acting General Manager, Land Development Corporation. I will be joined at the table by other senior department officials for further technical and operational advice as appropriate as we move through the appropriation for the department.

The Northern Territory Department of Lands and Planning has a central role in delivering the Henderson government's priorities for land release, transport systems, and other infrastructure and economic growth for the benefit of all Territorians. The department provides strategic and long-term integrated land planning, evaluating the best use of land; safe, accessible and effective transport services; and planning of roads to connect communities across the Territory. This work is done while continuing to maintain the Territory lifestyle and protecting the natural environment.

In the last year, we have seen significant work undertaken in planning for the new city of Weddell, including a highly successful inquiry by design planning process, site studies, and investment in supporting infrastructure. Development of Palmerston East continues, providing new housing opportunities for Territorians. In Alice Springs, the development of the suburb of Kilgariff moves ahead. Headworks are now under way and community input received through the planning forum is being incorporated into detailed planning for the suburb.

A \$307m roads program will deliver key new infrastructure, including new bridges and overtaking lanes, as well as improving flood immunity on roads in rural and regional areas. Providing a safe, connected and accessible road network is critical to support local industry and create liveable communities. The department will continue to work to improve access to and from remote communities through the integrated regional transport study.

The Department of Lands and Planning will continue to improve our public bus network with the roll-out of new bus shelters and delivery of our expanded bus services. We are looking to the future.

Community feedback on the Greater Darwin Region Land Use Plan consultation paper will help inform the final product to guide the growth in the region to 2030. The development of a 10-year infrastructure strategy and road strategy is well advanced. These will support the delivery of *Territory 2030* strategic plan targets.

I look forward to any questions the committee may have with regard to the appropriation for this year.

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

Mr WOOD: I have one, if that is all right. It may come up later, but it is an important one. You mentioned Weddell. What stage are you at with Weddell, especially the competition in relation to the design of Weddell?

Mr McCARTHY: Member for Nelson, in relation to Weddell and the inquiry by design forum, it is now basically processing all the information collected in that very progressive forum. You know about that, you took part in it. Now we have to nail down those direct planning issues around the first cut in the city of Weddell. I can get some comment on those details if you would like. The design of the city and the competition is on my agenda as soon as this Estimates hearing is over. We have that ready on a diary

upstairs, and will be walking down that road to make some announcements about the competition and progressing that. Do you want some more explanation?

Mr WOOD: No, I am happy. You made a general comment. That is a general answer and we will get the specifics during Planning. Thank you.

Madam DEPUTY CHAIR: Are there any agency-related whole-of-government questions on budget and fiscal strategies? No.

OUTPUT GROUP 1.0 – LANDS
Output 1.1 – Land Information

Madam DEPUTY CHAIR: That being the case, we will move on to Output Group 1.0, Lands, Output 1.1, Land Information.

Ms PURICK: Minister, I asked questions last year about NT Land Information System, ILIS, and I have some more questions this year. Once an application is logged on to ILIS, how long does it take to process?

Mr McCARTHY: That is quite a straightforward question. We will need some department comment on that. We welcome to the table Mr Stephens.

Mr STEPHENS: Vic Stephens, Senior Director Land Information. The current process is manual, unfortunately, because we require a sign-off from the data custodians as to whether someone can access their application or not. For example, whether someone can access the land title search processes, and also whether they can have access to the name search capability and various things like that, has to be signed off by the Registrar-General. It can be a matter of days, or it can be a matter of weeks. In response to this, we are developing an automated access process where the application and the approvals by the data custodians will all be done online. That should reduce the time to provide access to a matter of a day even.

Ms PURICK: If an application took months, that is abnormal?

Mr STEPHENS: That would be abnormal.

Ms PURICK: Can you explain who cannot have access to ILIS? Is there anyone who is not - internal to government or external? I know there are the external users like Power and Water, Justice, legal firms, and accountants. Are there any personal groups that would be denied access?

Mr STEPHENS: Not that I am aware of.

Ms PURICK: Minister, can local members have access to ILIS, as in parliamentarians?

Mr McCARTHY: I did a tour of the department - I have done a number of tours - and I looked at the system and how the system operates ...

Ms PURICK: Can I be registered to access ILIS to help me do my job in my electorate?

Mr McCARTHY: That is where I was heading with the answer. The question would be: do you want information about the system, or are you asking to go into the system to look for specific information relating to a constituent?

Ms PURICK: Into the system. Yes, title searches to help people with issues regarding Lands and Planning. Can a local member have access, albeit fee-paying access, or might it be gratis? Can a local member have access to be able to perform their job?

Mr McCARTHY: I will ask a couple of questions here.

Ms PURICK: Is there a policy on it, or not?

Mr McCARTHY: Vic, could you explain that to the member for Goyder?

Mr STEPHENS: There is no policy denying anyone access to ILIS. As I said, who can access which parts of ILIS depends on the data custodians, like the Surveyor-General, the Registrar-General, and the

Valuer-General, etcetera. In the past, when LAIS was the system, electorate officers had access so there was no problem there. I believe in the past, members and electorate officers applied through the Department of the Legislative Assembly.

The only issue would come when it was intended to on-provide titles information to third parties, because that gets around the Registrar-General's statutory fee process ...

Ms PURICK: I understand that.

Mr STEPHENS: Subject to that, and subject to correctives of the information, then there is no policy against that.

Ms PURICK: If I was to apply for ILIS through the Legislative Assembly to help me do my work, is that a possibility?

Mr McCARTHY: If you made that application I would ask what you want to use it for.

Ms PURICK: Thank you, minister.

Mr WOOD: I am interested in that too.

Ms PURICK: It is an issue.

Mr WOOD: I have to ring the local council to find out and they say there is a charge of \$10 or something. If we had that information are we not allowed to - if a person asks if they have a drainage reserve on their premises - look up the title? Would I be allowed to show them a copy of their block of land and the easement on it?

Mr STEPHENS: That issue would have to be resolved with the Registrar-General because it is the information on title. If it was just information about the parcel of land and the survey plan, that is public information. The title information attracts a statutory charge. I would refer that to the Registrar-General.

Ms PURICK: I am aware of how ILIS works because I was in tenement management for a while, so I had access and I know how useful the information is in a business and a factual sense. As the member for Nelson said, it would allow the electorate office to be far more efficient and effective in performing the duties of a local member if there was access - either through the electorate officer or the member - and understanding all the confidentialities and issues regarding what is on the title.

Mr McCARTHY: This is a new way forward. We need to explore where it heads and if the electorate officer or the MLA received an answer that they were in the confidential area and we could not supply that information for that particular purpose, that is where it would end.

Ms PURICK: Thank you, minister. That is all I have on Lands.

Mr WOOD: Minister, what were the results of your re-evaluation of all pastoral properties and was there an adjustment made to these values after complaints from pastoralists? My understanding is a certain cattle property I visited in the southern Barkly region recently said their original UCV valuation was \$750 000, then it went up to \$8.6m more or less overnight and, now, is back down to \$3.9m. Can you explain what happened in regard to valuations and why there have been so many adjustments to those valuations?

Mr CHAIRMAN: For clarification, I thought that was 1.2. Is that 1.1?

Mr WOOD: I am happy if that is not in the right spot.

Ms PURICK: I have some questions on pastoral land, too.

Mr WOOD: Under the land information column in your annual report on page 49 ...

Mr CHAIRMAN: If you are comfortable dealing with it at this point, minister, we can deal with it here. We will return to the shadow so she can ask questions on the same topic.

Mr McCARTHY: Let us get the explanation.

Mr WOOD: If it is in the wrong place, I am quite happy to move it.

Mr McCARTHY: No, let us keep going.

Mr CHAIRMAN: We will keep going, member for Nelson, but we will let the shadow asks questions on the same subject.

Mr WOOD: You have the question about the re-evaluation?

Mr McCARTHY: I have had much lobbying from pastoralists in this area, particularly in the Barkly electorate I represent. Much work is going on in a very complex process. I have an explanation and I will hand it to David Ritchie to answer that question, member for Nelson.

Dr RITCHIE: David Ritchie, Chief Executive. Yes, member for Nelson, you have correctly said after those valuations in 2006 there were a number of objections and requests for review by pastoralists. As a result, around 110 of those requests for review have been sustained and re-evaluations have taken place. That information is currently being considered by the board of review. It is in train at the moment.

Mr WOOD: A simple question: how is the pastoral lease payments matched to the unimproved capital value? What is the formula?

Mr McCARTHY: We would need to take advice from the Department of NRETAS. We will get that for you, but it is from a different department.

Mr WOOD: So it is clear in my head how it all works, NRETAS charges the pastoral properties for the lease?

Mr McCARTHY: Yes.

Mr WOOD: And you people work out the UCV? So, that ...

Mr McCARTHY: We will get you a higher level explanation.

Dr RITCHIE: The pastoral rent is set by the minister responsible for the *Pastoral Lands Act*, who is the minister also for the Department of Natural Resources, Environment, the Arts and Sport. It is based on a percentage of the valuation. That percentage is adjusted each - I think it is every two years. Is that right, Vic? Yes, every three years. The practice has been to adjust that percentage to more or less hold pastoral rents at a fairly stable level, allowing for the CPI. The last time it was re-valued after that period where there had been a fairly significant upward re-valuation of the properties, the actual percentage was then dropped significantly to end up with a similar rent.

Mr WOOD: Thank you. Sorry, member for Goyder.

Ms PURICK: Minister, in light of the current situation with the pastoral industry and the suspension of the live export trade, will you consider suspending payment of pastoral rents to alleviate the pressure and pain on the cattle industry for at least two years?

Mr McCARTHY: Member for Goyder, that is a good question. Unfortunately, I do not have that decision-making power. The Chief Minister is in Canberra at the moment. I also celebrate the bipartisan approach to this issue ...

Mr WOOD: Tri-partisan.

Mr McCARTHY: Tri-partisan. Sorry, member for Nelson, both sides of the House, recognising the Independents ... and working to a resolution in this issue of re-establishing the live export trade as soon as possible. We should continue to focus on that. In direct answer to your question, I do not have the power to make that decision.

Ms PURICK: All right, I will rephrase it. Given that it is about \$6m a year rent from pastoral properties, on my understanding, will you lobby your Cabinet colleagues for a position of giving measures to the cattle industry such as freezing their rents for two years so they can get through this situation?

Mr McCARTHY: Member for Goyder, I have been a very active component of our Caucus position to this issue and have made many comments. As a really good team, as we are, we are working down the line of those high-level engagements. We have representatives from our departments on the task force and the working parties, and we are going full steam ahead to get this resolved as quickly as possible. I really do not think that is appropriate at this stage. We are about solving the problem for Northern Australia and the live export.

Ms PURICK: Sure, I will leave it at that. Are we on Land Administration?

Mr CHAIRMAN: The member for Nelson had another question on land administration, so we will have to get back to you on that subject. Sorry, member for Nelson. For clarification, the member for Port Darwin had a question about which output he would ask questions regarding Flagstaff Park. Is that Output 1.2 or 2.1?

Mr ELFERINK: Output 2.1 would probably cover it. That is all right, we will go to 2.1. If you are happy with that, minister, I will wait for us to get there.

Mr CHAIRMAN: You are happy to take it?

Mr McCARTHY: Yes.

Mr CHAIRMAN: So, 2.1. No problem. Member for Nelson.

Mr WOOD: Minister, you have commenced aerial photography and mapping of homelands. Who pays for that?

Mr McCARTHY: Let us go to a very comprehensive brief on aerial photography and mapping programs, Commonwealth-funded. Do you want some direct information?

Mr WOOD: No, that is fine. The Commonwealth is funding that program?

Mr McCARTHY: Yes.

Mr WOOD: That is okay, thank you. My answer has to be short so I can get more questions in.

Mr CHAIRMAN: You are done?

Mr WOOD: Yes.

Mr CHAIRMAN: That concludes consideration of Output 1.1.

Output 1.2 – Land Administration

Mr CHAIRMAN: We move on to Output 1.2, Land Administration. Member for Goyder.

Ms PURICK: Minister, I understand last year there was an audit of Crown land across the Northern Territory. Has this audit been finalised, and have you recently done an audit of availability of Crown land in the greater rural area of Darwin?

Mr McCARTHY: There have been a number of exercises looking at Crown land, particularly around the land use strategy put out for community comment. It also relates to our government's hard work and determination to deliver housing options and affordable housing throughout the Territory. For more specifics around the detailed studies ...

Ms PURICK: Have you done an audit?

Mr McCARTHY: I will pass to David Ritchie.

Dr RITCHIE: Thank you, minister. Member for Goyder, as the minister said, there is an ongoing process of looking at all the land assets owned by government departments. That continues. The area we focused on is potential places for infill development which are being foreshadowed in the 15-year Darwin Regional Land Use Plan.

Ms PURICK: You have not recently done a specific audit for availability of Crown land in the greater rural area? You are saying it is an ongoing process?

Dr RITCHIE: That is correct.

Ms PURICK: Given the large Wet Season we have had, what additional measures and resources have you allocated to weed control and fire breaks on Crown land? I should say mostly in the Top End, given the Wet Season was in the Top End.

Mr McCARTHY: Thank you, member for Goyder. Let us talk about maintenance, fire breaks and weed control on Crown land. Fire breaks are installed on all required parcels of Crown land as identified by Northern Territory Police, Fire and Emergency Services or Bushfires NT. The Crown-managed land weed management strategy was completed in late 2010. The Department of Lands and Planning has a Crown lands weeds officer to implement the strategy, and DLP works closely with the Weed Management Branch in the Department of NRETAS and Bushfires NT in the control of weeds on Crown land.

In installation of fire breaks and controlled burns, our strategy is to protect public safety and property. They are occurring annually and are part of our policy and strategy. These are ongoing programs.

The herbicide control of weeds on Crown land occurs each Wet Season. The Department of Lands and Planning is finalising four regional weed management plans to support this strategy - extra work we are doing there. Implementation of the strategy commenced in the 2010-11 Wet, or weed season, and this work is being processed through a Cabinet recurrent funding allocation for weed control on Crown land and promotion of weed control outside of Crown land. Monitoring and review of the strategy is ongoing, of course. In relation to the heavy rainfall in the Territory's central region, it will mean increasing activity right across the Territory, in the Barkly and Central Australia as well ...

Ms PURICK: Have you allocated additional resources, given we have had nearly 3 m of rain in the Top End?

Mr McCARTHY: In weed control - I will skip fire breaks, hazard reduction burns and go to weed control. In 2010-11, we have a figure of \$1.1m. Then they increased. Yes, I throw to you for the answer.

Dr RITCHIE: Yes, we anticipate we are going to spend more. At the moment, our estimates are another couple of hundred thousand will be spent in that area. The same with hazard reduction burns; there is an increase there.

Ms PURICK: Okay, thank you. Minister, on another subject - and I have asked this question of other ministers during estimates - where is the department at in regard to planning for a new regional waste management facility in the Top End?

Mr McCARTHY: Regarding a regional waste management facility, you are talking about the greater Darwin area, I presume?

Ms PURICK: Correct.

Mr McCARTHY: You would then understand the need for such a facility. There are two aspects to this explanation. The first one is we are, in the Department of Lands and Planning, doing the survey work and that important research around such a facility ...

Ms PURICK: For a site or multiple sites?

Mr McCARTHY: ... on Crown land. You also understand that the operation of this and the management of the facility is with local government.

Ms PURICK: Correct.

Mr McCARTHY: You would also have to be aware about the ...

Ms PURICK: But, you have to allocate the land or identify land that is suitable for a rubbish dump.

Mr McCARTHY: That is correct, member for Goyder. You would also be aware that the TOPROC group is working together on this. To give you a higher-level explanation on the studies that go into an appropriate area of land, I will hand to the CEO, Dr David Richie.

Dr RITCHIE: Thank you, minister. There has been a study of several areas. The one that seems to be most practicable is the area on the Howard Peninsula - there are a couple of sections, 4225 and 4226. I stress our role in this process is to identify suitable land; the actual governance and management of that facility will be by a consortia of local government authorities.

Ms PURICK: I accept that, Dr Ritchie, but in identifying the land or multiple sites, how do you go about identifying it is suitable land? Do you undertake any environmental or geological studies to ascertain whether the Howard Peninsula is suitable for a rubbish dump?

Dr RITCHIE: Like many of these things, there is a progression of studies. The first is to see if there are any killer points that would prevent it. That has taken place and we are through those. Those sections I referred to have been identified as nothing would preclude them from being used for that purpose. We have now commissioned a full environmental impact study and the Environment minister will expect a full EIS.

Ms PURICK: Have you put that EIS out to tender?

Dr RITCHIE: That is exactly right. That is the stage we are at now. Only if that comes through clean will we be able to move to identifying where on that peninsula and in what form the facility will be.

Ms PURICK: Just so I get this clear: the environmental impact statement tender has gone out into the public domain?

Dr RITCHIE: No, we have not called that tender. We are still negotiating with the department of Environment. It is its call about what level of environmental assessment it needs; however, I am assuming that for something like this it will be a full environmental impact assessment.

Ms PURICK: I would presume so, too. In regard to the possible location in the Howard River area, what planning has been undertaken in regard to the existing extractive industry leases and licences in that area? What is the future of those extractive permits? Are they being relocated, or are you offering compensation because there is years of material in that area? If they have to move before their leases or permits expire, are you negotiating some form of compensation? Basically, what is the status in regard to any of the extractive permits and leases in that area?

Mr McCARTHY: Once again, member for Goyder, this is part of the studies and the work we are doing to determine an appropriate site. All these factors come into play but, as you have heard, the CE has explained the high-level environmental, geotechnical aspects around any issues that may crop up. Then it comes down, in normal planning processes, through to all those other factors that determine where a facility like this should go. David, if you would like to make any further comments?

Dr RITCHIE: Yes, those industries are very important and the negotiation being managed directly by the Department of Resources. In brief, we believe many of them will be able to continue for a long time; it is not an incompatible use. Second, arrangements have been put in place to guarantee them 12 months notice if there are any changes. That has been put forward as an agreement on how we will go forward. I understand from our colleagues that has been accepted and is a reasonable way of proceeding.

Mr McCARTHY: Mr Chairman, if I could follow on. I make note for the panel the successful work we have done with that extractive industry group in relation to the new Doug Owston Correctional Services facility ...

Ms Purick: We will get on to the new gaol.

Mr McCARTHY: I thank the member for Nelson for that because he was one of the people who alerted me to taking a close interest in that. We have been able to work together with my colleague, the minister for Natural Resources. We had representatives from that group around the table and we achieved some really good results.

Ms PURICK: Minister, for clarification, in regard to the possibility of a site for the waste – you call it transfer; I call it a rubbish dump - in that area, do the studies and work include traffic management and

traffic flow? Where will the bulk of traffic be going in and from the rubbish dump? Is that part of the study, or is it a separate study?

Mr McCARTHY: Member for Goyder, just to share something with you that is a little off the track but in relation to semantics, I am encouraged to call the proposed Muckaty nuclear waste management facility a facility and not a dump. In regard to the ...

Ms Purick: I am happy to call it a dump.

Mr McCARTHY: ... new terminology, a regional waste management facility. The work I have done at the local government level with the councils has been very clear: this service is needed. In relation to traffic management studies, absolutely. If you would like some higher-level explanation ...

Ms Purick: Yes, I will.

Mr McCARTHY: ... around that, because a really exciting part of the work is when you get into planning. I know you have a great interest in it as well. These studies are very important to determine good outcomes and not create issues for the future. If we want to make another comment on that about how our department works ...

Ms PURICK: No, the question was: would traffic management and road traffic access studies be part of the overall study, or would separate work be undertaken?

Dr RITCHIE: Member for Goyder, it is a separate study and, because that is our business, we have started that. It will be looked at in relation to the whole of the rural area and Darwin; it will not be in isolation.

Ms PURICK: One last question on the proposed facility. In part of the program and planning, do you have in place public and community consultation for residents in, around or nearby that area?

Mr McCARTHY: Member for Goyder, I have very fond memories of taking public consultation out into the rural area, and ...

Mr Wood: Not the best meeting in the world.

Mr McCARTHY: ... I stood shoulder to shoulder with the member for Nelson and met some really interesting members of your family, member for Goyder.

Ms Purick: They are only my family when they are well-behaved.

Mr McCARTHY: It was wonderful to talk to your mum about Tennant Creek, about the show, and about all those great ...

Ms PURICK: Back to the point: is public consultation planned?

Mr McCARTHY: ... points in history. She got right to the point. What came out of that in relation to public consultation was not only the importance of it, but the relevant aspects of consulting with the local community. This is part of the work we do. We value this and we do this.

Ms PURICK: You are planning for further public consultation?

Mr McCARTHY: Certainly.

Ms PURICK: Perhaps if we could move to a related subject regarding land administration, your government has announced with great fanfare - and that is fair enough - a proposal for a marine supply base. As you would be aware, associated with that kind of infrastructure is the requirement for the disposal of industrial waste. I have asked this question of the Chief Minister during estimates - whether it is a private concern or a private/public partnership is a side issue - have you undertaken any planning of where an industrial waste facility could be located, given we are going to need one somewhere in the near future? Currently, the ...

Mr McCARTHY: I want to check the area we are in, Mr Chairman.

Ms PURICK: Land administration.

Mr CHAIRMAN: Output 1.2. We will take advice from you about where things fall.

Ms PURICK: Would you like me to put it in Planning?

Mr McCARTHY: Yes, it sits with Planning and we would have other members at the table.

Ms PURICK: That is fine. That is all I have on that point.

Mr ELFERINK: I will jump in here if you do not mind, Gerry. I will not be too long, I hope.

Mr WOOD: You will not use a Matt Conlan 'one second'?

Mr ELFERINK: No, no. I genuinely try to be reasonable. I sometimes get carried away; just pull me up. Minister, where are we at with the Ribbons of Green policy?

Mr McCARTHY: The Ribbons of Green policy? The Ribbons of Green policy is part of the Northern Territory government Greening the Territory through green suburbs initiative. It means we are committed to providing an integrated green open space area surrounding the Darwin Peninsula. This is very much part of our planning and our thinking. I allow you to go on to the next part of the question.

Mr ELFERINK: The next part of the question is that policy was announced by the then Chief Minister, Clare Martin, and included Flagstaff Park, the old hospital site, Mitchell Street, and down through The Esplanade. Not so much of one blade of grass appears to have been grown arising out of policy. Can you explain why it has now been five years since the announcement?

Mr McCARTHY: It is interesting. I will make a comment on 'not one blade of grass has been grown', or do you want to talk about specific parts of that development project?

Mr ELFERINK: I want to go to specific parts, but the overall policy which captures the old hospital site, Flagstaff site, and Mitchell Street. The only part of that policy I am aware of that is green is the pre-existing Bicentennial Park. What is happening with it and why are the delays occurring in relation to Flagstaff Park and the old hospital site and those things?

Mr McCARTHY: The first thing I say is in good planning outcomes, it is the identification and preservation of those areas. In the essence of the policy, it is what I opened with in the green suburbs initiative and the Greening the Territory policy. If we start to get into specifics about ...

Mr ELFERINK: Flagstaff then.

Mr McCARTHY: Let us start with Flagstaff Park. So ...

Mr ELFERINK: Announced in 2008 and, currently, nothing has changed on the whole of the Myilly Peninsula.

Mr McCARTHY: I will get you specifics, but will start at the high level. There is no doubt when talking about the global financial crisis - in the land ...

Mr ELFERINK: Are Fannie Mae and Freddie Mac responsible for Flagstaff?

Mr McCARTHY: The land we are talking about, as you would appreciate in your electorate, member for Port Darwin, is extremely valuable land. The opportunities to develop that land have two components. One is a commercial component and the other is the delivery of good policy initiatives. When we talk about the old hospital site - and I like to refer to it to my Caucus colleagues as the Bennelong Point of Darwin - it is extremely valuable and beautiful land. There is a plan to use 20% of that for residential ...

Mr ELFERINK: I know the plan. What is taking so long?

Mr McCARTHY: That component is an extremely good outcome for the taxpayer in funding green open space for this wonderful capital of Darwin. The balance - and my comment about the global financial crisis is that as this policy, a very good policy, was being developed, there was an unfortunate situation in economics where the whole world fell over. Therefore, it was not a good time to be looking at development

at that high end of the market, which is a reality in this city. That is the reason those developments have not progressed in the time frames you are quoting.

That is the overarching explanation. However, there is budget allocation and work has been going on. That work is detailed community consultation because, in that area, there are a number of very interesting lobby groups which I have met, and they all have ambitions to be recognised in the historical, heritage, and Indigenous cultural component as well. The work we have been doing in the department is to shore up all those aspirations and turn them into a reality we can celebrate with our community.

The commercial realities remain that, for the taxpayer, it would not be advisable for the department to advise me we should be progressing this in this current economic climate, and it would not be responsible for me, as minister, to progress this in the current climate. Therefore, we have the legacy of – you are correct – there has not been much development on those sites yet. However, the planning and preparing is important, and there is a budget allocation which will start work on the old hospital site for the park. That will be the first move you will see.

Mr ELFERINK: What is the budget allocation for the ...

Mr McCARTHY: The budget allocation is the original allocation of \$6m ...

Mr ELFERINK: Okay.

Mr McCARTHY: ... and allocated to 2012-13 now. Once again, that relates to the overarching plan where the old hospital site will be developed with 80% of the site as a tropical park, representing all those interest groups that are very active in our processes, and 20% for medium density housing.

Mr ELFERINK: So, the budget allocation is for the financial year 2012-13?

Mr McCARTHY: That is correct.

Mr ELFERINK: So, not for the year 2011-12?

Mr McCARTHY: That is correct.

Mr ELFERINK: Conveniently close to an election; I appreciate the reality of that.

Mr McCARTHY: No coincidence, I can assure you, member for Port Darwin.

Mr ELFERINK: No, in the same way it was not a coincidence when it was announced immediately prior to the last election. Of course, it was not a coincidence; it just miraculously happens that way. How can you make a budget allocation for the development of a park with the argument that you are running, that you are trying to protect the Territory taxpayer? How are you doing a development if you are not keeping the part of the promise that you are selling part of it for commercial purposes so you can pay for the rest of it, or is this a form of a loan into the future?

Mr McCARTHY: I should point out, as we have discussed in the House as well, the \$6m is being allocated towards Myilly Park.

Mr ELFERINK: Right, which has a restaurant component in it as the commercial component?

Mr McCARTHY: I believe that was the proposal, yes. For the old hospital site, that 80%:20% component is the good way to go forward for the taxpayer. At the moment, that is why that land has not been developed; the economy is not in the mood for it.

Mr ELFERINK: Perhaps I misunderstood you, but I am pretty certain you told me the \$6m was earmarked for the hospital earlier. Was that a misunderstanding on my part or did you misspeak?

Mr McCARTHY: No, I said the budget allocation for that whole area we were talking about ...

Mr ELFERINK: It is now more specific.

Mr McCARTHY: ... and you did speak in a macro sense. Yes, let us get down. That \$6m allocation, as you mentioned, is now allocated in 2012-13, and that is specifically for the Myilly Point Park, as it was mentioned in that election commitment you alluded to.

Mr ELFERINK: Which then gets me back to the original question, seeing the commercial rates are so poor you would not expose the taxpayer, and the philosophy behind the development of Flagstaff Park, which is the Myilly Point end, also anticipated the sale of a block of land for that restaurant to pay for the rest of the park the question remains: are you now spending money without selling that block, or are you intending to sell the block in these ...

Mr McCARTHY: Myilly Park is very much the smaller part of this ...

Mr ELFERINK: I understand that.

Mr McCARTHY: ... total package of ribbons of green. That has a budget allocation towards it and would be able to progress under that allocation for the original purposes of creating a park.

Mr ELFERINK: Are you going to sell that block where the restaurant is going to go in the near future?

Mr McCARTHY: The commercial development, when I entered this job in the portfolio, is around the residential on the old hospital site, and that is what I have been focusing on.

Mr ELFERINK: When are you going to be selling the block for the restaurant site on Myilly Park?

Mr McCARTHY: I have not entertained a restaurant site. As I said earlier, when I started research into these issues, it was a proposal.

Mr ELFERINK: So, you are prepared to make a budget allocation without the commercial sale of the restaurant site at the Myilly Point section of Flagstaff Park?

Mr McCARTHY: I have achieved the budget allocation of \$6m to develop the Myilly Park site. Should there be better plans, better outcomes, and better opportunities, I will be interested in listening to those.

Mr ELFERINK: You are anticipating the future sale of the restaurant block to cover the \$6m allocation?

Mr McCARTHY: No.

Mr ELFERINK: Are you going to sell that block for the purposes of a restaurant or not?

Mr McCARTHY: As I said, I have an allocation of \$6m to develop a park.

Mr ELFERINK: Are you going to sell the block for the restaurant sale or not, or has that plan changed?

Mr McCARTHY: As I said, member for Port Darwin, I am very proud to have a budget allocation to develop a park.

Mr ELFERINK: Minister, there was an announcement of a sale of a block of land at the end of Myilly Point to house a restaurant. Is that plan still ongoing?

Mr McCARTHY: Member for Port Darwin, as I said - and this is what I am in charge of ...

Mr ELFERINK: Are you going to sell the block or not?

Mr McCARTHY: Sorry?

Mr ELFERINK: Are you going to sell the block or not?

Mr McCARTHY: There is no talk of selling the block, member for Port Darwin. I would like to hear from you about that announcement. Can you enlighten me about that announcement?

Mr ELFERINK: When the announcement was made in 2008, if memory serves me, it was there would be the sale of a block of land upon which a restaurant would be built which would help pay for the development of the Flagstaff Park. Are you aware of that?

Mr McCARTHY: In the global financial crisis and what happened in 2008 and beyond that is an interesting proposal, but I am afraid it sits with my explanation of we are not in the business of selling any of that prime land until we look at how the economic situation improves.

Mr ELFERINK: I want you to answer the question. Maybe Dr Ritchie can help you.

Mr McCARTHY: Yes, that is a good line, member for Port Darwin. It is a pity you are losing your cool over this. I have given you an explanation and that explanation stands. If you want to talk nasty and throw in those age-old comments, you can get that on *Hansard* because it deserves it.

Mr Westra van Holthe: Nasty comments?

Mr ELFERINK: All right, I genuinely would like ...

Mr McCARTHY: A nasty comment is you would like someone to answer it for you.

Mr ELFERINK: I would like to hear ...

Mr Westra van Holthe: You do not know the answer.

Mr McCARTHY: You reckon?

Mr CHAIRMAN: We will take a moment, member for Katherine and member for Barkly, to not have side course, and we will go to the member for Port Darwin who has the call.

Mr ELFERINK: Are you aware of any original announcement made to rent, sell or lease a block on Flagstaff Park for the purpose of developing a restaurant? Are you aware of that?

Mr McCARTHY: In 2008, I believe, member for Port Darwin, yes.

Mr ELFERINK: Do you intend to continue with that intention to sell, rent or lease a block for the purposes of a restaurant on that site?

Mr McCARTHY: I intend to continue to monitor the economic situation because those factors will determine the best value ...

Mr ELFERINK: Why are you ...

Mr McCARTHY: Excuse me! That will determine the best factors for taxpayers to deliver the best possible outcomes in some of the best real estate in the capital city of Darwin - and that is spoken by a bloke who comes from Tennant Creek.

Mr ELFERINK: That is fine. I just want to get this from you. You are looking at the value of the land with a view to selling that block at some point? Why is the value of that land so interesting to you, unless you are intending to sell part of it?

Mr McCARTHY: I cannot sell it, member for Port Darwin, but ...

Mr ELFERINK: Can you lease it? I said lease and all that other stuff.

Mr McCARTHY: That is right.

Mr ELFERINK: Can you build a restaurant on it?

Mr McCARTHY: That is right. If you talk about lease, once again, I will maintain my position and my advice to government; that we do not lease anything until we are certain about improvement in the economic position. I deal with developers all the time, so it is the community that is also advising me on this. There is an enormous amount of interest about all sorts of land in this capital city. However, at the end of the day, everyone is telling me the same thing; money is tight, the credit market has come to a halt and ...

Mr ELFERINK: My question is not about the credit market.

Mr McCARTHY: ... we should be very cautious. That is good advice, not only from government, but also from the community.

Mr ELFERINK: Do you currently have any intention to, at some point in the future, sell or lease the block identified on Myilly Point for the purposes of building a restaurant? Yes or no?

Mr McCARTHY: The strategy we are looking at is to utilise very valuable land to develop good community outcomes, and that is what the policy is framed around. It is a good policy.

Mr ELFERINK: I understand you are not going to answer the question.

Mr McCARTHY: It is a good policy. I am not going to be drawn into the yes or no answer. I am going to explain to you ...

Mr ELFERINK: If you are not going to answer the question that is fine.

Mr McCARTHY: I am going to explain to you, ad infinitum, the policy and why it is a good policy and why we are sticking to it.

Mr ELFERINK: Thank you, Mr Chairman, I am not going to pursue this. Clearly, he does not want to answer the question and he is not going to. The next question is about the old hospital site. Where are we at with that? How far down the planning processes are you? You have the Mickey Dewar report. What else is happening?

Mr McCARTHY: Member for Port Darwin, in relation to the old hospital site, public consultation on the design concepts has been completed. This will inform the detailed design phase, as you can imagine. The site will contain a commemorative space to recognise the site's past history and cultural significance, as I have mentioned. Designs of the commemorative space will be developed this year. We have been clear that the old hospital site development will be funded through the site's residential development, and we sensibly wait for the demand to return to the higher end of the property market to ensure best value for money for Territorians through this development.

Mr ELFERINK: How far down the planning process are you? Do you have some plans you can table right now beyond what have been already published - something new or more comprehensive that you can table right now to show us where you are at with the development of the old hospital site?

Mr McCARTHY: I do not have any plans to table at this estimates hearing.

Mr ELFERINK: Can you lay your hands on some plans to table if I put the question on notice?

Mr McCARTHY: Member for Port Darwin, I could show you a very extensive process we have been engaged in. The majority of my work has been around the consultation process of the very interested public groups which support this policy. From those meetings, I directed the department to move on this. We engaged a consultant to do this and are now about to process the very important work that has come back. You would be aware, as I am, as everyone in this room would be, how important it is to bring the community along with this as the really good outcomes in new urbanism are about community engagement; if you can engage the community you can deliver positive outcomes, including community safety ...

Mr WOOD: A point of order, Mr Chairman! As nice as it is to hear, we need relevance in the answers because we do not have much time. We all have many questions. The question was if there were any plans in relation to this that might be available. We really have to get the yes and no. Otherwise, we are here ...

Mr ELFERINK: Hear, hear! Can you table the plans ...

Mr CHAIRMAN: There was a point of order, member for Port Darwin. The member for Nelson is talking to Standing Order 113, Answers:

An answer shall be succinct, concise, and directly relevant to the question.

Estimates is conversational in nature and involves a degree of back and forth. When there are preambles, we will speak to the preambles. The member for Port Darwin has asked a question.

Mr McCARTHY: The answer is no, I do not have anything to table at this stage.

Mr ELFERINK: Will you then make available, if I place the question on notice, the most recent plans you have available for the development of the old hospital site?

Mr McCARTHY: You are in the area, member for Port Darwin, of talking about concept designs and master plans. That is where we are at this stage.

Mr ELFERINK: Can I rephrase the question? Is what I have seen in the newspaper the most recent plan/concept design that has been done?

Mr McCARTHY: Can I ask you which newspaper?

Mr ELFERINK: The *Northern Territory News* published a plan placing the new development - the 20% at the Cullen Bay side of the block after you public consultation. That is the most recent concept plan I have available. You have assured me planning is ongoing. Is the concept plan which was published the most recent plan you have, or have you done more work? If you have done more work, can you table the plan as the result of that work?

Mr McCARTHY: We have done more work and the concept plan will be available. The public will have access to it.

Mr ELFERINK: Will you table it now?

Mr McCARTHY: I do not have it to table now.

Mr ELFERINK: Can you take a question on notice for it to be tabled today?

Mr McCARTHY: I have been advised we will give you whatever has recently been published, but this work is ongoing and I do not have anything to table today.

Question on Notice No 8.1

Mr ELFERINK: Question on notice, Mr Chairman. I request the minister place on the table the most recent concept plan or plan pertaining to the old hospital site today.

Mr CHAIRMAN: You are happy to take that on notice?

Mr ELFERINK: Sorry, Gerry. I am done.

Mr WOOD: That is all right. I am interested in what you are doing.

Mr CHAIRMAN: You are happy to take that on notice? That is question No 8.1

Mr McCARTHY: Dr Ritchie.

Dr RITCHIE: Member for Port Darwin, the plans were made publicly available as part of the community consultation process, and were then revised as a result of that to where the residential development would ideally be located. They are the current concept plans.

Mr ELFERINK: Nothing else has been done since that material was published in the newspaper eight or nine months ago?

Dr RITCHIE: That is correct. The next step would be more detailed plans, which would then be planning to a budget. The budget will be set once the properties are sold.

Mr ELFERINK: Minister, you just told this committee the planning has been ongoing and further work has been done. We have just been told by your CE that the concept plan published is the most recent concept plan. Would you care to explain to us what other work has been done, in planning, if the most recent plan is the published one?

Mr McCARTHY: Member for Port Darwin, I would be proud to reiterate what I explained to this committee, but the member for Nelson is encouraging us to move on ...

Mr WOOD: No, to be succinct.

Mr McCARTHY: In answer to your question, I explained to the committee a great deal of very exciting work has been done. The Department of Lands and Planning has been liaising with stakeholders who expressed interest in the commemorative space in 2011 ...

Mr Elferink: That is part of the Mickey Dewar report.

Mr McCARTHY: ... which will form the basis of, and contribute to, the future detailed planning and design of the area. I talked about them as stakeholder groups, let us talk about them specifically – the Friends of Kahlin is a very interesting group ...

Mr ELFERINK: A point of order, Mr Chairman! You have just outlined the requirements of Standing Order 113. That applies in this case; that has nothing to do with the question I asked.

Mr CHAIRMAN: I believe the minister was referring to the stakeholders he has been meeting with since the concept plans were published, and those stakeholders are providing the detail which will go into the further detailed plans. In this case, I believe he was being relevant to the question.

Mr ELFERINK: You have a surprising interpretation of the word 'relevance', Mr Chairman.

Mr McCARTHY: Mr Chairman, the twist in semantics the member for Port Darwin tried to use is commendable. However, that is all it was. I have been trying to outline for this committee the important work that has been going on to progress the park.

Mr ELFERINK: Thank you, minister, you have been as clear as mud.

Mr McCARTHY: Thank you, member for Port Darwin, I am glad to be of assistance.

Mr WOOD: I was going to comment that the member for Goyder is concerned about the regional waste facility ...

Ms Purick: Rubbish dump.

Mr WOOD: No. She is also happy to have the nuclear waste facility on Wallaby Holtze Road. I am not sure the two go side by side. However, I digress. I call the one at Muckaty a repository, and the other one will be a waste facility.

Minister, in relation to the waste facility, you have spoken about the traffic management plans. Are you going to take into account the forestry land, INPEX village, a new subdivision at Girraween, the prison, the possibility of the sale of Kowandi, the increase in the size of the Lutheran school, and that wonderful village proposal? In relation to traffic management in that area, will all those concepts be considered?

I do not really want an answer in relation to the whole of the shire; however, in that area a fair amount of development will occur. Have you a traffic management review happening right at this moment, and where are you at with that? It is a very important issue.

Mc McCARTHY: Member for Nelson, the key word you have alluded to there is 'development'. Yes, there are a number of developments on the Howard Peninsula, and the land use strategy will also inform those developments. On the specific traffic studies and traffic data studies, yes, that is part of our policy development in the transport strategy we are developing within the department.

Mr WOOD: We can get to that in the transport area. In relation to INPEX, how far have the lease negotiations moved on? For *Hansard*, that is the INPEX workers village.

Mr McCARTHY: Yes, the Department of Lands and Planning is currently negotiating the conditions of a draft lease for the proposed INPEX workers accommodation village over proposed section 6128 Hundred of Bagot in the Howard Springs area. I can go back to June 2009 and give you a bit of history. It talks about a substantial buffer zone around the proposed village; the Northern Territory Planning Scheme identifying the subject site zoned Rural Living and Service Commercial. The proposed land use is an undefined use under

the Northern Territory Planning Scheme and, should development occur, will require consent from the Development Consent Authority. You know that process.

For detailed information, a letter has been forwarded to INPEX with the draft lease conditions for the purpose of the construction and operation of a workforce and management accommodation village for discussion purposes. Subject to receipt of INPEX's agreement, a formal offer of Crown lease term for INPEX will be forwarded for the minister's consideration. That is where we are at.

Mr WOOD: Can you finalise a lease if you are not 100% sure of the boundaries? You would have heard the Lutheran school had concerns that after the so-called 'village proposal' was put forward, some land that was set aside for the Lutheran school, all of a sudden, was changed. Some of it was earmarked for small blocks. Also, the boundary with INPEX appeared to be different to what was originally planned. Before you sign an agreement with INPEX, have you definitively worked out the boundaries of this lease?

Mr McCARTHY: I have been advised we are talking to the Lutheran school community about those issues, as well as negotiating with INPEX. We feel confident we will be able to solve any issues there.

Mr WOOD: Okay. I have more questions, we will move on.

Mr CHAIRMAN: That concludes consideration Output 1.2, Land Administration.

Output 1.3 - Building Advisory Services

Mr CHAIRMAN: We will now move on to Output 1.3, Building Advisory Services.

Ms PURICK: Minister, can you tell me how many builders in the Territory have gone bust or out of business in the last 12 months? Perhaps I should rephrase that. How many builders have been deregistered because they have gone broke, or been put into receivership or liquidation?

Mr McCARTHY: Member for Goyder, we have a table here. From October 2009, Augusto Homes; February 2010, Stewart Crompton Homes - do you want figures around this?

Ms PURICK: No, just companies.

Mr McCARTHY: Just companies?

Ms PURICK: Yes.

Mr McCARTHY: Kerry Builders, March 2010; Ferredi Property Group, April 2010; Brolga Homes, July 2010; All Pro Group NT, April 2011 - that is six company groups there, member for Goyder, since October 2009.

Ms PURICK: Thank you. Can you give details of the costs to the community, families and others of these builders going out of business? How many homes were left either half-built or partially built?

Mr McCARTHY: Of 49 houses, all but two are occupied. I do not have a figure in front of me for costs. That would be determined in your concept of costs to community.

Ms PURICK: Okay. When a residential builder is registered, are you comfortable there is a rigorous assessment of the builder's capability to deliver and not go broke and leave families in the lurch?

Mr McCARTHY: That has been a great concern of mine and has been a big part of the work we have been doing in government and the department to improve that system of rigorous assessment and ...

Ms PURICK: How are you improving the system?

Mr McCARTHY: There is the big body of work around the residential building insurance that has been ongoing and that has involved ...

Ms PURICK: This is the registration of builders, if I may interrupt. This is before the person, the business, or the company is registered. Is it a rigorous assessment to work out this person is capable of delivering the product they say they are going to deliver?

Mr McCARTHY: When I mentioned RBI, that has been fused with the work around registration because we have learnt some very hard lessons, particularly in the Carey example - of the loopholes that can be exploited. We have been working in this area; it has been intensive work. I will get you a technical explanation from the department officials. I will hand it to the CE, David Ritchie.

Dr RITCHIE: Thank you, minister. Member for Goyder, just for the record, Carey Builders was never registered, so it was not a case of whatever criterion. They were operating outside that process. There is a requirement for all builders to be fit and proper, and all applicants have to demonstrate they have assets of at least of \$50 000 to be accorded registration. All of these issues are currently being considered as part of reviews done by industry. At the moment, it is a fit and proper test and a \$50 000 asset requirement.

Ms PURICK: If I can get clarification on that: in a requirement of \$50 000 in assets, what qualifies as an asset? I could put up a car worth \$60 000, does that mean I qualify? What assets do you consider to be qualification assets?

Dr RITCHIE: I think of the words 'nett tangible assets'. It has to be an asset that can be made liquid.

Ms PURICK: It could be a car?

Mr McCARTHY: It would be a very expensive car, member for Goyder, it would have ...

Ms PURICK: Not in today's values.

Mr McCARTHY: Well, to have a market value of \$50 000, absolutely.

Ms PURICK: I do not think that is quite accurate, minister, with respect. Can a would-be registered builder put up a car worth \$60 000 or \$70 000 - a four-wheel-drive, fully equipped with all the assets, which a lot of our MLAs have - and would that qualify him or her to become a registered builder, because they have assets worth \$50 000?

Mr McCARTHY: I have been advised the board has a policy - and we could table that. Going back to the comment I made, a car has two values: one what you think it is and one the market determines. That is probably a difficult question to answer if you are going to stick to a motor vehicle. We can give you the policy, if you like.

Ms PURICK: Sure, I would like to know. My question was: does a car worth \$50 000 qualify as an asset for a person to become a registered builder? It can be liquidated, it can be sold, and there could be someone out there who is prepared to pay \$50 000 for a fully equipped four-wheel-drive, a BMW, or a Mercedes, for example. Under the policy, does a car qualify?

Mr McCARTHY: The policy outlines tangible nett assets, and I suppose we are talking about the determination of that policy ...

Ms PURICK: A car is an asset.

Mr McCARTHY: ... or the interpretation of that policy. Is that what you are asking? Would I interpret that policy to mean a Merc might qualify as a \$50 000 asset?

Ms PURICK: No, it is simpler than that. Does a car worth \$50 000, of which there are many out there in the marketplace, qualify as an asset for a person to become a registered builder in the Northern Territory?

Mr McCARTHY: I will get some advice, Mr Chairman, now the question stands. It is pretty specific now, down to a motor vehicle.

Mr ELFERINK: It was specific about half-an-hour ago.

Mr McCARTHY: Your watch is obviously running fast, member for Port Darwin.

Mr ELFERINK: Matched up against your brain, I suspect it is true.

Mr McCARTHY: I have been advised, member for Goyder, the policy is specific and we will give you a copy of that. Then, it would be the board's decision around that ...

Ms PURICK: Which board? The registration board?

Mr McCARTHY: Yes.

Ms PURICK: If I am interpreting what you are saying, a car could qualify for a person to become a registered builder because it is an asset, it can be liquidated. We put it on our sheet when we go to the bank for a loan.

Mr McCARTHY: The board would assess that. The board would need to be satisfied the proponent had the nett tangible assets to provide that security in the level of building they wanted to be engaged in.

Ms PURICK: Perhaps I will rephrase it. Have there been any registration applications in the last 12 months where builders have put up motor vehicles as part of their assets?

Mr McCARTHY: I cannot answer that at the table.

Ms PURICK: Perhaps a question on notice?

Mr McCARTHY: Yes.

Question on Notice No 8.2

Mr CHAIRMAN: Ask the question one more time, member for Goyder.

Ms PURICK: In the last 12 months in regard to builder registration applications, have motor vehicles been put up as part of the person's assets to qualify for the \$50 000 threshold?

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

Mr McCARTHY: Yes, Mr Chairman.

Mr CHAIRMAN: That is question No 8.2.

Ms PURICK: Minister, are you comfortable and confident the assessment in regard to people who apply to become a registered builder in the Territory is rigorous enough? Yes or no? Do you believe the system is rigorous enough?

Mr McCARTHY: We are in the process of improving that rigorous nature, absolutely.

Ms PURICK: So ...

Mr CHAIRMAN: A reminder of the standing orders: questions should not be asking for an opinion. Perhaps you should rephrase it.

Ms PURICK: Minister, I will rephrase it. When the board assesses an application for a person to become a registered builder in the Northern Territory, does it undertake checks interstate to see if a person or persons have been declared bankrupt? If they have been declared bankrupt, does that automatically disqualify them from becoming a registered builder in the Northern Territory?

Mr McCARTHY: I have been advised - and I thought that would be the case - bankrupts cannot be registered, member for Goyder.

Ms PURICK: My first question was: in assessment by the board, does it check interstate whether the person has been declared bankrupt?

Mr McCARTHY: Member for Goyder, yes.

Ms PURICK: It does check?

Mr McCARTHY: Yes.

Ms PURICK: Perhaps I could ask some questions about where you and your department are at in regard to the home insurance scheme?

Mr McCARTHY: Member for Goyder, in relation to ...

Ms PURICK: Or residential building insurance?

Mr McCARTHY: ... residential building insurance, the government is working with industry to make sure we get it right. That is the first comment I make because we have had some good industry forums, and I have had some good consultation with industry. It is about balancing the protection of consumers without stifling the industry. To get that balance right has been the hard part of this work, and industry has been very proactive in that space to ensure we get it right.

We are actively engaged with industry on this issue, and that includes the discussion draft of the Builders Residential Building Insurance Scheme at a number of industry sessions. Important issues were raised there. The RBI package - the residential building insurance package - will include progress payments and a consumer dispute resolution process. These have been welcomed by industry and acknowledged by government, and I am proud to say, are deliverables on the table.

Only about 1% of building approvals for homes attract complaints. In the vast majority, member for Goyder, the system is working. At the moment, in chronology, Treasury is conducting detailed modelling and we will return to the industry later this year with the results of that work.

Ms PURICK: Could I get some clarification around the scheme? Will the new scheme encompass businesses such as bathroom renovators who are not registered builders as they only undertake renovations to the interior of existing residential buildings?

Mr McCARTHY: That goes to the essence of the model being worked on. There are some ...

Ms PURICK: Will they be included or not?

Mr McCARTHY: I cannot answer that yet, because that is the important work occurring to determine the best model. Industry has made many comments about that, and we are processing that now. There is not much more I can say on that at this stage. However, when we do the modelling on this and return it to industry, then you will see more details about the package.

Ms PURICK: Minister, I would have thought either you or the department advisors could give the information as to whether bathroom renovators - and it could be other businesses that are not registered builders - will be covered by this scheme or not? Yes, I understand registered builders will be covered by the scheme, obviously, but will there be other businesses such as bathroom renovators who will or will not be covered by this scheme?

Mr McCARTHY: The challenge in this is to provide consumer protection but, also, not to stifle industry. There are a many complex factors in the mix that are being decided. This is where we are looking at now the Treasury results - their actual modelling on this. There are many components about delivering the best product, and it is not as easy as I thought. That is why we have engaged with industry extensively, and why we are now looking at how we can really define the model to provide that important consumer protection but, also, that real working parameter for our industry in the Northern Territory.

Ms PURICK: Okay. I guess the short answer is, no, you are not sure at this point in time whether bathroom renovators, for example, should or should not be in this scheme. If I assume they are not eligible, how are those kinds of businesses going to gain the same level of insurance cover for their projects as they currently have with the HBCF scheme? That might be a question you have to take on notice, minister.

Mr McCARTHY: With due respect, member for Goyder, I do not think that was a question, that was an assumption.

Ms PURICK: Okay, I will ask a question.

Mr McCARTHY: What I did say to the panel ...

Ms PURICK: If bathroom renovators are not covered by the scheme, how do they gain the same level of insurance for their projects as they currently have with the HBCF scheme, which will no longer exist once the home warranty system comes into place?

Mr McCARTHY: It would be hard to take that as a question on notice as, once again, Treasury is doing the modelling around this now, and we need that next important phase, which is the actuals. I would really need to come back to you when we bring the results out later in the year and discuss it with industry.

Ms PURICK: Results of what?

Mr McCARTHY: Of the modelling.

Ms PURICK: Okay. So, if I can get this clear. At this point in time, Treasury is doing modelling to work out whether bathroom renovators and like businesses who are not registered builders, but who work on buildings, may or may not be covered by the registered builders home insurance scheme?

Mr McCARTHY: Treasury is doing the modelling on the residential building insurance package that will ensure we can get the balance right of delivering the consumer protection and, also, not stifling industry in the Northern Territory.

Ms PURICK: This is about consumer protection because there is a whole range of businesses out there that can do renovations but do not have to be registered builders.

Mr McCARTHY: I am aware of that, member for Goyder. In the modelling being done all these factors are in the work being considered.

Ms PURICK: Okay, I will leave it at that. On a point of clarification, I asked the question previously about whether the board assesses a registered builder and conducts checks interstate to see if that person or business has been bankrupt. I want clarification of whether you check if they have been undischarged or they have been a declared bankrupt. I suspect it is undischarged. I would like clarification whether, in assessing the builder, they check whether the person or persons has been a declared bankrupt.

Mr ELFERINK: Declared at any point.

Ms PURICK: Any point. Like five years back, 10 years back, in the line of work which they are trying to register for?

Mr McCARTHY: Member for Goyder, I have been advised there is a form they are required to sign, and to make an official declaration. If they provide incorrect information, or if they are not telling the truth, then they are liable.

Mr ELFERINK: So is there a check on them, or is that the extent of the check?

Ms PURICK: You rely on the persons filling in the form? My original question was: does the board conduct an assessment, checks interstate - not whether the builder tells them whether they have been bankrupt or not, but whether the board does an assessment?

Mr McCARTHY: In all the components of a registration, yes, that is one, and there is a specific area they sign off on to declare they have never been bankrupt, here or interstate.

Ms PURICK: Okay. Minister, on a different subject but related, the moratorium on the requirement to bring your dwelling, or your properties, up for certification ends on 30 June this year. How are you going to handle the situation across the Northern Territory if most properties have not been able to bring their dwelling, sheds, or structures up to a level that is required? Are you going to send all your officers around the rural area again to come the heavy-handed and tell people they have to get off their properties?

Mr McCARTHY: Member for Goyder, no, I am not about evicting Territorians from their properties, but in relation to ...

Ms PURICK: Or out of their sheds?

Mr McCARTHY: Or out of their sheds. In relation to the moratorium, when government went down this road we realised how big the job was and 30 June 2011 was the date set. What I have taken back to

government is logical. I have recommended to government we need to extend that period. The policy remains the same, and we need now to extend the time frame. I have recommended to government and had it approved; that it be two years.

Ms PURICK: To the end of June 2012?

Mr McCARTHY: On 30 June 2013.

Ms PURICK: In 2013. That is good news, minister. Also, during that debacle some time back, there was a commitment by government to assist in getting more certifiers on the ground, particularly in rural and remote areas. How has the program gone in regard to either attracting more certifiers, or trying to work with university to get more people qualified to be certifiers? What work has been undertaken? Can you tell how many more have entered the marketplace?

Mr McCARTHY: That is a good question, member for Goyder. The department has been undertaking that work. Do you want to outline that, Dr David Ritchie, CEO?

Dr RITCHIE: Thank you, minister. Yes, as part of working with industry to increase the capacity, there have been a couple of issues. The first was we went to a tender process to engage interstate firms, a couple of which have now established operations in the Northern Territory. Then, there is the travel subsidy scheme which has been operational – it has not been particularly well patronised - to bridge the additional costs of travelling people from the capitals. As a result of that project, we have more certification firms established, and building advisory cadetships are now being established as a VET program at CDU.

Ms PURICK: Thank you.

Mr WOOD: Minister, in relation to building registration requirements, you mentioned there is a review. Will that include an assessment of an issue raised with me occasionally by builders who have been out of the trade for a period of time, but might have been building houses 40 years prior? They are told: 'You have been out of the business of building for a little while, therefore, you have to go through a whole new process again'. If you were a carpenter for 40 years your vocation is a carpenter - you do not stop. You might not know some of the new equipment being used, but you still know how to build a house.

Has there been discussion as to whether those requirements could be reviewed from the point of view of allowing some movement in that area, so people who have been in the business for a while - might have gone interstate and taken some time off work and got out of the industry for a little while and come back - for a more commonsense approach rather than a technical approach?

Mr McCARTHY: This is in relation to registration as a builder?

Mr WOOD: There was a case some years ago, but I was told by a gentleman recently he was advised he could not build because he had been out of the industry for a little while although he had been building most of his life.

Dr RITCHIE: When the new requirements for registration of builders came in, in 2006, the policy of government was to allow builders who could demonstrate exactly what you are saying: people who had built up skills over a lifetime or could definitely prove they had constructed houses were allowed to register. Subsequent to that initial capturing of the people engaged in the industry in 2006, there was a requirement that, to be a registered builder, you have to have a Certificate IV in building and the other financial qualifications we talked about before.

Potentially, there is still the case that somebody who did not bother coming in during the initial 2006 amnesty could be required to get a Certificate IV but, given the other issues we are facing, there is no way you can create a system that is suitably lenient at one end and applies standards at the other. At the moment, it is a Certificate IV. From our discussions with the housing industry associations they are very keen to develop a whole range of short courses to enable builders to bring them up to current standards on new materials and techniques etcetera, and we are working with them to deliver those.

Mr WOOD: That has not been developed fully yet?

Dr RITCHIE: That has not been developed fully yet but is well under way.

Mr WOOD: Minister, solar panels. Darwin region still has not solved the problem of solar panel approvals yet. Can you give us an update about whether your department is proactive in trying to get the approvals required for cyclone registration?

Mr McCARTHY: Sure, member for Nelson. I will hand you to the department. It is important. In that debate we are up to, once again, that last point in the journey; that is, the responsibility of the manufacturer to provide the documentation certifying the structural integrity of the panels as part of the certification process. For where we are up to at the moment, I will hand to David Ritchie, the CEO, to give you the latest.

Dr RITCHIE: Thank you, minister. Yes, the question was: are we working with the industry? The answer is yes, we are. It is worth pointing out that under the *Building Act* it has always been a requirement that anything fixed to roofs in a cyclonic area has to have approval. That has been known by the industry from day 1. The recent analysis following cyclones in Queensland has shown the importance of that.

We understand the industry is now on the threshold of having some standards, and that initial problem of delays being caused by people suddenly finding they had to get an approval after they started the installation process will be behind us.

Mr McCARTHY: Member for Nelson, to add to that. We have been working on this - there has been a considerable amount of work. I was advised recently in a recent meeting, when I was asking the same questions about where we are up to, there has been an escalation in inquiries and complaints about people who have existing solar panels fitted in cyclonic areas. We have raised awareness in the community on both sides of that debate.

Mr WOOD: Maybe you could explain this. I have spoken to some solar panel installers, one of whom said he gets an engineer to approve the installation. The solar panels are supposed to go through a wind approval process to withstand cyclonic winds. How can an engineer say that solar panel can withstand those cyclonic requirements without the equipment to do it which, I presume, would be certain wind tunnel facilities? This particular solar installer in Darwin - he was at the Garden Spectacular selling his wares - is still installing solar panels but says he uses an engineer to tick off that his panels are okay. How is that done?

Mr McCARTHY: Good question, member for Nelson. In explanation, there are two components to it. One is the fitting ...

Mr WOOD: The rail?

Mr McCARTHY: ... of the panel, and the other part - this is the part we have been working with the industry to solve - is the integrity of the panel. The low- to high-testing facilities nationally that can certify the integrity of the panels are James Cook University, Lysaght, Bluescope Steel, Adelaide University, Brandts, or the CSIRO. I suggest the panels that are being fitted have been certified as to their integrity.

Mr WOOD: Do you have a list of panels which have been approved? Is there a list of companies that have had their panels approved? If people are waiting to install solar panels - and I presume the government, through NTRETAS, is encouraging people to put solar panels on their roofs - are you able to provide a list of companies with approved panels for the Darwin region?

Mr McCARTHY: At the technical end, we supply the building note and advise the community, but we do not advise them of tradies in the field.

Mr WOOD: I thought you might have a list which says: 'This company's panels have been given approval'. You have to register them as being approved, so if BP Solar has a panel which is approved could you not say: 'BP's panels AAA651 are okay?' You see things like that in government papers all the time.

Mr McCARTHY: David, do you want to supply the information?

Dr RITCHIE: At the moment, we have a requirement they be approved, we have a process for getting them approved, and we have the numbers of ones that have been approved, but we have not compiled a commercial list of products. It could be done, but we have not done it. We have left that to the suppliers.

This is an area where a number of different products are going through an approval process at the moment, and we have thought it best not to pick winners and allow that for the suppliers. As long as they have them approved and can warrant to consumers they are selling an approved product, that is the extent of our involvement.

Mr WOOD: I am trying to save people the wasted time of going to a company and saying they need panels installed and wait around for months. The reason they are waiting around for months is because the panels have not been given the tick. I am not asking for winners here, I would like a list of solar panel suppliers who have been approved by the Northern Territory Building Advisory Services so people can pick the company they want to go to, but the information is there for them. Surely, if you want to promote the solar electricity industry we should be doing our best to do so?

Dr RITCHIE: Yes, the department has made it very clear to industry they are not to sell products that are not approved and, hence, the building note. We do not get down to the retail end saying what products are being sold, but we are making it very clear that anybody going into business of installing photovoltaic panels in the Northern Territory can only do it if they are approved. There should not be a circumstance where a consumer is going into a shop and being sold something that is not approved.

Mr WOOD: One last question minister, on septic tanks. You probably would be aware of the issues involving your department and NRETAS in relation to the Pelly Road/Lorikeet Court area in the Herbert subdivision. That subdivision was approved in 2006. Advice I received from the EPA, which has investigated this, is the siting of septic tanks is the responsibility of the Building Advisory Service. My understanding is septic tanks are not to be installed any closer than 50 m above the seepage line, or whatever you want to call that area. In this case, at least three septic tanks went under water for a considerable period of time. Who is responsible for checking to see if the septic tanks have been installed correctly, or to check the installer of the septic tanks has done so according to the regulations?

My understanding from the EPA is a map should have been provided showing the seepage line - this is a Building Board requirement - on the land so the siting of the septic tank would be 50 m above that line. Can you say, in the case of this particular subdivision, was there any subsequent checking of the siting of the septic tanks that went under water?

Mr McCARTHY: Member for Nelson, the NT Planning Scheme in 2006 defined that 1 ha of unconstrained land. We are talking about that block. If we add septic tanks to that, I will get some ...

Mr WOOD: They have a different set of regulations than the planning people do.

Mr McCARTHY: I will get some advice on the siting of septic tanks.

Dr RITCHIE: As in my answer to the last question, septic tanks have to be installed by a licensed plumber. The critical thing with septic tanks is they are placed in an area that does not flood and the outlet goes through suitably permeable soil. That is the responsibility of the installer - the licensed plumber. In the case of the Lorikeet Court blocks, that record Wet Season flooding changed the circumstances of all those blocks. There is, of course, a whole process of fixing that.

Mr WOOD: Minister, I do not necessarily agree with those comments. It is being looked at by the Ombudsman at the moment. The issue is there should have been a mark on the map. According to advice from the EPA, there is a note from the Building Advisory Service on the placement of septic tanks which should show where the seepage line is, or it should be approximate. Does anyone check to see if those seepage lines are shown on maps?

I should add here, another block of land, 60 Power Road, Humpty Doo, would have gone under water probably 95%, maybe 100%, so the septic tank was totally under water for six or seven weeks at least. It was not an extraordinary wet when it comes to McMinns Lagoon because it is topped and it flows out.

Who checks to ensure the licensed plumber has done the appropriate checks to ensure - in the case of Pelly Road/Lorikeet Court and, to some extent, Power Road - not only is the consumer protected but also the environment. Those septic tanks would have been operating underwater for quite a considerable amount of time, especially the ReIn drain.

Mr McCARTHY: A good question. We have established the two layers of that, one with the Department of Lands and Planning, the next with a licensed plumber and drainer operator, and then we need the regulation of that. I will ask for advice.

Mr FINOCCHIARO: Fabio Finocchiaro, Senior Director, Building Advisory Services. Sorry, Mr Wood, could you run the question by me again?

Mr WOOD: There are three blocks on Pelly Road/Lorikeet Court subdivision, subdivided in 2006, given approval by the Planning Authority after advice from NRETAS and the department itself. Subsequently, due to the recent rain - and I do not accept even if it was slightly above normal, these still would have gone under water; hopefully, that will be determined very soon. If septic tanks are sited in an inappropriate place or against the guidelines of the Building Advisory Services - you have a septic tank set of rules. In the case of 60 Power Road, Humpty Doo, the entire block went under water - I am pretty sure the whole block, there was not much left ...

Ms PURICK: Yes, the whole block.

Mr WOOD: . A septic tank was installed for that new house. The CE says septic tanks have to be installed by a licensed plumber. Who checks to see if the licensed plumber has installed the septic tank according to the rules? If it is found these septic tanks were not installed according to the rules, what happens? I am talking here especially from the consumer's point of view.

Mr FINOCCHIARO: I confirm that you need a licensed plumber for those installations. A licensed plumber is responsible for doing appropriate soil percolation tests and the like. The regulation is about Q100; so it is not as simple as that, but they have to do a percolation test to ensure the soil capacity could be that. Even with a percolation test, you could end up with a result that there is flooding on a large event, as has occurred.

To answer your question, licensed plumbers are subject to complaints to the Licensing Board. Building Advisory Services has an auditing process for registered certifying plumbers, and we also act on complaints. The process on that is if we receive a complaint about a non-compliance or otherwise, then we work through that issue. The licensed plumber would be referred back to the Licensing Board and, if it was a certifying plumber, it would be referred back to the Building Practitioners Board for disciplinary action. The issue is about establishing whether there was non-compliance.

Mr WOOD: Could I check two things? Are they supposed to show a map which shows the seepage line? There is meant to be a map produced which shows the seepage line. The EPA showed me a guideline from your department saying that. I do not have it in front of me.

Mr FINOCCHIARO: That is in the small septic tanks policy, I think.

Mr WOOD: Well, that is all most people use in the rural area. The second one is that a septic tank must be 50 m above that particular seepage line; it cannot be below the seepage or flood line.

Mr FINOCCHIARO: I do not have that information before me, so I cannot answer that definitively.

Mr WOOD: To sum it up for people who have run into this problem - because they have paid nearly \$300 000 for a block of land they may not be able to sell - they would need to put a complaint in to your department regarding whether the installer had done the appropriate work required under the regulations?

Mr FINOCCHIARO: If they are alleging a licensed plumber, or a certifying plumber has carried out work that is not compliant, yes, they could lodge a complaint with Building Advisory Services on that.

Mr WOOD: Okay, thank you.

Mr ELFERINK: A couple of follow-up questions very quickly, if I may. Has the Tennant Creek renal services building been completed, minister?

Mr McCARTHY: The Finbuilt project in Tennant Creek to extend the renal services, double the capacity of the renal beds, is answered under a DCI area, as they have taken over ...

Mr ELFERINK: Well, I am more interested ...

Mr McCARTHY: We are talking about the Department of Construction and Infrastructure, member for Port Darwin, and we can answer it there.

Mr ELFERINK: I was more interested in the component relation of Finbuilt, rather than the renal service itself. Are you going to direct me to the Department of Construction and Infrastructure?

Mr McCARTHY: We can give you a detailed answer there about what the department has done.

Mr CHAIRMAN: Do you have a question about Finbuilt?

Mr ELFERINK: I have specific questions about Finbuilt, yes.

Mr CHAIRMAN: The minister is saying the questions about the renal building might be in DCI, but if you have a question about Finbuilt ...

Mr ELFERINK: Finbuilt, yes. Are the questions about Finbuilt in this area or Department of Construction and Infrastructure?

Mr McCARTHY: Regarding Finbuilt's current situation of liquidity; is that what you are looking for?

Mr ELFERINK: Yes.

Mr McCARTHY: Finbuilt was placed under external administration on 18 May 2011. The company was not involved in any residential building works and its main focus was government-related works. Finbuilt Pty Ltd is not registered by the Building Practitioners Board. However, one of the directors has a current registration in the category of unrestricted building contractor.

Mr ELFERINK: Who is that?

Mr McCARTHY: One of the directors?

Mr ELFERINK: Yes.

Mr McCARTHY: We would have to go back to get that specific information for you, member for Port Darwin.

Mr ELFERINK: Could you please provide that? Can you get it now or is it going to have to be on notice?

Mr CHAIRMAN: From experience last week ...

Mr ELFERINK: All right, on notice.

Question on Notice No 8.3

Mr CHAIRMAN: Would you mind repeating that question?

Mr ELFERINK: Which director of Finbuilt is currently registered?

Mr CHAIRMAN: That is question No 8.3.

Mr ELFERINK: Was Finbuilt CAL accredited? It would have to have been, I suppose, getting all those government jobs.

Mr McCARTHY: Yes, but DCI. I have all the relevant information relating to the Department of Construction and Infrastructure.

Mr ELFERINK: For DCI. When does that come up?

Mr CHAIRMAN: That is a different ...

Mr ELFERINK: Yes, whereabouts is it, just to make sure I follow it up.

Ms PURICK: Under Construction.

Mr CHAIRMAN: Two seconds ...

Mr McCARTHY: Straight after lunch.

Mr CHAIRMAN: 1:30 pm.

Mr ELFERINK: We will get on with it then. Okay, thank you.

Mr CHAIRMAN: That concludes Output 1.3.

Output 1.4 – Development Assessment

Mr CHAIRMAN: We now move on to Output 1.4, Development Assessment.

Ms PURICK: Minister, can you tell me how many rezoning applications you currently have before you in your office?

Mr McCARTHY: Applications for rezoning currently before me on my desk in the minister's office – one.

Ms PURICK: Thank you. Minister, when there is a rezoning application by government on parcels of Crown land to turn it from Future Development to Rural Residential or Rural Living, does the department undertake a capability statement of that land to sustain what you want to rezone it to before the application goes in?

Mr McCARTHY: Member for Goyder, can you define what you mean by a capability statement?

Ms PURICK: I will give you an example which you are aware of because you have given the decision on it. Gulnare Road, the two Crown land, 320 acres each, there was a rezoning ...

Mr WOOD: Are we on Planning now?

Mr CHAIRMAN: Development Assessment.

Ms PURICK: Development Assessment.

Mr WOOD: Right. Sorry.

Ms PURICK: The rezoning application has been withdrawn, which is good news for the residents. You stated in a letter to me that there would be a capability statement undertaken to see if the land was suitable or could sustain multiple five-acre blocks, which I do not believe it is. In the situation where a rezoning application was put in to change it from Future Development to Rural Living, does the department undertake capability statements or studies to see if the land is suitable?

This land in question was not suitable because it is flooded most of the year and is 5 m above sea level. Does the department look at what the land is capable of doing before you put an application in to rezone something?

Mr McCARTHY: The answer is yes, member for Goyder. For technical details, I will pass it to the ...

Ms PURICK: Before Dr Ritchie speaks, minister ...

Mr McCARTHY: Yes.

Ms PURICK: ... you are saying, yes, the department does undertake land capability studies. Why is the department now undertaking land capability studies after you have withdrawn the rezoning application?

Mr McCARTHY: As part of the process, member for Goyder, I will have that outlined for you now, if you are interested, from the CEO, Dr David Ritchie.

Dr RITCHIE: A rezoning is triggered by someone wanting to change the purpose of what the lot is being used for. The ability of whether a lot can sustain septic tanks, or if it is going to be an unsewered area or whatever; all those questions ranging right the way through to whether it is in the vector for biting insects, are determined as part of the rezoning process. The reason for that is some constraints on a block can be

mitigated, and the question then becomes whether it is worth doing the mitigation to achieve the new purpose or not. The higher the purpose and the more investment taking place may mean things that may not be practicable at a lower purpose suddenly become practicable. It is part of an integrated process.

Ms PURICK: Let me get this clear, Dr Ritchie. When the rezoning documentation is drawn up, which precedes advertisements in the newspaper and the ability for people to comment, you look at land capability, biting midges, and storm surge?

Dr RITCHIE: For absolute clarity, I am saying an application can be lodged and then we start that process. We do not do up-front work and then accept the application.

Mr WOOD: Was it not the government's application to rezone?

Ms PURICK: It was the government's application.

Mr WOOD: It was not a private application.

Dr RITCHIE: Yes, but I am talking about a process - an individual application. It may well be that government does that work in advance; however, it is usually done as part of the process.

Ms PURICK: If work was done prior to the application being lodged you would find out big chunks of that land - of which one of those parcels of land has not even been surveyed - is probably not suitable for what it was intended in the application for rezoning. Obviously, the department had much assessment and review of all the objections - of which I know there were many, and you would know that as well. In the interests of efficiency and effectiveness of the department and how the government goes about its business, would it not be better to look at the capability of turning two 320 acre blocks into five, if not smaller, blocks of land and save resources, time, money, and angst on the rural resident's behalf?

Is it not a better system to look at whether the land is capable, which you say you were doing with the proposed new gaol - you are looking at all the issues associated with that gaol before many other things are determined and committed to by Cabinet. That is my question: would it not be better to look at land capability before government puts in rezoning applications?

Dr RITCHIE: There may be in some particular instances. In hindsight, you might say it would be better if we had done that up-front. However, the general proposition is most of the processes involved in looking at all the issues for rezoning can be done in parallel, and it is more efficient to do them in parallel rather than in sequence. As I also said, in many cases constraints can be overcome. You identify a constraint, and it is then dealt with as part of the process.

Ms PURICK: Thank you, Dr Ritchie. Minister, in regard to those parcels of land in that area, you advised me the department is undertaking land capability studies of these two blocks of land. Can you please give information as to what that entails?

Mr McCARTHY: Member for Goyder, the department will provide a detailed response to land capability studies and those components. We can take that on notice.

Question on Notice No 8.4

Mr CHAIRMAN: Please repeat the question.

Ms PURICK: Can the department provide details as to what exactly is contained in the land capability assessment and study, in particular as it pertains to two government-owned blocks on Gulnare Road.

Mr CHAIRMAN: That is question No 8.4.

Ms PURICK: That is all I have.

Mr ELFERINK: One quick question, Mr Chairman

Mr CHAIRMAN: Sure.

Mr ELFERINK: In April, you announced Urbis Pty Ltd and - was it BDM - has received, the Zuccoli development. I hear today you are going to announce the same firm will pick up the Johnston Stage 2 development. This is, from my understanding, a Victorian-based firm. I could be corrected on that. Why are Territory companies not getting a look in to these developments?

Mr McCARTHY: We will go into that in other output discussions.

Mr ELFERINK: I thought this was Development Assessment.

Mr McCARTHY: Generally, to give clarification around that, the Land Development Corporation has the Zuccoli development. That represents another big land release package for the Territory, and a very proactive strategy about government understanding the nature of land release and development - really getting down to the nuts and bolts.

The Land Development Corporation took on a joint venture partner, Urbis. Urbis is also associated with BMD, which is the civil arm of its operations. Yes, they are an interstate company; however, Urbis and BMD use local contractors. The history regarding BMD with the already developed Johnston Stage 1B has been outstanding. It has a history in the Territory which goes back about 15 years. It has an extensive and positive relationship with Territory companies in the civil area.

Urbis is a high-level developer that comes in and looks at the master planning and the principles around the delivery of these new urban developments we are encouraging and seeing right across the country. In essence, yes, an interstate company, but working with local companies in the Territory. We can drill into that further, member for Port Darwin, in ...

Mr ELFERINK: That is the answer I was expecting. I will pass that on to industry. They will be delighted to hear it.

Mr WOOD: Minister, when will the Middle Arm Peninsula be returned to the Litchfield Development Consent Authority as part of the agreement I have with the Chief Minister? Why has there been such a long hold up in fixing and turning around what should be a fairly easy anomaly?

Mr McCARTHY: Good question, member for Nelson.

Mr WOOD: Yes, I have been waiting.

Mr McCARTHY: You mentioned the Chief Minister in that.

Mr WOOD: Yes, and I always get answers back from your department about how painful it is to do this, but ...

Mr McCARTHY: It is in the planning area ...

Mr CHAIRMAN: The next output.

Mr McCARTHY: The specific question relating to ...

Mr WOOD: It relates to the Development Consent Authority's control. This is Development Assessment. Litchfield Development Consent Authority does not have control since the previous minister for Planning deleted that area from its control. Part of the agreement - because I never agreed with that being removed - was to put it back under the control of the Litchfield Development Consent Authority.

My understanding was they are waiting for the workers village or the refugee centre to be approved. It has been approved. Surely, there should be no more hold ups to it going back to what I call a normal Development Consent Authority?

Mr McCARTHY: Member for Nelson, good question, good point. I have been advised this process will be re-engaged now, yes.

Mr WOOD: Should not take very long? Should be just the stroke of the pen? It is only a map with a dotted, pretend line across it.

Mr McCARTHY: From my perspective, much reading goes on before the stroke of a pen.

Ms PURICK: The stroke of a pen took it out.

Mr WOOD: Yes, yes.

Mr McCARTHY: Member for Nelson, as quick as possible.

Mr WOOD: Okay. Minister, in relation to the Development Consent Authority - and I have asked this before and still believe it should be the way we are going. When will you expand what I call the normal Development Consent Authority model - not you being the consent authority - to other parts of the Territory to allow more public and local involvement in local decision-making? For instance, Borroloola, even Timber Creek. Why can those communities not have a mobile Development Consent Authority which includes people from the shire and government representatives instead of you being the sole arbiter on development applications?

Mr McCARTHY: Member for Nelson, that is a good point with regard to the Development Consent Authority. They take an interest in Tennant Creek, but to go further down really relates to our growth towns policy. That is a really good suggestion. It is also achieving those really important elements of community involvement, ownership, and valuing. I am very interested to progress that. That is something we need to put on the agenda for discussion.

Mr WOOD: There might be a chance at next Estimates Committee – a positive move in that direction.

Mr McCARTHY: Yes, sure.

Mr WOOD: Okay, thank you.

Mr CHAIRMAN: In Estimates Committees, member for Nelson.

Mr WOOD: Yes, okay. Well, I have been asking this question for many Estimates Committees.

Mr CHAIRMAN: That concludes consideration of Output 1.4.

OUTPUT GROUP 2.0 – PLANNING Output 2.1 - Planning

Mr CHAIRMAN: We now move on to Output Group 2.0, Planning, Output 2.1, Planning.

Mr WOOD: Are you having a break?

Mr CHAIRMAN: We will take a quick five-minute break at this stage, and return to Output 2.1 Planning and the member for Goyder.

The committee suspended.

Answer to Question on Notice No 8.2

[Editor's note: technical problem – sound missing]

Mr McCARTHY: ... dollars in nett tangible assets. This requires a registered accountant to certify that the applicant has \$50 000 nett tangible assets in accordance with the Building Practitioners Board's policy.

In assessing nett tangible assets, the accountant looks at all the assets and debts the applicant has. The applicants' assets must exceed the debts by at least \$50 000. In assessing the value of assets, the board's policy advises the accountant must include only 50% of a car's market value. As the assessment of nett tangible assets is a statement from a registered accountant, it does not itemise the assets of the applicant.

Mr CHAIRMAN: Member for Goyder, Output 2.1, Planning.

Ms PURICK: Minister, a couple of questions on the proposed new gaol to be located in or near Howard Springs. A rezoning exercise was undertaken, including public exhibitions and public comments, which were duly done and, then, a determination as to the rezoning, the success or otherwise, by you. Before the rezoning application was announced, why was there work undertaken at that site, including clearing of land - whether they be survey corridors or otherwise? Surely, there was a possibility the rezoning might not have happened or been approved? Whilst awaiting approval or not, preliminary work was undertaken at the new gaol site. How does that work? Should work not wait until after the announcement of rezoning?

Mr McCARTHY: Member for Goyder, preliminary site clearing carried out on vacant Crown land to progress the survey of the project site did not require rezoning.

Ms PURICK: Are you saying clearing work can be undertaken for survey work to locate a gaol - which has not gone through your office - whether it should be rezoned to put a gaol there? If that is the case, if you undertook work before the rezoning application was announced, what was the point of asking for public comment?

Mr McCARTHY: In relation to that chronology, it is a 289 ha block of vacant Crown land. A survey on that land was conducted. The survey conducted can be for all types of development, but it did not require rezoning. It is important to think about efficiencies as well, and knowing and understanding the area. The rest of that process was conducted and that development is now going ahead.

Ms PURICK: In working towards putting the new gaol at that location, did you or your department brief Litchfield Council prior to any announcement you were going to locate a gaol in their shire?

Mr McCARTHY: My original communication with Litchfield shire around the new Correctional Services facility was in relation to Weddell. I started on that journey with the Litchfield Council. In relation to specifics in our communication around the better site we landed on, we can get comment from a technical person on process.

Dr RITCHIE: As the minister said, the decision to look at the Howard Peninsula flowed out of a negotiation already happening with Litchfield over the alternative and original site in the area of Weddell. We then moved to the next stage of the process which was the formal rezoning. It is within that context that any communications with Litchfield have taken place.

Ms PURICK: Thank you, Dr Ritchie. Minister, in planning for the new gaol, and in particular the delivery of services which will require substantial road restructuring and construction - and I asked this question before - can you give details of the anticipated traffic flow to and from that gaol which will come to and from Howard Springs Road and to and from the Stuart Highway?

Mr McCARTHY: Estimating specific traffic data would be difficult to deliver at this point.

Ms PURICK: No, the question was expected traffic volume from the new gaol. Given we have an existing gaol and you are the Corrections minister, you should have some information or knowledge of the traffic flow that would come from a new gaol once operational.

Mr McCARTHY: There are two elements to that. One would be in relation to Corrections; we would need to look at that. The department of Corrections would be able to provide data around contractors, visitors, transfers, court appearances and the operational procedure. In relation to traffic data in Tivendale Road, for instance, that is a different area.

We would be able to provide you with studies we are doing on Howard Springs Road ...

Ms PURICK: That would be useful.

Mr McCARTHY: ... which not only relate to the new Correctional Services facility, but also the other developments. We are talking to the member for Nelson about the expansion of the Lutheran school and so forth.

Having said that, it would be difficult to fuse those two here. We would need to look at getting Corrections to identify an estimate around their operations. I am advised by Dr Ritchie that is part of the work we are doing around the Greater Darwin Transport Strategy.

Ms PURICK: Okay, thank you, minister. Another topic: when are we going to get the new storm surge maps?

Mr McCARTHY: The storm surge ...

Ms PURICK: They are two years behind.

Mr McCARTHY: The storm surge maps, member for Goyder, have been taken to Cabinet. There is a good story here to tell about the work we have done. I suppose the story starts in our mapping from 1994. It is important to provide Territorians with that certainty. Our 1994 maps have been good data and they have stood the Territory well in our development; however, now it is about new mapping. As I said, that is with Cabinet. I cannot provide a date and time here.

Ms PURICK: Six months?

Mr McCARTHY: No, it would be less than six months. Once again, it is hard for me to give you a specific time, but it is in the final stages of its progression through the Cabinet process.

Ms PURICK: You could understand, minister, the concerns of people who are looking to develop parcels of land - whether it be private or even government for that matter. Maybe the new storm surge maps have data in them that would be useful for people now. The longer the release is delayed the more difficulty.

Mr McCARTHY: I accept that, member for Goyder - I accept that entirely. Working through this, I came to understand and appreciate the sheer level of work involved in this exercise as well.

Ms PURICK: So, less than six months you would hope?

Mr McCARTHY: It is within a Cabinet process now - we are in the final stages.

Ms PURICK: You mentioned you hope it would be less than six months to get the new storm surge maps out?

Mr McCARTHY: I mentioned - I hope for many things.

Ms PURICK: Okay, thank you, minister. In regard to Weddell, I have a few questions. I am aware there has been a whole range of studies undertaken over the last 12 months. I am curious and interested in finding out where these studies are. Perhaps if I list them, you might be able to provide some details or perhaps take it on notice.

How many studies in regard to Weddell have been undertaken in the last 12 months? Has the gap analysis been concluded and what were the findings? Has the biting insect study concluded and what were the findings? What were the findings or recommendations of the major infrastructure and headworks requirement study? I understand a contamination audit was undertaken, or proposed to be undertaken. Has that been undertaken, who did it, and what were the results? Have all the heritage and archaeological studies concluded and, if so, are there any key results that you can articulate? I understand marine habitat mapping was proposed. Has that work been done, by whom, and what were the results? Who did the work on the baseline fauna study, and what were the results? Has any work been undertaken on preliminary environmental assessment and are there any results?

Mr McCARTHY: Thank you, member for Goyder, especially for your interest in that. I am going to take advice as to how best we can present that information to you.

Ms PURICK: They were all mentioned in previous statements by the Chief Minister, and I am curious as to where all the work is at.

Mr McCARTHY: Certainly. Dr Ritchie.

Dr RITCHIE: Member for Goyder, we have conducted about 33 studies. We could probably list those here now, but if you are getting into what those studies revealed, that is one where it would be better to come back to you. The drill is how much information you would like now?

Ms PURICK: If there is an opportunity for a briefing through the minister's office as to the results of all the studies, then I welcome that. Do you want me to put it as a question?

Mr CHAIRMAN: If there is a briefing, we do not need to.

Ms PURICK: Okay. I can talk to the department or your office later. What was the total cost of those 33 studies?

Dr RITCHIE: The cost for the investigative studies at the end of April was \$712 000.

Ms PURICK: Okay, thank you. I will probably leave Weddell at that at this stage, minister. Thank you for the offer of the briefing.

In regard to the proposed new detention centre, were there any objections to the proposed detention centre being located on Wickham Point area and, if so, how many and from whom?

Mr McCARTHY: Member for Goyder, on 2 February 2011, the application was lodged for an Exceptional Development Permit for use of section 1864, 1235 Channel Island Road for the purpose of an immigration accommodation facility. Statutory public exhibition of the proposal for 28 days was 11 March to 11 April 2011. Nine public submissions were received during that exhibition period. The reporting body held the hearing on 20 April 2011.

I am going to take advice on who the objections were from. We do not have the list here of who the individual objections were from, but we can provide that list to you from the Development Consent Authority.

Question on Notice No 8.5

Mr CHAIRMAN: Please repeat the question.

Ms PURICK: How many objections were there to the proposed detention centre being located on Wickham Point?

Mr McCARTHY: The answer is nine.

Ms PURICK: Nine. The end part is: from who were the objections - a list of all objectors?

Mr CHAIRMAN: That is question No 8.5.

Ms PURICK: Thank you, minister. Now to my pet subject, and I think the member for Nelson's pet subject. Minister, did you instruct the department to develop the rural villages concept, or did it instruct you that it would be a good idea?

Mr McCARTHY: Good question, member for Goyder. No, I have been part of a government working party on this, so it has been very much government working as a team. It has all been, basically, focused on our 2030 vision and how to deliver for the growth of the greater Darwin area. All those concepts have been a good process of discussion amongst my colleagues. Then I worked with the experts in the field and we put this together. That was the Greater Darwin Land Use Strategy ...

Ms PURICK: Who is on that working party you referenced, minister?

Mr McCARTHY: Sorry, have I said the work working party? I am talking about my colleagues in government, and robust discussions and debates we have.

Ms PURICK: It came out of Cabinet?

Mr WOOD: Any live in the rural area?

Mr McCARTHY: Any live in the rural area? It depends on what you consider rural. I live in a rural area, and ...

Ms PURICK: This is about the greater Darwin rural area.

Mr McCARTHY: ... there are a few other members who live in rural areas. Let me say, it then goes to the experts, the department. That is what has produced our Greater Darwin Land Use Plan, which is a great plan. The process of community consultation is the way to go with our plan. I notice there is support from the CLP for the rural villages concept. That is good to see, because when we ...

Ms PURICK: Not your concept, minister.

Mr McCARTHY: The rural villages concept is supported by the Country Liberal Party.

Ms PURICK: But not your rural concept of villages, minister.

Mr McCARTHY: Okay, we can debate that. This is an area where Territorians want to live, where we will see growth occur, and it is a good policy and has been out for consultation. It is back now and we are going to progress that. I have explained the whole process of good government, member for Goyder.

Ms PURICK: Thank you, minister.

Mr WOOD: Is the minister referring to the greater Darwin plan or the villages plan when he says the CLP supports this plan?

Mr McCARTHY: The rural villages plan.

Mr WOOD: I have not seen anything.

Ms PURICK: I have not seen anything either, but we will come back to that. Minister, have you actually – and I do not mean to be rude – looked up the definition of ‘rural’ in a dictionary? It says, basically, ‘rural country pursuits’. That is as a preamble. Why would you want to create upwards of 7000 urban, small, Palmerston-type blocks in the rural area, which is clearly rural – rural living, rural pursuits? Urban blocks of 300 m², 400 m² or 800 m² is not rural.

Mr McCARTHY: Member for Goyder, what I have learnt in the job as a minister is the semantics around ...

Ms PURICK: It is definitions.

Mr McCARTHY: Well, definition, media, whatever. I accept the mischief that has been made around that concept is unfortunate, but let us talk about the concept. If the definition is wrong, if the semantics about a village are wrong, let us talk about the concept. The concept in the land use strategy is about providing better housing options, and affordability. It also reflects ...

Ms PURICK: It will not be affordable, minister.

Mr McCARTHY: I went to Berry Springs for a forum to consult specifically with residents. It is about rural residents telling government they want to stay in a rural area, but they want a different type of dwelling, existence and future.

Berry Springs was very interested in the concept of how this will provide another option where people can stay in the rural area, can be close to all those amenities of rural living, but do not have the added burden of mowing lawns, firebreaks, or managing big tracts of land.

What we did in our plan ...

Ms PURICK: Minister, you were not at the public meetings at Noonamah or Howard Springs ...

Mr WOOD: Or Humpty Doo.

Ms PURICK: Or Humpty Doo. The people at those meetings clearly did not want upwards of 7000 small, teeny blocks dumped next to their five acres or their two-and-a-half acres ...

Mr WOOD: They did not know what hit them.

Mr McCARTHY: What I think ...

Ms PURICK: It must have been just one meeting down at Berry Springs.

Mr McCARTHY: No, no ...

Ms PURICK: We were at the other meetings, minister.

Mr McCARTHY: ... our department conducted meetings in all of them. The concept is this activity centre. When we had this robust debate, when we took it forward and sought how we could articulate this, we looked at what it represented. We looked at those really important areas which represent our activity centres in the rural areas – Coolalinga, Berry Springs, Humpty Doo – and that concept ...

Mr WOOD: And Noonamah.

Mr McCARTHY: And Noonamah. The concept then went out for discussion and consultation. We have been getting the pros and cons of that, and there has been for and against. However, let us face it, if we are going to talk about the concept of a village, in this context it means we are developing small areas around activity centres, offering people that choice ...

Mr WOOD: They are not small areas, minister.

Ms PURICK: Minister, I will go to another question where you say 'often smaller'. Let us take Noonamah, because you have referenced Noonamah. In the proposal for Noonamah - and I was at the public meeting - in the documentation it has Rural Living over a parcel of land on Elizabeth Road. That parcel of land is currently occupied by the export yards. If you are proposing it goes to Rural Residential, where do you intend to locate Hampton's export cattle yards?

I put this question to one of the government official at that meeting, and his reply was: 'We can put them in the Humpty Doo industrial area'. Clearly, he does not understand what is involved in the live export yard ...

Mr WOOD: Or the Humpty Doo industrial area.

Ms PURICK: Or the Humpty Doo industrial area. My question is longer than that: why in all this documentation for the rural villages in Howard Springs, Coolalinga, Noonamah, Berry Springs, and Humpty Doo, is there colouring over private land to turn it into Rural Residential and small urban blocks? Where are you going to put the cattle yards?

Mr McCARTHY: We are talking about possibilities here, member for Goyder. Exactly what is taking place is a community discussion. I am very proud to say our government has created that because we need to have this serious debate across the Territory. In the greater Darwin area, we have created this discussion and we have put out concepts for discussion; nothing has been finalised. When we get down to specifics of where to put an export cattle yard we need to have that discussion. In relation to ...

Ms PURICK: We might not have any live export industry, minister, so it could probably be turned into Rural Residential.

Mr McCARTHY: When we talk about private sector development, once again, we have brought those private landholders into this discussion and ...

Ms PURICK: Minister, I will correct you on that. You have not brought the live export yard people into this discussion at all.

Mr McCARTHY: No, I am talking about private landholders. I have had a discussion with a number of private individuals who have significant landholdings and are looking forward to offering the community better choices.

Mr WOOD: No, making more money out of little blocks.

Ms PURICK: I am aware of that, minister.

Mr McCARTHY: Of course, there is a commercial reality to this. However, it is government working with the community, with the private sector included, with a concept. When we get down to the basics, if the community accept this, then we go into the planning processes about master planning, area planning,

and that is where we start to define where a cattle yard would go if it had to be moved. How that process would take place?

Ms PURICK: You said you would talk to the community about what it would like to see happen in the rural area. Which community are you referring to? Are you going to take the views of people living in urban Darwin and Palmerston that impact on the community of the rural area, or are you going to consider the views of the rural area where this is, ultimately, going to directly impact on? I can guarantee my constituents, and the member for Nelson's constituents, are not going to take kindly to people in Darwin, Palmerston and the northern suburbs telling them how their lifestyle should change in the future.

Mr WOOD: We do not want to become south Palmerston.

Mr McCARTHY: I picked up that vibration a number of times, and I picked up ...

Mr WOOD: It will be more than a vibration one day.

Mr McCARTHY: I picked that up at Berry Springs, member for Goyder.

Mr WOOD: It will be a tsunami.

Mr McCARTHY: People told me where to go; where to put my plan and how fast I should do it. That is a reality of this job. However, I stood proud to say, as a government, we are putting out something that is new, bold, and something that addresses the growth ...

Ms PURICK: My question was: what community are you referring to?

Mr McCARTHY: We have put that out into the greater Darwin area, and have accepted all the submissions. I am looking forward to working with the department through that. This will receive comment from right across the community because, when we talk about the plan, we have a balance suggested of 50:50 – 50% green fill, 50% infill. We have thrown that out to the community and said: 'Comment on that. What do you think? What are the opportunities for the new urban thinkers about development in brownfield sites within the existing peninsula of Darwin city? What are the opportunities for infill? What are the opportunities for a rural village?'

We have paid respect to rural residents by having that as an additional component to this strategy, with a paper specifically around this concept. We believe it is worth discussion. We have many submissions and I am looking forward to working through those.

Ms PURICK: Minister, I am crossing over to the member for Nelson's area. Where you have 1000 blocks or thereabouts planned for what I loosely call the Howard Springs pine plantation, and small blocks of upwards of 800 m² if not, perhaps, smaller, what planning have you done for the delivery of infrastructure and services, given they will all need reticulated sewerage, reticulated water, storm water drainage, and street lighting?

Mr WOOD: Kerb and guttering.

Ms PURICK: And kerb and guttering. What planning have you done in this quaint rural village concept plan that allows – how are you going to afford it?

Mr McCARTHY: It is so English, member for Goyder. You have a strong heritage - a quaint English village.

Ms PURICK: A subsequent question: where did the quaint village concept come from?

Mr McCARTHY: Your question is good in relation to infrastructure. However, let us take this as a staged approach. We have the concept out for discussion. I am sure we will receive submissions asking that specifically. I have already spoken to the Litchfield Council about this concept and had some good, robust discussion. Litchfield Council is demanding kerbing, guttering and social amenity from the developer and will not accept anything less. It has been very proactive and has shifted its thinking in relation to new urban principles ...

Ms PURICK: What about the reticulated sewerage and water?

Mr McCARTHY: Absolutely.

Mr WOOD: They have not been out to the public.

Mr McCARTHY: Where I sit with the development community when we look at the private land - government has to deliver infrastructure and we release and develop land to provide capital to repeat that process. That is the business we are in.

When we talk about the private developers, particularly around these planned rural village activity centres - whatever Land wants to call them - they are, once again basically, saying: 'No, that is not our responsibility. We do not have to supply any infrastructure; we just want to sell our land'. That is not acceptable. I have had some robust discussions with the development community - as a new minister, as a new player in the field - at the table with some old strategies tried on again. However, I am standing firm and asking exactly the same questions. No, I am all about putting this out to the community and, if they like it, then it can happen. However, where is the social amenity? Who provides the infrastructure? How do we make this take place? When we talk about our 2030 vision that is the time frame we are talking in.

Ms PURICK: Minister, on your social amenity comment, that is very pertinent. In much of the documentation and planning papers put to the community, in the vast areas - for example, the Howard Springs pine plantation - there has been no allocation - nor in any of the other documents - for what I call open space. It is just solid urban infill.

That is not good planning because if you put that number of people into that space - which will be young families according to what I am hearing here today. Where is the planning for open space and recreational space? Where is the planning for expansion of, if not new, primary schools? There does not seem to be any in the documentation I can see.

Mr McCARTHY: When we identify an area, member for Goyder, then we are fitting the way of the world these days. Some of the developers have been dragged kicking and screaming, others are way ahead of the game. All developers go through the process of master planning.

Ms PURICK: If it, regrettably, got to this stage where those parcels of land were out for development into tiny urban blocks, would you instruct the developer that he or she must leave land for community purposes?

Mr McCARTHY: The developer does not even get to the table without that plan. The development community know this; this is the way of the world now. What comes to government would be a master plan, and government's conversation at that stage is: 'We expect you to deliver what the community expects'.

Ms PURICK: Minister, thank you. In regard to the high density areas proposed which would require reticulated sewerage and water, can you indicate any planning work your department has undertaken - either independently or in association with another department - of exactly how many areas in the greater rural area - which, basically, goes from Howard Springs to Noonamah, east and west - how many kilometres of reticulated water and sewerage do we have currently? If you know what is out there, have you done any studies internally in regard to putting more parts of the rural area on to reticulated water, for example? If you are talking concept planning, you are talking master planning. How can you have a master plan if there is not a great understanding or information? If there is, I am interested in knowing how much of the rural area is under reticulated water at the moment and how much is under reticulated sewerage.

Mr McCARTHY: First of all, we have to remember our plan is the land use strategy. It is a strategy not a plan. When I talk about master planning - member for Goyder, you were talking about the Howard Springs pine forest ...

Ms PURICK: As an example.

Mr McCARTHY: Yes, as an example. If that was a block for development, all developers go through this master planning process now. It is ...

Ms PURICK: No, my question was: how much work has been done internally in regard to the level of reticulated sewerage and water into the rural area?

Mr McCARTHY: The links we have been looking at are the links with Weddell, for instance. That links to opportunities with infrastructure development for headworks services around Berry Springs. The INPEX project and the workers accommodation village give us also great opportunities to plan for infrastructure provision into the rural area working with a private developer. These are the links. For a more technical comment, I will get David. I really enjoy listening to David around these areas. We also have David Malone here. Let us get some more technical comment.

Dr RITCHIE: Thank you, minister. It really is not a very technical comment, it is just to say that in Rural Living areas there is virtually no reticulated sewerage and water. That is one of the things about ...

Mr WOOD: That is not right.

Dr RITCHIE: We know where those lines are.

Mr WOOD: The RR zone is reticulated.

Ms PURICK: I will ask one last question in regard to this. Minister, can you provide details on the proposed legislation for the development of the rural villages? You have listed in this documentation there will be legislation? What is the legislation? Can you give details on it, please?

Mr McCARTHY: Specific details on legislation, above and beyond all the normal planning and rezoning processes ...

Ms PURICK: It mentions specific legislation to make the rural villages happen.

Mr MALONE: David Malone, Executive Director, Strategic Planning. There are some changes required to the Planning Scheme should the rural villages proposal goes forward.

Ms PURICK: In creating a new category of urban rural - an oxymoron, I consider?

Mr MALONE: The focus is principally on area plans.

Ms PURICK: Area plans, okay. This document mentions there is a proposal to introduce planning principles, area plans, and standards. Can you give details on what that involves?

Mr McCARTHY: Sorry, I missed that, member for Goyder, can you repeat that?

Ms PURICK: In the documentation for the rural - whatever they are - there is mention of planning principles to be developed, area plans, and standards. What will they involve, and are they just applicable to the current concept of rural villages or are they going to be applicable to all parts of the rural area?

Mr MALONE: It depends, to some degree, on what we get back from the community in consultation. That will shape how government makes its decision about rural villages. That discussion and, then, decision will shape the nature of development and, just like we have development across the Territory, we have a series of controls in place. The concept of area plans is about a specific area so the principal focus for all that work would be on those areas that were going to change.

Ms PURICK: I will leave it at that. There will be more at another time, I am sure. Minister, has the second environmental consultancy work for Berrimah Research Farm been concluded? When will that report be made public, along with the first report - which still has not been made public - as to the nature of the contamination on parts of Berrimah Research Farm, the level of contamination and the cost of any remedial work? Is there subsequent environmental work planned following these first two consultancy jobs?

Mr MALONE: For Berrimah Research Farm there have been two studies, as you know. The second study, which is a detailed study of environmental risk, is still under way; we are yet to receive the final report on that work. The recommendations that come out of that exercise will determine what flows from there but, essentially, what you get back is a categorisation of areas into three areas. One is clearly where there are no problems whatsoever; there is a second area which is relatively easily rectified with remediation; and there are areas which would require quite significant remediation. That is the advice we are yet to receive back from our consultants.

Ms PURICK: That work is still ongoing?

Mr MALONE: It is ongoing; it is not too far away. It is due around now. We are awaiting that report before we can make any decisions on what we do next. The preliminary advice we have from the consultants is there has not been any dramatic surprises at all in the work they have done, but we do not have the detail of their assessment at this stage.

Ms PURICK: Let us assume there are some contaminated soils that have to be removed, where are you going to put the contaminated soil and how are you going to treat it? I am fairly confident there will be contaminated material off that farm, so where is it going to be housed?

Mr MALONE: It really depends on what comes back in the report. The report will not just say area X has a problem. It will also identify what the remediation options are for government. That may require additional work. If necessary, we would commission that. There are many different options for dealing with contaminated soil, and we would work through those once we have some idea of the challenge, if we have one, of any particular area.

Ms PURICK: One of the findings from the report could be that we have contaminated material and we need to locate it in an industrial waste facility - one of which we do not have?

Mr McCARTHY: As we know, there are various ways to treat contaminants. That would be determined by the final report.

Ms PURICK: Okay, minister, thank you. Will you make the findings of these two reports public, or a condensed version? I, as a prospective buyer of a property at this location - which I do not believe is suitable - am most interested to know what activities have gone before on that parcel of land. Will that documentation be made public?

Mr MALONE: It is a brownfields redevelopment site and, as part of that exercise, we would be required to go through the normal environmental assessment processes as well, and that is a completely open process as you know. Any issues that have flowed would become known at that time and any conditions that would be placed on the site would become known at that time.

Ms PURICK: One last question on that, minister. Given that parcel of land is bordered by the Stuart Highway on one side and the flight path into Darwin on the other side, a major arterial road in Tiger Brennan Drive and boxed in both ends by industrial land, do you still consider it is an appropriate location for a residential development, given the noise level that will come from the roads as well as the flight path? Given the fact the industrial area was there first and, therefore, should not be disadvantaged any time in the future by complaints from residents, do you believe this is still an appropriate place for a residential development?

Mr WOOD: Hidden Valley.

Ms PURICK: And Hidden Valley. Thank you, member for Nelson.

Mr McCARTHY: When developing any tract of land you have to look at the constraints. That is the starting point. The Berrimah Research Farm area has had extensive studies which are now being completed to tell us about some of the contributing factors to constraints. That then needs to be factored into what would be appropriate in development. Personally, that area could accommodate residential development and light industrial development. It is a good area.

Ms PURICK: Minister, you and I could both agree on that because we could live in rural and bush areas and not worry about the road trains and noise. However, I am talking about the people who come from urban areas who want pristine, pretty little places with no noise, no traffic, nothing industrial. That is who will go into that kind of place; not people like you and me.

Mr McCARTHY: In having said that, in dealing with constraints, you then work with the development in how to address those constraints. If it is a noise constraint from traffic, for instance, one of the logical ways to address that is buffer zones. Social amenity and open spaces can be used, so there are opportunities.

Ms PURICK: For the record, it is a very inappropriate site for a housing development. That is me finished. Thank you, minister.

Mr WOOD: Minister, before I put my questions in relation to the villages, I will tell you straight out, I oppose the village plan. I am not going to be negative about it; I have worked on alternative plans. You

mentioned you thought the member for Goyder was being a bit pedantic about rural. I am also concerned about the definitions of 'rural' and 'village'. It is not that I am against the government putting out the plans, the concern for me was - and I went to the meetings - you put out a document which talked about rural villages. I expected a discussion about a small area surrounded by rural area. It is like putting out a document about cars and I open up and the whole book is full of road trains. The title of your document is misleading.

Surely, minister, this should have been regarded as a Litchfield area plan discussion because you are intending - if you go ahead with your plans - to put the equivalent of the population of Alice Springs in the rural area. There is over 7500 blocks and, when you do some population numbers, it is at least the population of Alice Springs. Would it not have been more proper for rural people to know this was a major change to the area plan? If you have read the area plan that exists today - and it is good we have a Litchfield Land Use Objectives Plan - there is a definition of what 'rural' is. The government has made a mistake in presenting it in this manner, and that is why many of us are cranky about it. Do you not think it would have been better if it was set out in a different manner so people could have obtained a more correct opinion about what you were trying to do?

Mr McCARTHY: Good points, member for Nelson. In hindsight, what I would have liked in that discussion paper was a section on market forces, because what I got back - in any aggressive responses against - was this is all going to happen overnight. I had comments from people with 20 acre blocks who were not going to permit 600 m² blocks on their boundary in 2012. I had to explain to them, one by one, that you have to start with a geographic point and factor in market forces regarding what will develop in the time frame ...

Mr WOOD: Minister, I agree with that. I am not ...

Mr McCARTHY: ... then the creation of buffer zones and amenity to ensure we protect ...

Mr WOOD: My question is: was it delivered to the rural people in a manner which did not give the true intention of this development? I will give you an example. Villages are already declared in the Litchfield Land Use Objectives. They have been there for 15 years or so. Most people know where the villages are - district centres, villages; it does not matter.

Your plan took out the entire eastern side of the Noonamah area - not just Noonamah Node, as they call it, but all the land on the eastern side from Elizabeth River to the Cox Peninsula Road all of a sudden went from 8 ha minimum size subdivisions to 0.4 ha. That is a massive number of blocks. That is not village; that is a suburb.

It is the same with Howard Springs. The village around Howard Springs is a village; my office is there. Out of the blue, there is a block of land about 3 km away - the forestry land - you are proposing that be 0.4 ha blocks. Under the same map, you have the area south of Wallaby Holtze Road, which is presently zoned for 1 ha blocks - which was part of an agreement about the realignment of Temple Terrace; it is going to be Farrar - basically, suburban at the back end of Wallaby Holtze Road.

I do not mind the government putting that out; it is entitled to do what it likes. However, it was not promoted as a broad change to all the large blocks of land - because that is what you have done; you have picked out all large blocks of land available for subdivision and tried to cut them up into small blocks. The village concept went straight out the door.

Why was it not presented in the light of what it really was; a change to the land use objectives so people understood this was more than a village change, this was a grand plan someone dreamed up to change the basis of rural living which is a legitimate lifestyle that should be protected by good planning - you control planning - and not just by market forces? I was brought up in Melbourne; market forces subdivided floodplains in the west Gippsland area where my relations came from. Market forces said there is land there, it is wet but we can drain it. In the last big floods in Melbourne all those houses went under water.

Surely, planning should come before market forces because that is the way to get wise decisions about future development and future cities? Surely, market forces are secondary to good planning? Do you not feel this should have been promoted as a change to the Litchfield area plan rather than a village concept?

Mr McCARTHY: You are a great spokesman for the rural area, member for Nelson. It caused people angst. However, it was the thinking we have put out there; it was for discussion by the community and we are getting that. Should we have limited it to small concentric circles around the village of Noonamah, for

instance? Maybe. However, we are putting out a concept under a 2030 vision where there will be an increase in population - whether we like it or not, it is going to happen. I accept what you are saying.

Mr WOOD: Minister, I am not against that. I am not against the rural area being developed, but it is still the rural area and there needs to be some belief by the government that you support that. The plans you have put out indicate that the planners - you and whoever else is pushing this - could not care about rural living because - and this is another area I have said in parliament I felt it was deceitful - the plans delivered at the meeting showed land shaded as Rural Residential. The Rural Residential blocks in the rural area have a minimum lot size of 1 ha. It might not be for the rest of the Territory, but we fought hard to keep Rural Residential as 1 ha. It is 100 m by 100 m roughly.

The plans delivered at the meetings showed Rural Residential. If I was a lay person and picked up that plan I would think all that land is going to be zoned as 1 ha. It was not. You had to read the documents on the night of the meeting, which is not easy when you are given a first look. If you looked, you found the reference to RR - and there is no reference about changing the zone; it is just presumed you know it will be 0.4 ha - and there are no italics on the map to say Rural Residential 0.4 ha. There is no indication of what is absolute major change to the minimum lot size for Rural Residential living. That area was deceitful, because people would say Rural Residential, fine, but it is not what the planners were putting forward. They were putting forward a different concept altogether.

Minister, all I am asking - and I have been trying to get a copy of plans you have on an autocad system. I have been asking for some time, maybe a month, if I could have a copy. I am working with the member for Goyder. We would like to put out a development proposal that develops the villages, retains the minimum lot size of 1 ha, and shows we support development. We understand there has to be some variety of where people live. Minister, you have done nothing - not you personally - with the district centres we have already. You have Freds Pass, Humpty Doo, and Berry Springs ...

Ms PURICK: Howard Springs.

Mr WOOD: Howard Springs was developed privately. We do not have aged-care or retirement village at Humpty Doo. We have had one government duplex built in 20 years.

The government is telling us the world has to develop, yet on your own land where you could be showing us how to have smaller blocks, you have not done it. Can we have a copy of the autocad system which allows us to change some of those colours on the zones so we can bring out a professional alternate to put to people and to you? We have not had time during estimates to put a detailed submission to the government. Would you allow us access to that system so we can put forward plans that will - we are honestly trying to work in with what your concepts - not take away what we all love, which is living in the rural area?

Mr McCARTHY: Yes, absolutely. Member for Nelson, as long as we work together through the Greater Darwin Land Use Strategy. That is the way to do it. You have highlighted some really important points. Access to technology, I am sure we can - it is in train. It is a good point; I take it on board. Let us keep it tied with the consultation process we have just conducted, and now we will be examining the responses, because we are going to do some revision around our thinking with rural villages in line with your comments and aspirations. So, let us work together. We can do it.

Mr WOOD: Minister, you have given us some flexibility to put in responses. Some of us would like to put in a well-thought-out response. Because of estimates and things like that we have not. However, I gather there is a little flexibility in when submissions can be lodged?

Mr McCARTHY: I provided that flexibility.

Mr WOOD: That is all right. I am making sure.

Mr McCARTHY: We closed it; however, we are going to have much work going through what we have in that time frame. I welcome you and the member for Goyder. We need to provide you with some access to the technology to support your concept. Let us pull them together and see what we can come up with.

Mr WOOD: On a similar issue, Knuckeyes Lagoon was left out of this discussion. You would probably say it was not a village. It did not seem to matter. I am concerned there might be - bearing in mind the 0.4 ha blocks have come out of the blue in the government's submission about villages, is it the intention to

bring out a Knuckeyes Lagoon area plan soon, and is there an intention to reduce the minimum lot size from 1 ha to 0.4 ha?

Mr McCARTHY: In the area plan? The time frame of the area plan will be towards the second half of this year. Those discussions will then take place when we can get that document on the table for discussion.

Mr WOOD: Residents are waiting, because I sent your letter out telling them it was going to be ready early this year.

Minister, I was going to ask about Pelly Road/Lorikeet Court but I will leave that for the moment. You probably know enough about it and it will come before the Ombudsman.

In relation to Daly River, a gentleman rang me recently and said: 'Are you aware of any plans to develop 40 blocks on one parcel of land, and another 40 blocks on another parcel of land at Daly River?' If there is such a proposal, is there any way such a development would not have to get planning approval before it went ahead? Is there any way a person could get around the planning process?'

Mr McCARTHY: I am advised there are no problems; it would go through the normal process of a subdivision application and be assessed.

Mr WOOD: I gather it went through a process and was knocked back. People are saying the proponent has already ordered materials to put these buildings in place on-site. I was just relaying the concerns of people who thought that, if it had been knocked back for a subdivision and materials are going to be purchased to build these houses, was there another way for - a technical way around - a person to put 40 houses on a block? Was there a certain methodology; for instance, strata title or some type of lease arrangement where they could avoid requiring planning approval?

Mr McCARTHY: Member for Nelson, we will get you some technical comment.

Mr WOOD: He is the expert.

Mr POPPLE: Steve Popple, Director, Development Assessment Services. Member for Nelson, he could go ahead and build 40 cabins, for example, without consent on some zoned land. However, if he wanted to strata title it, it would then require subdivision approval under the *Planning Act*.

Mr WOOD: So he could build 40 houses and lease them out individually?

Mr POPPLE: He could lease the house component, not the land component.

Mr WOOD: Basically, for people who might be listening at Daly River, even though there was a subdivision application previously ...

Mr POPPLE: Previously a multiple dwelling application was refused.

Mr WOOD: Is there a loophole in the law then, minister, if an application to put X number of houses on a block of land at Daly River is rejected by the Development Consent Authority - which in this case is you - and the same person then comes along and does exactly the same thing and leases the houses out to people? Does that not defy planning logic?

Dr RITCHIE: In the Daly and much of the more remote areas of the Northern Territory, a landowner can build what they like on their property. The constraint on an owner is then being able to get some type of commercial return on that by leasing a piece of their land. However, unless they get an approval to strata their lot, they cannot. You can either build a big house or many little houses but, at the end of the day, you still end up with one title and only one legally divisible land asset. If you then wanted to run other types of commercial operations, tourism operations, there are other rules and regulations around those. It is not a loophole, it is just that there are laws around subdividing land, and then there are rules around what you can build on your land. In that area, you can build what you like on the land, but you cannot subdivide it without an approval, and that approval has not been given.

Mr WOOD: Minister, on zoned land normally there is a limitation on the number of dwellings you can have per block of land. Are you saying that regardless of what size block you have in an unzoned area, you can have as many dwellings as you like?

Dr RITCHIE: Yes, that is legally correct, member for Nelson.

Mr WOOD: So I clarify this for people who asked me; the person could put 40 houses, they do not need a lease; they could just rent each house out if they wished and that would get around the original defeat of the application for medium-density development there. Seems strange.

Mr McCARTHY: Effectively, member for Nelson, if a developer went down that line, they would be creating a caravan park under that concept of development, but if they are building houses, for instance, then the title issue ...

Mr WOOD: If they are building houses, they are not caravans, obviously. If you put a house on the ground, it is not a caravan.

Mr McCARTHY: A cabin or a unit is what I am picturing in this proposal, and it is, in that, a tourism commercial operation.

Mr WOOD: Could I ask one of your people? I do not have the planning scheme. The definition of caravan should be in the planning scheme. What is the definition of caravan?

Dr RITCHIE: What I was saying before stands. In an unzoned area, you are allowed to build as many dwellings as you like, and it is on that basis that the caravan parks in the Daly are operating. There is not a special set of rules or approvals they have had to get. A caravan park is not only for things on wheels, and the minister's reference to that is it is the same concept. It is an owner putting a place, a dwelling, on a bit of land with no underlying separate title; it is all on the one title.

Mr WOOD: I do not want to drag on too long, but what is the difference between a dwelling and a cabin? If they are dwellings, surely it has nothing to do with being a caravan park? You might build a small, two-bedroom house and, if it went to court, you will say it is not a cabin, it is a dwelling. Technically, you are saying if he puts 40 dwellings on that block of land, he can do it, and there are no planning restrictions on him doing it, except maybe for septic tanks or those environmental issues he has to deal with?

Mr McCARTHY: Basically, yes.

Mr WOOD: Minister, again, for the people who have asked me, do you think that area needs to be looked at by your department? I understand it is about unzoned land, but maybe there needs to be something that ratifies the size of the block of land. You might have five acres there and put 40 dwellings on it and there is nothing to stop you doing that. Will the minister at least look at whether - I will not call it a loophole - there is a deficiency in planning laws? I do not want to stop people developing, by the way. However, it seems strange that, on one hand, 40 dwellings have been knocked back by the planning authority and then you can come in and do exactly the same thing and it is okay. It will leave people at the Daly River who have some concerns about it saying: 'What is the point of planning?'

Mr McCARTHY: Consider it you have just initiated a ministerial brief and reply, member for Nelson. I remember I met with the Daly River Land Management Committee when I was there with the local member; they are also a component in this and are making comments about this. Will we look at it? Yes, it needs to be looked at. We will process that through the department and get a response back to see where we can achieve a ...

Mr WOOD: I will pass those answers on to people.

Mr CHAIRMAN: That concludes Output 2.1, Planning.

OUTPUT GROUP 3.0 – TRANSPORT Output 3.1 – Public Transport

Mr CHAIRMAN: We move to Output Group 3.0, Transport, Output 3.1, Public Transport.

Answer to Question on Notice No 8.5

Mr McCARTHY: An answer to question on notice No 8.5. How many objections to the proposed detention centre at Wickham Point and the list of the objectors? The answer is there were nine submissions. The list: Gerry Wood, MLA; ConocoPhillips Darwin LNG; PAn, the Planning Action Network;

the Darwin Chamber of Commerce; the Land Development Corporation; the City of Palmerston; the Darwin Harbour Advisory Committee; and two private residents. It is not wise to name those two residents.

Mr CHAIRMAN: Member for Sanderson.

Mr STYLES: Thank you, Mr Chairman. Minister, in the government *Gazette* of 8 July 2009 under the Department of Planning and Infrastructure there is a reference to a consultancy Integrated Regional Transport Strategy, the reference number being T09-1371. Minister, can you tell me where we are at with that consultancy?

Mr McCARTHY: Member for Sanderson, we will go straight to the department for where this consultancy is at.

Dr RITCHIE: Member for Sanderson, the Northern Territory Transport Strategy is in its final throes and will be completed in August.

Mr STYLES: This is the Integrated Regional Transport Strategy, not the Northern Territory Transport Strategy. Is it the same one we are talking about?

Dr RITCHIE: My apologies, the Integrated Regional Transport Strategy was completed in October 2010 and was released publicly on our website in April this year.

Mr STYLES: The document available on the website titled *NT Integrated Regional Transport Strategy - Transport in our Region* is the document you are referring to?

Dr RITCHIE: Yes, that is right.

Mr STYLES: Minister, can you tell us how much it cost to have that report done?

Mr McCARTHY: Yes, we can.

Dr RITCHIE: They were both done as part of the one consultancy and the total amount was \$368 000.

Mr STYLES: Dr Ritchie, the government *Gazette* says consultancy, and defines the consultancy as Integrated Regional Transport Strategy, \$366 058.

Mr McCARTHY: Yes, member for Sanderson, is that a question?

Mr STYLES: When you say it is an overall picture, are you saying the government *Gazette* is incorrect in relation to this matter? You are saying the NT Transport Strategy is all part of the same consultancy?

Dr RITCHIE: What I was reporting was, for the Integrated Regional Transport Strategy, the amount I quoted was a total for both bodies of work.

Mr STYLES: I can assume we have an error in the government *Gazette*? Is that a reasonable assumption?

Mr McCARTHY: Member for Sanderson, it was explained that both of those strategies came under that figure quoted.

Mr STYLES: Right. I have a copy of the government *Gazette* and it does not say that, minister. I will quote it to you. It quotes the number I quoted earlier, T09-1371, then in the centre of the page it says 'Darwin – Consultancy – Integrated Regional Transport Strategy', and has the price of \$366 058. The contractor was GHD Pty Ltd.

That figure includes the NT as well, does it? I want to make sure we have this. Would you like to have a look at this? I have a copy here if you would like to look at it, then perhaps ...

Mr CHAIRMAN: Do you want to table it? .

Mr STYLES: Yes, I seek leave to table the document.

Leave granted.

Mr CHAIRMAN: Could we get a copy back to the member of Sanderson?.

Mr STYLES: While we are getting that in order, minister, there is a whole pile of initiatives under this document. The document is not page numbered, but there are about nine pages or so. That is the full document? The reason I ask is it was a cost of \$35 000 a page.

On the last page of the document, we are looking at what is available. I am not sure whether we might be into another output group here, but it is in relation to barge landings and things. If you want to do it under this document, I am happy. Otherwise, you might want to do it under Transport Assets.

Mr McCARTHY: First of all, let me make a comment on the definition of 'document' and 'strategy', member for Sanderson. The price we have quoted here is for a major Regional Integrated Transport Strategy that involved the NT Transport Strategy. In the price point, that is a considerable amount of work I was involved in. If we talk about the document you have in front of you, yes, we have a document under our *A Working Future* policy that gives the overarching principles of what an NT Integrated Regional Transport Strategy is about.

The next part of your question: are we happy to take questions? Continue your questions in relation to the Regional Integrated Transport Strategy if you wish.

Mr STYLES: Excellent. On the last page under barge landings, and I will quote:

In recognition of the critical role of barge landings and delivering essential freight to many remote coastal communities, \$6.2m will be spent over the three years 2010-11 to 2012-13 to improve freight and vessel handling and storage facilities at barge landings in Wirrumiyanga, Gapuwiyak, Ramingining, Maningrida and Galiwinku.

Who is paying the \$6.2m?

Mr McCARTHY: The Northern Territory government, member for Sanderson.

Mr STYLES: Who owns the assets?

Mr McCARTHY: The asset ownership is ...

Mr STYLES: An interesting question.

Mr McCARTHY: No, I was going to say, it is in a transition process. You would be aware of the incredible amount of work that is going on in our growth towns. In reforming local government, the NT government is working with local government in a strategic asset transfer that would see barge landings transferred to councils with agreed and appropriate funding over a five- to 10-year period. When I talked about transition and growth towns, this is very much major work that is going on.

Mr STYLES: The taxpayer is going to spend the money to put these assets in place or upgrade them. Does that mean the Northern Territory government can control who uses these premises?

Mr McCARTHY: The taxpayer is going to fund these assets through the Northern Territory government, or through local government. Regarding who has access to these facilities, while the NT government may be the leaseholder of barge landings in the first instance, it is envisaged alternative arrangements could be agreed with other service providers and, as such, any lease should include an ability to assign. Then, I suppose, we are heading down the road of Aboriginal land and the protocols needed to access Aboriginal land?

Mr STYLES: If operators want to use taxpayer-funded assets, is that going to be possible?

Mr McCARTHY: Let me explain it to you, member for Sanderson, in this respect. We already have extensive operations delivering goods and services into remote communities via a marine network and delivery point at barge landings. We already have many agreements in place and a whole system of networks operating today, and have done for many years. The Regional Integrated Transport Strategy looks at delivering better efficiencies around those existing operations and provides for future operations.

Regarding barge landings, communities have said explicitly throughout the consultation period that they want to see a reduction in the cost of freight. They pinpoint food products as first on their list; however, there is a vast list of products they have defined.

We listened to the communities and looked at the efficiency in transport logistics. What has come out of the consultancy is these existing operations, these existing pieces of infrastructure, can be upgraded in very pragmatic ways to deliver incredible levels of efficiency that will deliver the objective of reducing costs. We are talking about very simplistic things such as increasing hardstand areas, secure storage areas, and lighting. We are talking about extending barge landing infrastructure to support all tides access in some of these places; others are more difficult.

Let us frame the discussion around that component of a strategy. If you really want to start talking about Aboriginal land and Indigenous ownership, it may sit with the minister for Indigenous Policy.

Mr STYLES: What I am questioning here is, when you talk about efficiencies and reduction in costs, the facility and capacity for competition to come into these remote communities by using taxpayer-funded infrastructure?

Mr McCARTHY: The improved infrastructure will support the new operators looking at these opportunities.

Mr STYLES: Does that mean all the barge operators who operate within the Northern Territory can utilise these facilities? If they can provide a service cheaper and more efficient than current providers, will they have access to taxpayer-funded barge landings?

Mr McCARTHY: Yes, of course they will. However, before you get to that, they have to have a customer there to start ...

Mr STYLES: That is true ...

Mr McCARTHY: ... so there is a commercial reality around this. This is exactly what the *A Working Future* policy is about, member for Sanderson; the normalising of these towns and the services these towns deserve.

Mr STYLES: I want to get this for the people who have asked me. That means all the barge operators can then vie for business with customers and, if they get a customer in these communities, they can use the taxpayer-funded barge landing? Is that correct?

Mr McCARTHY: An operator can use the barge landing. The commercial reality around that needs to be debated here because when you say customer, what sort of customer? Are you aware of how these barges operate? Have you been out to any of the growth towns and looked at the transport logistics around these operators?

Mr STYLES: That is not the question, minister. The question is: can the operators, if they have a customer, use the taxpayer-funded barge landing? Is it yes or no?

Mr McCARTHY: Can they use that transport infrastructure, yes, they can.

Mr STYLES: Thanks, minister.

Mr WOOD: Can I piggyback off that? Minister, my understanding is in places like Galiwinku traditional owners wish to charge barge companies for landing on the taxpayer-funded barge landing. Is that the case?

Mr McCARTHY: I am not aware of any specific cases like that, member for Nelson. However, that is probably an area that needs discussion.

Mr WOOD: Can have another clarification? You are in negotiation with councils regarding the ownership of the barge landing?

Mr McCARTHY: We are in negotiation with the councils about the handover of transport infrastructure over a long period of time.

Mr WOOD: You would expect, from a maintenance point of view, there might be some charge to the council for the upkeep of a particular public facility? Do you think that would be a reasonable ...

Mr McCARTHY: Some charge to the council?

Mr WOOD: A barge landing will require maintenance and, if it is handed over to the council, do you think it would be reasonable that there was some landing cost to go towards a specific reason - not just some personal reason, but a specific reason - for the maintenance of that barge landing. The lights are maintained and, if there is any erosion it is patched up, and the hardstand might need repairs. Is that how you would see the handover working?

Mr McCARTHY: In normalising services and service delivery, in attracting private investment and the private sector in, it is logical it would go that way, yes.

Mr WOOD: Would there be a requirement to have a lease over that barge landing facility?

Mr McCARTHY: A requirement to have a lease? I was thinking about that macro picture. I have just been advised we are talking about the land council as a representative body, and those negotiations are being conducted with the land council, yes.

Mr WOOD: On top of that, you are putting taxpayers' money into a facility which is for the benefit of the island, or the community. Are you also negotiating a lease payment for publicly-funded facilities; that is, to allow you to put a public facility for the benefit of those people? Are you having to pay money for that lease and have you any idea what sort of money we are talking about?

Mr McCARTHY: Member for Nelson, yes, it is part of the bigger picture of the negotiations with the Office of Leasing ...

Mr WOOD: That is why people are concerned - and Peter was concerned. He and I have, obviously, been approached by the same people.

Mr McCARTHY: The Territory growth town leasing office, yes, is part of the bigger picture about what we are discussing - about the leasing of assets.

Mr WOOD: The issue is: can barge companies roll up to a barge landing without getting extra costs applied by TOs? The letters we have seen was a dollar value per so many kilos of freight, I think it was - or value of the freight. I am unsure if it was in weight or value. You then have a lease arrangement which, under your government's policy, you will pay for the leases for those publicly-funded barge landings, so they are not private barge landings. It will be interesting to see the overall cost of providing these services to a community whilst you are saying we need to get transport efficiency to reduce the price of freight. We seem to be going in two different directions. I know we probably will not get the answer today but, minister, this needs more time for clarification.

Mr McCARTHY: I agree, member for Nelson, but remember my point about transport logistics and delivering efficiencies is about a concept, like all-tides access. At the moment, if you have a barge sitting offshore waiting to deliver goods to Maningrida that is not an efficient use of transport logistics. Delivering efficiencies is not only the components of all-tides access; it is also the logistical operations on the hardstand.

They are the efficiencies we are focusing on through this strategy. However, we have shifted the debate to a far bigger body of government work around the Territory growth towns – leasing of infrastructure. You can tie that to my argument about efficiencies; however, I would like it stated loud and clear that when I talk about transport logistics - and that is what we have been focusing on – it relates to what the community has advised about delivering better operational methods that will then support the reduction in the price of goods and services. Whether the companies deliver that is another debate; however, we are heading in the right direction.

Mr CHAIRMAN: At this point we will break for lunch and return and 1 pm and this output.

The committee suspended.

Mr CHAIRMAN: We will resume and I understand the minister has an answer to a question on notice.

Mr McCARTHY: Thank you, Mr Chairman.

Answer to Question on Notice No 8.4

Mr McCARTHY: Question on notice 8.4: can the department provide details as to what is contained within land capability studies; in particular, two government-owned blocks on Gulnare Road?

The answer is: generally, land capability studies include identification of waterways, wetlands, flood-prone areas, biting insect breeding areas, land unit types, and associated vegetation communities to determine the appropriate use of the land. The application to rezone sections 324, 325 and 4558 Hundred of Bagot has been withdrawn.

Mr CHAIRMAN: Thank you. Member for Sanderson, we are in Output 3.1, Public Transport.

Mr STYLES: Thanks.

Mr CHAIRMAN: No, sorry.

Mr WOOD: No, we jumped a little. Yes, 3.1 is what we are on; however, we moved off to 3.5.

Mr CHAIRMAN: Are we still on your issue?

Mr WOOD: No, I believe we ...

Mr CHAIRMAN: Are we in continuation or have you completed?

Mr WOOD: Yes, for the time ...

Mr CHAIRMAN: We can return to the shadow. You can pick up on the theme, and we will return to you later.

Mr WOOD: Okay.

Mr STYLES: Minister, has your department had any input into the scheme that requires all adult Territorians to obtain alcohol drinking licences?

Mr WOOD: We are on Public Transport.

Mr McCARTHY: Member for Sanderson, I am not aware of any scheme for adult drinking licences. However, the department of Transport is involved in the major policy and alcohol reform in the Northern Territory, Enough is Enough, through the provision of proof of age cards or motor vehicle driver's licences, yes.

Mr WOOD: Is this still 3.1?

Mr CHAIRMAN: Yes.

Mr WOOD: Public Transport, not Road Transport?

Mr CHAIRMAN: We are in Output 3.1, Public Transport.

Mr STYLES: Minister, how many people are currently eligible to operate as taxi drivers in the Northern Territory?

Mr McCARTHY: I could give you a figure of licensed operators; however, I will refer back to Dr David Ritchie, the CEO. Member for Sanderson, we have numbers on the different categories of CPV operators - taxi, minibus, private hire, limo, courtesy. Are you interested in those numbers?

Mr STYLES: Are they the licensed vehicles?

Mr McCARTHY: Yes.

Mr STYLES: I was after how many drivers were currently licensed to drive those vehicles.

Mr McCARTHY: Number of CPV drivers: 4088 drivers have endorsement on their licence to drive CPVs; 886 have ID cards for driving taxis, minibuses, limousines, private hire, courtesy vehicles, and special function vehicles. There is no ID card required to drive motor omnibus, bus, or tourist vehicles.

Mr STYLES: Very good, thank you.

Mr CHAIRMAN: A question from the member for Nelson. Are we remaining within Output 3.1 at the moment? We are, yes.

Mr WOOD: According to the annual report, road transport is where you have licensed drivers, inspect motor vehicles, you deal with taxi subsidies etcetera. Was the other area buses and ferries? Public transport is generally about buses and ferries.

Mr CHAIRMAN: If you ...

Mr WOOD: I am comfortable for you to switch them around.

Output 3.2 – Road Transport

Mr CHAIRMAN: Yes, if you are comfortable, member for Nelson. This is the minister's discretion, in a sense. If there has been a blur between 3.1 and 3.2 that is okay. If we continue as a committee and the shadow asks his questions and, then, when the member for Nelson gets to ask his questions the same flexibility will be applied.

Mr WOOD: Yes, that is fine. It is so I know where I am.

Mr CHAIRMAN: No one is going to miss out on anything, and when we move on it might be to Output 3.3.

Mr WOOD: Okay, that is fine.

Mr STYLES: Minister, how many taxis are currently licensed?

Mr McCARTHY: The number of taxis in Darwin, Alice Springs, Tennant Creek, Katherine, Jabiru and Nhulunbuy is 191.

Mr STYLES: That is the total number of taxis for those areas?

Mr McCARTHY: That is correct.

Mr STYLES: How many minibuses and private hire cars are there by regional areas if you have that in front of you, please, minister?

Mr McCARTHY: Certainly. The number of minibuses in Darwin, Alice Springs, Tennant Creek, Katherine, Jabiru, and Nhulunbuy total 39: Darwin 21, Alice Springs eight, Katherine one, Nhulunbuy nine, Tennant Creek zero, and Jabiru is not a MB area.

Mr STYLES: Thank you. Minister, do you have what might be called the average number of taxis on the road at any given time over a week?

Mr McCARTHY: We do not have that figure today. Can I ask you to comment on that question, Paul?

Mr RAJAN: Paul Rajan, Director of Transport Services. Taxi allocation in Darwin and Palmerston is controlled through the network provider, and we have two of those in the area. Anecdotally, they tell me at peaks there are at about 85% of their normal load on the road. However, that is only anecdotal; it is not a figure we have any great confidence in.

Mr STYLES: Thank you. Is there a current proposal to make peak hour taxi plates full-time plates?

Mr McCARTHY: Member for Sanderson, we are talking about one of the initiatives in providing better service; that is, our peak period licences. We are still evaluating that as an initiative. I am working with the taxi council and at each meeting we definitely discuss that as an agenda item. Currently, I am receiving some positive feedback. However, we need to look at that over a longer period to evaluate the impact it is having on better service delivery, and also on operators.

Mr STYLES: Has there been any impact study done on the downturn in tourism numbers in the Territory, and the impact on taxis and taxi drivers in general?

Mr McCARTHY: If we are talking about downturn in tourism numbers in 2011, we would probably still be trying to determine what numbers that relates to. Then, of course, we would be able to make a comment about the impact on the CPV industry.

Mr STYLES: Would you be looking at not implementing any proposal to turn those peak hour taxi plates into full-time plates if there is not a demonstrated requirement for that to occur?

Mr McCARTHY: The peak licences, as I said, are an ongoing discussion, not only with the taxi council but also with the board. That is something we are interested in. We initiated it to address a need. Circumstances fluctuate; you mentioned an interesting point about downturn in tourism numbers. That factors into the discussions. That is the process of formulating good policy.

Mr STYLES: Any proposal to permit an increase in taxi fares?

Mr McCARTHY: We have just had an increase in taxi fares, member for Sanderson. I will also, through David, outline the specifics for those, giving you the date and the relationship to that.

Dr RITCHIE: In April of this year, the minister approved an increase in Darwin of 4.42%, and 4.91% in other taxi areas.

Mr STYLES: Has that been implemented?

Dr RITCHIE: It is due for gazettal on 29 June 2011. It will implement by ...

Mr STYLES: When will that come into effect?

Dr RITCHIE: On that date.

Mr STYLES: On the day of ...

Dr RITCHIE: 29 June.

Mr STYLES: Thank you. Do all taxis now have CCTV cameras in them?

Mr McCARTHY: All taxis in the Darwin area have CCTV cameras fitted. I am advised Alice Springs has been installing security cameras in 103 taxis and 34 minibuses. I am going to check if Alice Springs is on track. Katherine and Tennant Creek will be the final ones to implement. It has not happened in Tennant Creek yet, but we are working on it.

Mr WOOD: Can I switch between both Outputs 3.1 and 3.2?

Mr CHAIRMAN: That seems to be the ...

Mr WOOD: Okay. One of my favourite questions over the years, minister, and I should preface my question with my believing the express bus service is a good system for the rural area. It will be even better when the park/ride facilities are finished. In relation to an area like Howard Springs - this is our giant bus timetable. This bus timetable outside the school hours has two buses in the morning, and they only go one way. If you go from Humpty Doo to Palmerston, you cannot go the other way, and only in the morning. In the afternoon, you can only go in reverse, and there are only two buses in the afternoon, except in periods - I beg your pardon, there are three buses in the afternoon, but not in school times.

Minister, have you had any consideration for increasing that bus service, even connecting it to the Farrar bus service, because you are not that far away from Palmerston, and you are stopping off now at the 15 mile community, or the Palmerston Indigenous village? It seems people in that area are devoid of a regular, reliable, and constant bus service. I also mention we have no bus service at all on Sundays so, if

people do not have any form of transport such as young people, they have no way they can go in and out of town. Are there any moves to look at trialling an increase in the number of buses and having them go in both directions?

Mr McCARTHY: Thank you, member for Nelson. In answering that question, I acknowledge the incredible improvement in services we have seen, and that focus on the rural area, not only with the new express service in, but also with the park and ride facility. I support and really value this, but it takes place in the budgetary process. As a department, I am lobbying all the time to improve public transport, not only for the rural area of the greater Darwin area, but also for the regional and remote areas across the Territory, as we have discussed this morning.

Yes, we are looking at it all the time. The park and ride facilities are a good indication about growing the public transport network in the rural area. It will go in as a submission process through a Budget Cabinet exercise, and it will take time. I cannot give you dates and figures around it, but yes, and I, as the minister, am lobbying. Do we want any comment from the department about that? No, we are okay.

Mr WOOD: I have raised this question many times. I will be specific. You now have an express bus service from Humpty Doo to Darwin. It takes one hour, which is pretty good when you consider how far it is coming from. If the government does not get behind it with some promotion about the benefits of public transport from the point of view of going green, saving less carbon admissions and, if people want to go from other avenues of saving money, less wear and tear on the car, getting to work feeling a bit more relaxed, etcetera - I do not see the government promoting public transport.

I might have mentioned once before when I was in Adelaide, Channel 7 was allowed to put 7 across the front of their trains. At the same time, I think the agreement was, if they would put 7 on the train, the TV station would put ads on the television to promote public transport.

It is all very well to say public transport is good, but you have to convince people to stop using their car, and that is very hard for people in the Northern Territory. If you look at the amount of traffic from the rural area - as you would know; you were out there one morning with me - there is much traffic in the rural area. City people do not realise how many vehicles travel that highway in the morning.

I hope that you, as part of your traffic plans, would be (1) trying to reduce the number of cars on the road, and (2) get more people into public buses. How are you going to promote and convince people to catch the public bus service?

Mr McCARTHY: Good question, member for Nelson; a very important area. First of all, I will deal with it from a macro sense. Under the 2030 vision, we are definitely promoting and planning for good sustainable public transport network. It is definitely the way to go. What we have is the challenge of Territorians not sharing a culture of using public transport, for all sorts of reasons.

What are we doing about it? The express service from Humpty Doo is a perfect example; we are putting in the transport logistics to start that education process. The park and ride is another good example about education. The most recent example was what I launched recently - the Google planner. People can access the timetable you showed me in a hard copy form in an application from the Internet. All these things are coming together. You are right, though; we need to look at other ways to change that culture. I will be interested in any ideas - your newsletter, for instance, would be a classic. I would love to get some advertising space in it.

Mr WOOD: You can. Good, you can help pay for it because the colour toners cost a few dollars.

Mr McCARTHY: I will talk to you about that.

Mr WOOD: I have tried to follow the construction at every step of the park and ride facilities. Why are you not putting something on television? It does not just have to be for the rural area. When these park and ride systems open, there is a great opportunity for you to be getting on the bus, to be making a big fuss over it - I will put you on the bus if I have to. I will get my bus licence; I can drive around the rural area and see the villages. There is a great opportunity to promote those when they are completed. The one at Humpty Doo is on the way. Maybe there needs to be more of that type of push from you and the government to take up this option.

Mr McCARTHY: You are right. We are just about there in the park and ride. The first one to come online is the one on Girraween Road, Coolalinga. We are planning media around that, and we take that on

board; there are good lines to get out there into the community. I am also interested in other ways because I have continually said - and I have this discussion not only in media but also with the department, colleagues, and friends about how we impact on changing this culture.

Mr WOOD: You have to show that – culture is changed more in the pocket. You are introducing container deposit legislation. People will not throw stuff on the ground because it will be worth money. You want to save energy by carbon; you do not worry about the carbon so much, you worry that you will save money by not having a big electricity bill.

If you convince people if they take the bus to Darwin, if they are a regular commuter, they can work out what the average savings to a person driving a vehicle from the Humpty Doo area to Darwin would be. You can say: 'Do you realise this is your saving over one year'. If you can convince people, that would be a great way to go. Show the economic benefit; that is what people are encouraged by.

Mr McCARTHY: The journos love it, member for Nelson, when they find out I catch buses in Darwin. I am a visitor to the city, so it is logical for me. I take many taxis, as well. It is good research value I assure you.

However, in the office I work in, I test the Gen Y. There is a great young lady who was a traditional car user into the city, and I kept talking to her about the new orbital service. She tried it out and now reports in directly to me and tells me about the numbers on it. Anecdotally, the numbers on the orbital service have already achieved full capacity in the bus from Palmerston into the city. That is good news for me. That message is getting out there, and we need to be able to spread it further. The link with my submission to government will be to show a good pick-up, a good usage rate, and the economies around that, and then putting on extra services.

Mr WOOD: Minister, one other question: how many alcohol interlock devices have been fitted in this financial year?

Mr McCARTHY: Good question, and there have been some. There are two aspects to that: how many have been legislated for, prescribed, and how many have been taken up. We will get you those numbers, member for Nelson. The first alcohol ignition lock was fitted to an offender's vehicle on 16 March 2010. As of 5 May 2011, the courts have imposed 1814 alcohol ignition lock periods; 314 offenders have become eligible for an alcohol ignition lock; and 31 alcohol ignition locks have been installed.

Mr WOOD: That first figure, 1814, is the time they have to have them on? That is what that is about, is it?

Mr McCARTHY: No, imposed by the courts. 1814 AIL periods ...

Mr WOOD: What does periods mean?

Mr McCARTHY: There are various lengths in prescription. I have a table here.

Mr WOOD: If you have 31 locks on vehicles, how does that relate to 1814 periods?

Mr McCARTHY: An alcohol ignition lock ...

Mr WOOD: It is on for a certain time?

Mr McCARTHY: It is about a period you can choose to drive with a prescriptive device, the AIL device. You are given a sentence of disqualification and can choose to have access to your vehicle for work, for instance, if you go down this road and have one of these fitted.

Mr WOOD: Is that an option for drink-drivers in the rural area who lose their licence and need to use a vehicle for work? I did not think you could get a permit to drive if you had been disqualified, even for work.

Mr PAPANDONAKIS: Nick Papandonakis, Director Transport Policy. The way the alcohol ignition lock process works through the courts is where you have multiple offences for DUI and are subject to the alcohol ignition lock regime, the court will apply the normal suspension period for drink-driving. It will then impose an alcohol interlock period on top of this. You may have a disqualification for three months, then an alcohol interlock period of anywhere between six months and a number of years.

Once you have completed your disqualification period, you then have the ability to apply for an alcohol interlock licence and, once you have the alcohol interlock licence, you can have a device fitted to your car and you are able to drive a car as long as it has an alcohol interlock device fitted to it.

Mr WOOD: Minister, we had very long Wet Season. Were there any problems in regard to school buses being restricted because of weight restrictions on rural roads? If so, were there any solutions to that problem for kids out bush?

Mr RAJAN: Member for Nelson, buses were restricted, particularly in the period after the cyclone went through, because of roads being flooded. There was a short period where buses were restricted on the Arnhem Highway - we had a weight restriction in place for a short period out there.

My colleagues at Road Network would know more about the detail; however, I believe it was a short period when buses were not able to traverse a particular part of that road.

Mr WOOD: Minister, how many heavy vehicles were inspected in the Territory for mass loadings, how many trucks were overweight, and how many were prosecuted or fined? This year I have seen a number of inspections, especially at HiWay Inn - the inspectors were there because the Borroloola road - which is the Carpentaria Highway - was limited.

I am interested to know how much effort has been put into protecting the roads.

Mr McCARTHY: In relation to transport inspections, over 17 000 heavy vehicle checks, 468 violations, and 174 vehicles unroadworthy.

Mr WOOD: Does that cover road trains and vehicles over 4.5 tonne?

Mr McCARTHY: That is right, heavy vehicles, yes.

Mr WOOD: Thank you.

Mr CHAIRMAN: We now move to Output 3.3, Transport Safety. Member for Sanderson.

Mr STYLES: Are we not on 3.2?

Mr CHAIRMAN: We just did it; we agreed to do Output 3.1 and 3.2 together. Do you have questions for Output 3.2?

Mr STYLES: Yes.

Mr CHAIRMAN: That is why I asked.

Mr STYLES: I am sorry, I misunderstood you. We are on 3.2?

Mr CHAIRMAN: I am happy to go back. Well, not go back ...

Mr WOOD: We combined them.

Mr STYLES: Minister, how many boat registrations do you plan to have under the government's proposed scheme?

Mr McCARTHY: The government does not have a proposed scheme, member for Sanderson.

Mr CHAIRMAN: We are back on Road Transport.

Mr WOOD: That is only when the road is under water.

Mr STYLES: I am in Road Transport. How many boat trailers are currently registered?

Mr McCARTHY: How many boat trailers are currently registered? I am sure we can get you that figure.

Dr RITCHIE: It would appear there is not a differentiation between the type of trailer within a certain load rating. There are 27 795 trailers registered in the Northern Territory.

Mr STYLES: Minister, how many registered drivers are there licensed to drive and operate triple road trains? Is that figure available?

Mr McCARTHY: It would be. Could we take that on notice, member for Sanderson? Mr Chairman, I have a reply to a question.

Mr CHAIRMAN: We will take this one first and then we will go to that one.

Question on Notice No 8.6

Mr CHAIRMAN: Please repeat the question.

Mr STYLES: How many registered drivers are there in the Northern Territory who can operate a triple road train?

Mr CHAIRMAN: That is question No 8.6.

Answer to Question on Notice No 8.3

Mr CHAIRMAN: Minister, you have an answer to a question on notice?

Mr McCARTHY: Yes. It is No 8.3. The question was: who is currently registered as a director of Finbuilt?

The Building Practitioners Board is currently conducting an investigation into a director of Finbuilt. It would be inappropriate to disclose the name of the person as the investigation is not yet complete.

Mr SYLES: What is the annual cost of a road train licence – not registration?

Mr McCARTHY: The annual cost of a Northern Territory driver's licence with an endorsement to drive a multiple combination vehicle we will take on notice.

Mr SYLES: I have a number of questions I want to put to you that you might like to take on notice, minister.

Question on Notice No 8.7

Mr CHAIRMAN: For the question on notice, could you repeat that?

Mr STYLES: What is the annual cost of a road train licence?

Mr CHAIRMAN: That is question No 8.7.

Mr McCARTHY: If we could go back and clarify, member for Sanderson.

Dr RITCHIE: Could we clarify is it the cost of getting a licence to drive one, or the licence to register such a vehicle?

Mr STYLES: Not the registration, the licence.

Dr RITCHIE: The licence, okay.

Mr STYLES: How are registration fees assessed for a road train - the prime movers and the trailers? What is the breakup there?

Mr CHAIRMAN: Is that on notice too?

Mr STYLES: Are you happy to take that on notice?

Question on Notice No 8.8

Mr CHAIRMAN: The question one more time, please.

Mr STYLES: How are registration fees assessed for a road train - the prime mover and trailers?

Mr CHAIRMAN: That is question No 8.8.

Mr STYLES: What is the average cost of registration of a road train?

Mr CHAIRMAN: Again on notice?

Mr McCARTHY: Yes.

Question on Notice No 8.9

Mr CHAIRMAN: One more time.

Mr STYLES: What is the average cost of registration of a road train?

Mr CHAIRMAN: That is question on notice No 8.9.

Mr STYLES: How many road trains are registered in the Territory?

Mr CHAIRMAN: You will have to put that on notice?

Mr McCARTHY: Yes.

Question on Notice No 8.10

Mr CHAIRMAN: Please repeat the question.

Mr STYLES: How many road trains are registered in the Territory?

Mr CHAIRMAN: That is question No 8.10.

Mr STYLES: How many road trains operate in the Territory?

Mr Wood: Interstate ones might be hard to get.

Mr McCARTHY: Member for Sanderson, we could definitely give you the number of how many are registered in the Territory. Operating in the Territory might prove a bit more difficult.

Mr CHAIRMAN: We will take it on notice and then see how we go?

Question on Notice No 8.11

Mr CHAIRMAN: Please repeat the question.

Mr STYLES: How many road trains operate in the Territory?

Mr CHAIRMAN: That is question on notice No 8.11.

Mr STYLES: Minister, will your government be supporting small business owners by waiving registration fees if the cattle ban stays in place?

Mr Giles: Good question.

Mr McCARTHY: You reckon? Could you repeat the question, member for Sanderson?

Mr STYLES: Will your government be supporting small business owners by waiving registration fees of those cattle trucks affected by the cattle ban?

Mr McCARTHY: The answer will be no.

Mr Giles: Does not support live cattle export business ...

Mr STYLES: That is it for Output 3.2.

Mr CHAIRMAN: All right.

Mr McCARTHY: Mr Chairman, if I could comment on the interjection from the member for Braitling. I was specifically asked about waiving registration fees on heavy vehicles. You make sure that is very clear, as I did not appreciate the interjection from the member for Braitling and the inference that our government is inactive in this space. It is exactly the opposite, and the Chief Minister is on his way back from Canberra in another major move forward to solve this issue. When it appears as media spin, you should defend me there, member for Sanderson, because that is not what I said.

Mr CHAIRMAN: I remind members of the committee of Standing Orders 69 and 51, and ask them to not interrupt members or interject, etcetera. Are we extending Output 3.2?

Mr STYLES: The minister was just talking about heavy vehicles. It was actually heavy vehicles directly affected by the cattle ban. Do you agree that was part of the question?

Mr McCARTHY: You have your question there; you have my answer. We will, no doubt, discuss this further.

Mr STYLES: Excellent.

Mr CHAIRMAN: That concludes Output 3.2.

Output 3.3 – Transport Safety

Mr CHAIRMAN: We are at Output 3.3, Transport Safety, and the call is with the shadow minister.

Mr STYLES: That is it. Minister, under the demerit system, can you tell me how many people have lost their licence this year as a result of exceeding the number of demerits?

Mr McCARTHY: Member for Sanderson, we will attempt to get you that data. Between 1 September 2007 and 31 May 2011 suspended licences by region: Alice Springs, 250; Darwin, 1467; East Arnhem, 46; Katherine, 199; Tennant Creek, 22; unknown, not NT residents or recorded on movers, eight; and West Arnhem, eight - a total of 2000.

Mr STYLES: Minister, do you know how many prosecutions there have been for people driving after they were disqualified under the demerit system?

Mr McCARTHY: Member for Sanderson, no, I cannot supply that data; however, I am sure the Minister for Police, Fire and Emergency Services would be able to.

Mr STYLES: The road safety campaign has been touted by your government as being part of the road safety initiative, along with the other road safety initiatives of speed cameras and red light cameras. How much revenue has been raised in the last 12 months from both speed cameras and red light cameras?

Mr McCARTHY: Member for Sanderson, once again, that would need to be supplied by the Minister for Police, Fire and Emergency Services.

Mr STYLES: That does not come under Transport Safety, road safety, as an initiative?

Mr McCARTHY: Not the enforcement side of it, no.

Mr STYLES: Therefore, my next question you may not be able to answer either. How many outstanding fines are there in both number and dollar terms?

Mr McCARTHY: First of all, member for Sanderson, I did answer the previous question and, unfortunately, you have it wrong. We are talking about enforcement, so if you would like to repeat the question we will see if it falls under enforcement or under this output appropriation.

Mr STYLES: We thought it might have come under Transport Safety and road safety because it has been touted as a road safety issue, therefore – and I have heard members of your government say ‘this is a road safety initiative to put red light cameras and speed cameras in to make it a safer place, to make intersections safer’ etcetera.

Mr McCARTHY: I agree with that, member for Sanderson, and that is what we have done. However, in enforcement, you are dealing with a different output appropriation.

Mr CHAIRMAN: For clarification, we are here this week, and last week, to debate the budget and where things fall under what outputs. Sometimes, things fall under outputs that have a different minister’s responsibility, and are dealt with there. In this particular instance, the minister responsible for this output, where these questions fall, is the minister for Police, who was here last week. Sometimes, during Estimates Committee, there are policy debates which are always welcomed, but the central purpose for Estimates Committee is the examination of the budget and what each output covers. In this instance, these things are not covered under this output, even though you might want to entertain the policy debate here.

Mr McCARTHY: Thank you, Mr Chairman.

Mr STYLES: Minister, in years gone by, learner drivers and other people have been able to get hold of a driver information book provided free of charge by MVR, but now people have to pay \$6 per book. These have always been a good educational tool taken up by people to learn and also re-learn the road rules, and they were handed out in schools to educate children at an early age. How many other jurisdictions in Australia charge for the driver education books? How much money do you expect to make each year? Where can you get these in growth and non-growth towns?

Mr McCARTHY: Thank you, member for Sanderson, for the question. There are three parts to that question. We will need to ...

Dr RITCHIE: We do not know the approach taken in other jurisdictions. We will have to take that, and the others, on notice.

Question on Notice No 8.12

Mr CHAIRMAN: All right. We will get those as one question.

Mr STYLES: For the record, how many other jurisdictions in Australia charge for the driver education books? How much money do you expect to make each year from the sale of these books? Where can you get these books in growth and non-growth towns?

Mr CHAIRMAN: That is question No 8.12.

Mr STYLES: Minister, do you have any proposals to consider the decoupling of road trains at Noonamah?

Mr McCARTHY: Member for Sanderson, no.

Mr STYLES: Thank you, minister.

Mr CHAIRMAN: Member for Nelson? Output 3.3?

Mr WOOD: Minister, in relation to the Road Safety Task Force, thank you for releasing the final document. Did you receive many public submissions in relation to people wanting to comment on the draft? How many advertisements did you put in the paper to get people to submit comments?

Mr McCARTHY: Thank you, member for Nelson. We can advise you there were two advertisements in the *Northern Territory News* and, in submissions ...

Mr PAPANDONAKIS: There were a total of five submissions; three from the public, one from industry, and one from you. The task force also e-mailed the document and circulated it through the industry, through their networks as well.

Mr WOOD: One on rail safety audits - something a little different. Budget Paper No 3 says, on page 236 under Key Deliverables, rail safety audits and inspections is 100% - 100% of what, and how many audits?

Mr PAPANDONAKIS: Rail safety audits are undertaken nationally, and there is a nationally agreed timetable to undertake the audits. The chief auditor is the jurisdiction where the body, the organisation, initially was certified. For example, South Australia may be the chief auditor for company X. Anywhere that company travels in other jurisdictions are also involved in the audit. There is a national program, and we attend all of the audits and input into the national audit program.

Mr WOOD: Are those audits public?

Mr PAPANDONAKIS: No, I do not think they are public.

Mr WOOD: Thank you.

Mr CHAIRMAN: The member for Braitling has a question.

Mr GILES: Minister, I hope I have the correct output area. I want to ask about traffic management plans in Alice Spring around street events such as the Bangtail Muster and a few other events. I do not know if this is the right output area; however, it is about transport safety.

Has anything changed in the last financial year that would require organisers of community events to have traffic management plans they did not need before? The background to that is for a few of the community events that have occurred people need to spend much money developing a traffic management plan, which is making community events not as feasible financially to operate - they find it very difficult.

Mr McCARTHY: Good question, member for Braitling. I will get some good advice on that.

Mr WANKA: Ernie Wanka, Director Roads. Each organisation wanting to run community events has to get the department's approval. The level of impact on the road network and the traffic will determine the level of the traffic management requirements we will undergo. We involve councils because, generally, the event not only impact on the Northern Territory government road, but also local government roads. We also liaise with police on these matters.

Mr GILES: Thanks, Mr Wanka. Minister, do you have any proposals to reduce the financial impact on organisations in developing these traffic management plans? I know of circumstances where it has cost up to \$30 000 to develop a traffic management plan, and it is becoming financially unviable for people to hold events. Has your department looked at this issue, and do you have proposals on how the financial and bureaucratic burden can be reduced to ensure these community events can continue?

Mr McCARTHY: The proposal, member for Braitling, will involve liaising with the council because it is the council that has a part to play in this and is being remunerated for this. It is part of the budgetary implication for this so we need to look at it. I will get some more comment.

Mr WANKA: I am surprised at the cost of the traffic management plans. Generally, we work with the organisations to at least rationalise the cost to them because we know many are volunteer organisations. Generally, we try to work with them to minimise the impact.

Mr GILES: Thanks, minister. I suggest you encourage your department to look at this issue because there are a number of events in Alice Springs that will not go ahead because of the traffic management plan

cost. It has been brought to my attention, and a number of my colleagues, by a number of organisations which have significant problems with it.

Mr CHAIRMAN: Before we move on, the member for Nelson had a question about which output witches hats might fall into.

Mr WOOD: Is it in Transport Safety or Road Network Management?

Mr CHAIRMAN: The next output. That concludes consideration of Output 3.3.

Output 3.4 – Road Network Management

Mr CHAIRMAN: In that case we will move to Output 3.4, Road Network Management. Member for Nelson, ask your question.

Mr WOOD: Minister, it is my understanding when contractors are working on Northern Territory government roads, including the highways, safety requirements have changed over the last couple of years quite remarkably. Having travelled the highway quite a bit this year, I know the hold-ups that apply; the red lights when there are roadworks, witches hats everywhere, and signs slowing traffic. It seems to be far more advanced in the number of safety signs and witches hats than there used to be. Has there been some change in the Australian Standards for this safety program to occur on our highways?

Mr WANKA: There have been changes in the Australian Standards in traffic management for construction works. It has not been recent; it was some time ago. I cannot give you the specific timing of that.

We have been working with the Department of Construction and Infrastructure to improve the level of traffic management in our construction works. It has taken some time to do that under our specification requirements. We require the contractors have certified people to develop traffic management plans because we want to improve road safety; we do not want accidents happening at construction sites. We have taken steps to implement measures to ensure our traffic management around construction sites is safe. We also work with police to do odd audits regarding speed cameras.

Mr WOOD: Minister, whilst I am not against protection of people working on the road, was there an evaluation ever done of what I believe is a higher standard of safety requirements on our roads to see what that cost is in relation to construction or repairs of roads? Can someone give us an indicative figure of the cost of these changes to road construction costs, which means more money on safety - which might be a good thing - versus less money doing the road works.

Mr McCARTHY: Member for Nelson, that is a good question. In the broad sense, we probably start off at ground zero where there was not much safety conducted. I am reflecting back on the good old days as well. Now there is.

We could probably get data around traffic management, as there is a whole growth in that industry. I was talking to an operator recently who has just employed 20 people in traffic management.

Mr WOOD: That is my worry. Has it become an industry rather than a safety matter?

Mr McCARTHY: This is the way of the world we have to accept. I will get some more comment on that.

Mr WOOD: We never have to accept everything; we just question it.

Mr McCARTHY: Yes, but in a national perspective this is the way industry has gone. It is about community safety, from not only the operators but also the road users. I will get some more comment.

Mr WANKA: The standards are developed nationally through the AusRoads and the Australian Standard Committees. In evaluations of, specifically, costings, I am not aware of the particular studies on that. However, the road authorities have taken these steps to improve the traffic management, both for the worker - and there have been cases nationally where some workers have been injured or killed - and also the road user. Both of those areas have to be covered.

Mr WOOD: I am not trying to diminish the need for safety. It is a little like the question I asked recently about how many cords in public buildings in the Northern Territory need to be tagged. I am asking whether

someone evaluated the common sense. I have been told, for instance, a one person surveyor working on the highway using a laser had to have a pile of witches hats, and this and that. The contract ends up being 50% safety and 50% the job. Even he scratched asking what was going on.

It is not saying we should not have safety, I am just wondering whether we take Australian Standards for granted? We need to have our roads safe; that is fair enough. However, do we ever question it and ask whether we have gone too far? Is this putting such a cost on the taxpayer that we are not getting any roads built any more, or because it simply has a bigger burden spent on safety? Is there any questioning? Is there any evaluation? If we find there was no change in the number of fatalities or injuries on the road, are we asking what improved? Is there no evaluation of those changes?

Mr WANKA: The national committee does look at those issues before making those decisions. It is fine saying that it is overkill. The standards have specific guidelines and it is based on a risk assessment for each of the construction sites that are in operation. Obviously, the level of traffic management will depend on that risk. It will only take an accident or someone getting killed and we will be questioned on whether or not we had the correct level of road safety there. All the state road authorities are aware of the cost on the issue. There have been concerns; we just have not increased the level of road safety for the sake of it.

Mr WOOD: I was not questioning that we should not have road safety, but you wonder sometimes, with the small jobs especially, whether there are more people on safety than the job.

Minister, in relation to Tiger Brennan Drive, I notice this is still being fixed. The left-hand exit lane back onto the Stuart Highway is still being repaired. Has Tiger Brennan Drive Stage 2 been completed? If there are any issues, what issues remain?

Mr WANKA: Basically, for Stage 2, the practical completion was in March. There are some minor outstanding defects that are being addressed and investigated, such as some pavement and seal issues. They are being addressed as part of the defects liability period, as well as some of the landscaping works that are still being supplemented. Also, as you would have seen if you drive through there, there is removal of some of the scouring and protection that was put in to control scouring during the Wet Season and erosion. The Stage 2 project is, basically, complete.

Mr WOOD: Minister, have you done a final safety audit on Tiger Brennan Drive? Also, has someone conducted an audit on the suitability of the signs to see whether they direct people in the right direction? I include in that, FreeSpirit caravan park asked for a sign to show people who were coming out of Darwin that FreeSpirit is on the other road on to Marjorie Street when you come up along Tiger Brennan Drive. They have asked me a number of times - I have written to the department, and I believe they are entitled to have a tourist sign. Crocodylus Park has one; why can they not have a brown sign which says FreeSpirit caravan park to direct people coming out along Tiger Brennan Drive to the caravan park? Tourists will not know where to go.

I also know the exit sign on the exit lane from the Stuart Highway back on to the Stuart Highway - if you can put it that way - is a really hard lane. Even though I know where it is, it is a very hard lane to see, and there are still people who go up to Palmerston. I do not know whether there has been an evaluation of the site lines there, because it is an exit lane on a turn. The road is curving, and you exit off the curve. I do not know whether some of those things could be evaluated, even by an independent person who knows nothing about the history of Tiger Brennan Drive. I just want to know if some evaluation is being done.

Mr McCARTHY: We achieved resolution with the FreeSpirit caravan park with the addition of the multicultural symbols on signage.

Mr WOOD: They are not on. You would not know, if you were coming from Darwin along Tiger Brennan Drive, where to get to FreeSpirit. It just needs a brown sign underneath - FreeSpirit caravan park - the same as Crocodylus has - and an arrow.

Mr McCARTHY: We can make some comment on that about policy, but I want to outline for the committee that we achieved good resolution there and accepted recommendations from the operator of the FreeSpirit caravan park.

Regarding the safety audit question of whether it has been completed, a comment if you like, Ernie, about providing specific signs to tourist operations.

Mr WANKA: During the course of the project, there have been a number of road safety audits done. There was an independent road safety audit done, particularly at the interchange. I cannot comment on whether a final one has been done, but the Department of Construction and Infrastructure would probably be able to comment on that.

Regarding signage, we have had a number of people drive through and assess the signage. The general comments that have come back are they thought it was adequate. As a result of the complaints we had, we added the generic caravan signs to supplement the signage put in as part of the original contract. Whether those are adequate or not, I cannot comment. That is something we can look at ...

Mr WOOD: It is the outward lane from Darwin along Tiger Brennan Drive. That is okay. I will catch up a bit more on that anyway.

Minister, in relation to signage policy, I tried to look up the web yesterday to find out what the government's policy is on road side signs. It is not on the web, so the department was going to send me a hard copy. Do you enforce the signage policy – and I am not against some signs on the road, do not get me wrong. If you have driven along the 11 Mile, one company has three signs set in concrete. If you have driven along the road at Humpty Doo, it has become Rafferty's Rules. As I said, I am not opposed to some advertising, but has the department dropped off and forgotten about its own policies - which I cannot get, but I am sure the policy was only tourism signs and temporary signs. How can we allow some advertising, but keep the highways looking reasonable, not like a junk yard? The Arnhem Highway is starting to look like that.

Mr McCARTHY: Member for Nelson, I can remember asking similar questions in my early time in the portfolio and I was advised about the policies creating the tourist information bay, to consolidate this information and to put it in a good safe area that ...

Mr WOOD: Not just for tourists; there are a many businesses that need to show their whereabouts, but could we ...

Mr McCARTHY: Yes, but what I am talking about is concept. I started to then process this concept of a better way of doing business. I challenged the signs around Tennant Creek as well, with those incredible landscapes being cluttered with everything from a homemade back yard sign to a professionally produced sign, as worth a debate. That is what I discovered. For policy, we will get some more technical details.

Mr WANKA: This is a topic that is close to my heart. It has been around for years and years. The issue here is that businesses want their business advertised on the road. There are people around who do not want any signs, and the issue is striking the balance about what is appropriate on the roadway. In the Northern Territory, if you look at the registration figures, the number of vehicles and the amount of traffic is increasing, and it is an area that we need to look at.

It is on our agenda to get a policy that is easily manageable. The policy you are talking about has been so difficult to manage in determining – the policy says if it is tourist-related to the travelling public, then you can consider putting up the sign. What is appropriate for the travelling public is a fairly broad definition, and it is difficult to manage, because someone selling something to a tourist will say their business is there for the travelling public.

Mr WOOD: The member for Goyder has the Humpty Doo area in her electorate and I have the 11 Mile in my electorate. I would be happy if the minister would propose a meeting with businesses. I do not want to put businesses out of business; however, I do not want our highway looking like – pardon me, I will not say it, but you know. There is an opportunity to work with business to come up with some novel ways of advertising but not clutter up the road so it looks terrible. I believe the member for Goyder would be happy ...

Ms PURICK: Yes.

Mr WOOD: ... if we had a working party and worked with Ernie and the department to come up with something, if that is okay.

Mr McCARTHY: Yes. I asked the same questions when I started to work through the enormity of what the department deals with in transport. I am sure we can get your participation.

Mr WOOD: We could, perhaps, get some advertising and signage people who may have some ideas.

Minister, my next question is on an issue I thought would be fixed by now. It relates to scrapping the parking bay plan at Adelaide River. It was originally valued at approximately \$2.5m. I suggested at the time that money go to the truck parking bays at Emerald Springs, which has developed into a popular truck stop. Why has the department offered only changes to the northbound side of the Stuart Highway, when what is needed on the southbound is three lanes to allow trucks to stop and to come back onto the highway safely?

My understanding is there were discussions recently where half that amount of money was offered. When you consider the number of trucks using that area now, I would have thought consulting with the owner of Emerald Springs about the ideas he has put forward makes a great deal of sense. Why have they offered him only changes to the northbound side of the highway rather than the southbound side of the highway?

Mr WANKA: My advice is there is some work being done at Emerald Springs to the northbound as well as the southbound truck parking bays. The exact extent of that I am unsure. We would probably have to get the details of it.

The truck parking bays at Adelaide River has been a contentious issue because there is a concern about the impact on the park. We were trying to negotiate whether the trucking association was happy with just a northbound truck parking bay, but they have come back and said they would like a north and southbound truck parking bay. We are developing concepts to go back to Coomalie Council, as well as the community, on some proposals. That is where that is at.

Mr WOOD: Would I be able to get a briefing, minister, about what is being planned for Emerald Springs?

Mr McCARTHY: Certainly.

Mr WOOD: Thank you. My last question is probably a big one. Has your department finished an audit of all Northern Territory roads in relation to the handing over of roads to local government? Have those negotiations been completed?

Mc McCARTHY: Member for Nelson, I will ask for some advice on whether it is completed. You appreciate the enormity of this work.

Mr WOOD: Where is it at?

Mr WANKA: There have been a number of surveys undertaken of roads. A Stage 1 survey was done for roads within 50 km of the Territory growth towns, which has been completed. We have undertaken a survey of all local government managed roads where local government receives funding under the FAGS roads allocation funding through the Grants Commission. In the 8560 km of road we have identified to be transferred to either local government or to the where it is a single user - to the owners of the pastoral properties - the majority of those roads have not been covered under those surveys.

We have an asset management system, and we have data on those roads. We intend, when we start negotiating with the councils for the transfer of roads to local government, to provide the data we have available on all those roads to the councils. Should there be any supplementary surveys that need to be done for the negotiations, we will move towards doing an extra survey on those roads rather than doing wholesale surveys that are not required and cost money.

Mr WOOD: When will councils find out what proposals you will put? Obviously, with the shires, you are attempting to hand over some of the NT government roads to local government. When will that offer be made?

Mr McCARTHY: In the big picture, we are talking about a 10-year period.

Mr WOOD: Okay, so there is a while to go?

Mr McCARTHY: No, over a 10-year period; that is the scope of what this transfer will involve. Any more specifics might be difficult to deliver. Ernie, did you want to make comment?

Mr WANKA: We are working with the Department of Local Government, in particular, to draw up principles for transfer which we will put to government to consider. Once that has been squared away, then

the negotiations will commence. We are still working to the time frames of the five- to 10-year period to facilitate the transfer.

Mr WOOD: Thanks. Thank you, minister.

Madam DEPUTY CHAIR: Minister, we just have a query, a point of clarification as to which output is a question around bus stops, bus shelters? In which output? Is it part of 3.4, is what I am being asked.

Mr McCARTHY: Output 3.5, Madam Deputy Chair.

Madam DEPUTY CHAIR: Output 3.5. Minister, did you have an answer to a question on notice you wanted to give?

Mr McCARTHY: Yes, Madam Deputy Chair, thank you.

Answer to Question on Notice No 8.7

Mr McCARTHY: Question No 8.7. What is the annual cost of a road train licence to drive?

The cost of a multi-combination endorsement NT driver's licence is \$24 for 12 months, \$36 for two years, \$48 for three years, \$60 for four years, and \$72 for five years.

Answer to Question on Notice No 8.8

Mr McCARTHY: Question No 8.8. How are registration fees assessed for a road train prime mover and trailers?

Registration charges for heavy vehicles are set nationally through a determination undertaken by the National Transport Commission. Industry is consulted in formulating the determination. This determination factors in an annual adjustment process.

Answer to Question on Notice No 8.9

Mr McCARTHY: Question No 8.9. What is the average cost of the registration of a road train?

The annual registration cost of a triple road train is \$14 203.90 broken down as follows: prime mover \$8065.40; three trailers \$1455.70 per trailer, coming to \$4367.10; two converted dollies \$885.70 each, coming to a total of \$1771.40. Thank you, Madam Deputy Chair.

Madam DEPUTY CHAIR: Thank you, minister.

Mr GILES: Minister, can you please advise how often and at what times the verges on the Stuart Highway have been mowed? Is the contractor who does it a Territory contractor or an interstate contractor? To what width are they mowed?

Mr McCARTHY: Sure. There are a couple of points to that question. We normally do that twice a year, but I will get some technical details, once again, from our Director of Roads.

Mr WANKA: Generally, yes, it is twice a year. Generally, on the national highways, it is cutting a clear zone, and that is trying to get out to 9 m to 10 m. If there is a cut in there, obviously, we cannot achieve that. Towards the end of the Wet Season, we generally get complaints regarding the grass growth and, in those situations, we go out and do - I think it is two widths, two or three cuts of the mower wide, because once you move any further into the table drainage, the equipment gets bogged. Normally it is two per year, but sometimes we have to increase that due to the growth of the grass during the Wet Season.

Mr GILES: Thank you very much, Ernie. Minister, my next couple of questions are about interstate contractors getting road maintenance contracts in the Northern Territory. I have had some concerns. I will give you the background so you can understand why I am asking. Concerns have been raised by some Territory-based civil engineering companies that they are losing out on tenders to interstate companies which come here and get an office in the Territory, or get a secretary and a phone number, then can call

themselves Territory companies. They come in with cheap, rundown equipment and can undercut the price, as opposed to Territory companies which have new, more up-to-date efficient equipment, and are more compliant with environmental standards for their equipment. Minister, how do you ensure that contracts are going to companies which have equipment that complies with environmental standards? Also, how do you ensure companies that are getting contracts are Territory companies and not interstate companies who merely have an office in the Territory?

Mr McCARTHY: Sure, and a good question, member for Braitling. In procurement, you have to remember the Department of Lands and Planning hand over the work to the Department of Construction and Infrastructure. We are a client of the Department of Construction and Infrastructure, so you will need to ask the Department of Construction and Infrastructure for the details.

Mr GILES: That is you.

Mr McCARTHY: Yes, and we are getting there.

Mr GILES: In the next section.

Mr McCARTHY: We are getting there.

Mr GILES: All right, I will just ask another one ...

Mr McCARTHY: When that department is up for estimates.

Mr GILES: Minister, do you, through the roads department, put in any monitoring regime to DCI about the environmental standards of equipment, and the testing and monitoring of that equipment? Do you also ensure, through that contractual relationship you have with DCI, that any contracts that go out for road construction or road maintenance - the companies must be Territory based?

Mr McCARTHY: That question needs technical advice. I will be able to bring to the table the people to provide that very exact definition around that question from the Department of Construction and Infrastructure, which is the following review and estimates of the DCI output appropriation coming up.

Mr GILES: No worries.

Madam DEPUTY CHAIR: That concludes consideration of Output 3.4, Road Network Management.

Output 3.5 – Transport Assets

Madam DEPUTY CHAIR: We will move on to Output 3.5, Transport Assets.

Ms PURICK: Minister, are bus shelters allocated and provided usually based on need; that is, population, residents nearby? Is there a policy?

Mr McCARTHY: Member for Goyder, various factors form that policy. I will be able to provide, through the department, details on bus shelters.

Mr RAJAN: Is the question referring to the difference between a stop and a shelter?

Ms PURICK: Yes, a shelter as in a building that shelters you from the sun and the rain.

Mr RAJAN: The decision is usually made based on the population which uses that particular bus stop; where we have significant numbers of people rather than ones or twos, they are the priorities for putting in shelters.

Ms PURICK: Thank you. If that is the case, why then has a proper bus shelter stop, plus a shelter, been put on Farrar Boulevard in the new area of Johnston, where there are going to be no residents for at least two years, yet there is only a stick and a post outside primary schools, and old aged premises, and a public community shopping centre in Humpty Doo? I have asked before, minister, if we can get a bus shelter for the aged people, the seniors, and the primary schoolchildren who use that shelter, who will still use that bus stop even though there is the park and ride. Why is there a bus shelter where there is going to be no people for two or three years, yet there is only a stick for the aged and the children at Humpty Doo?

Mr McCARTHY: Member for Goyder, there is construction going on in Johnston now, so I do not think ...

Ms PURICK: This is a bus shelter; there will be no people living there for two years.

Mr McCARTHY: Let me answer. I do not think it will be two or three years before there are residents in Johnston; that is for sure. The answer to the question is that is part of the development project, this is part of the social amenity delivery ...

Ms PURICK: But you will not need a bus shelter, let us say, for one-and-a-half years; that is two Wet Seasons still that the old people and the young people have to stand in the rain and the sun at Challoner Circuit.

Mr McCARTHY: In the new subdivision, that new area of Palmerston East, it was provided by the developer, in the social amenity provision ...

Ms PURICK: The developer put in the bus shelter or the government did?

A witness: How much use of public transport do they want?

Mr McCARTHY: That is a very good comment. It is driven by government; the developer has to provide that level of social amenity. We work with the Palmerston City Council on those types of issues. That is why you are seeing the road transport infrastructure, bus shelters, street lighting, and all that appear; it is part of the development. In other areas - and I have taken on board your suggestions - I feed that to the department, we get those onto a program and that is the way to deliver it.

Ms PURICK: If I can demonstrate to you there is a need for a shelter at the bus stop outside the Noonamah Tavern will you consider it favourably; given the number of elderly people who live in those units and the number of schoolchildren who use that bus stop?

Mr McCARTHY: Member for Goyder, I accept all your correspondence in good faith and as a great conduit of information coming from an MLA. I immediately process that regarding the department's recommendations. I believe that is the best way to work and that is the way we get these projects on a program and we deliver them, so ...

Ms PURICK: Perhaps I will write to you again asking when it can get onto the program.

Mr McCARTHY: That is what I was just going to finish on. I do not only receive correspondence from you, member for Goyder ...

Ms PURICK: I know.

Mr McCARTHY: On this, there are many needs. It is about ensuring we get the best decisions around providing them in priority order.

Ms PURICK: Given the bus shelter at Farrer Boulevard is probably the kind of bus shelter that would be required at Humpty Doo, could you give me an indication of what it costs to construct one of those bus shelters - similar to the bus shelters that have been put outside 15 Mile camp and Knuckeys camp?

Mr McCARTHY: Sure, member for Goyder, the disability-compliant bus shelter; can we get a figure on ...

Mr WOOD: A local company makes them.

Madam DEPUTY CHAIR: Minister, you can take that as a question on notice?

Mr McCARTHY: I will take it on notice.

Question on Notice No 8.13

Madam DEPUTY CHAIR: Would you just repeat that question, please, member for Goyder.

Ms PURICK: What does it cost to construct a bus shelter similar to the one located on Farrar Boulevard in the new area of Johnston?

Madam DEPUTY CHAIR: That particular question on notice is No 8.13.

Madam DEPUTY CHAIR: Minister, you have answers to other questions?

Answer to Question on Notice No 8.6

Mr McCARTHY: Question No 8.6. How many registered drivers are there in the NT who can drive a triple road train?

There were 4289 multi-combination licences as at the 31 May 2011. Multi-combination licence holders are able to drive all road train and B-double combinations.

Answer to Question on Notice No 8.10

Mr McCARTHY: ...The answer to Question No 8.10. How many road trains are registered in the Northern Territory?

As at 22 June 2011, there are 743 registered road train prime movers in the Northern Territory. Thank you, Madam Deputy Chair.

Madam DEPUTY CHAIR: Thanks, minister. Are there further questions around 3.5, Transport Assets?

Mr WOOD: Yes, thanks. Minister, in relation to the park and ride systems, I gather you are putting in CCTV cameras? When we discussed this with the Police Commissioner, he said they were not connected to the CCTV system. Considering you want to encourage people to use park and ride, and you would expect people to feel their cars were safe in your park and ride facility, would you consider connecting those CCTV cameras to the police network so, if vehicles were being broken into, we did not have to wait until after the event; we could have a real life matter being dealt with much quicker.

Mr McCARTHY: I took interest in your debate with the Chief Minister, the Minister for Police, Fire and Emergency Services. I started asking my own questions around that.

To reply to that question, first of all, we have live streaming from the major interchanges of Darwin, Palmerston and Casuarina. They represent monitoring live by NT Police, Fire and Emergency Services. Logistically, that is a great outcome; an addition to their services and extra resources. When I talked about the park and ride, we have CCTV but it is on, basically, a relay recorded. I asked what we could do to make this highly visible and get the message to the general public. It relates to signage. I talked to police, who say it is about high visibility of police and their policy, which was discussed. With those elements we feel there is a good level of security to start off the CCTV program at the park and ride concept.

If we were to go down the road of live streaming from the park and ride facilities, considerable resources would be needed to provide that capability. From my point of view, I could deliver so many more bus services if I had those resources. I will be recommending to government I put those extra resources into increasing the services as opposed to the technology around streaming. I may prove to be wrong in this; however, I believe we are on the right track and the CCTV network, that recorded network that can be used to investigate a crime, is sufficient on the way forward.

Mr WOOD: It cannot be a wireless live connection?

Mr McCARTHY: Wireless technology is available. It is when it gets into Police, Fire and Emergency Services and the enormous resources it takes to add that to the system, including personnel and the like.

Mr WOOD: It is only four more cameras. I will keep a watching brief on it because people want to feel, if they leave their car at Humpty Doo and do not get back until 6 pm, it will not be broken into.

Mr McCARTHY: Absolutely. Those signs, those cameras, and building that culture will definitely be the way to go.

Madam DEPUTY CHAIR: That concludes ...

Answer to Question on Notice No 8.13

Mr McCARTHY: Madam Deputy Chair, I have an answer to that last question on notice. I do not have the number in front of me, but the answer is the cost of a bus shelter is \$58 000.

Madam DEPUTY CHAIR: That was question on notice 8.13.

Mr McCARTHY: Thank you, Madam Chair.

Madam DEPUTY CHAIR: That concludes Output 3.5.

Output 3.6 – Transport Policy

Madam DEPUTY CHAIR: We move to output 3.6, Transport Policy. No questions there?

Mr STYLES: No questions, Madam Deputy Chair.

Madam DEPUTY CHAIR: That includes outputs associated with Output Group 3.0, Transport.

OUTPUT GROUP 4.0 – STATUTORY BODY
Output 4.1 – NT Build

Madam DEPUTY CHAIR: We move to output 4.1, NT Build. Do we have questions?

Ms PURICK: Can you tell me how many registered workers are currently on the NT Build system?

Mr TSIKOURIS: Theo Tsikouris, Registrar, NT Build. The scheme, as of 30 April 2011, has 11 347 workers registered.

Ms PURICK: Minister, is that an increase or decrease on last year?

Mr McCARTHY: Theo Tsikouris.

Mr TSIKOURIS: That is a slight increase on the numbers from last year.

Ms PURICK: How many registered employers do you have who produce those workers?

Mr TSIKOURIS: The number of registered employers with the scheme as of 30 April 2011 is 259.

Ms PURICK: Have there been any defaulters in payments of their levies - from employers or companies?

Mr TSIKOURIS: There are occasionally developers who are late in paying their levy. We take action to recover that in a number of ways, primarily through a debt collection agency.

Ms PURICK: In the last 12 months, have you had occasion to utilise the services of a debt collection and, if so, how many times?

Mr TSIKOURIS: Yes, we have. The exact numbers of that action, member for Goyder, I do not have immediately available, so I will need to take that on notice.

Ms PURICK: Okay.

Question on Notice No 8.14

Madam DEPUTY CHAIR: Would you mind repeating that question?

Ms PURICK: How often have you needed to utilise the services of a debt collection agency and for how much money?

Madam DEPUTY CHAIR: That is question No 8.14.

Madam DEPUTY CHAIR: Further questions?

Ms PURICK: In the last 12 months how many – I guess for the Territory – people have you had to pay out long service leave entitlements?

Mr TSIKOURIS: To 30 April 2011, the scheme has paid out to 83 workers in the Northern Territory. That, member for Goyder, takes into account not all of that service would necessarily have been accrued in the Northern Territory ...

Ms PURICK: That is correct. Yes, I understand that.

Mr TSIKOURIS: ... because of the reciprocal agreement that underpins the respective recognition of each state and territory service. We have workers who might have come to the Territory with prior service in another jurisdiction.

Ms PURICK: Okay, thank you. Does the scheme apply to just the controlled areas of building approvals, or does it cover the whole Northern Territory? For example, if there is a project in very remote places like Muckaty Station would NT Build cover the construction of the facility there?

Mr TSIKOURIS: Yes, the jurisdiction of the legislation covers all of the Northern Territory, including out to the three nautical mile mark.

Ms PURICK: Okay, thank you. I understand there have been some concerns previously expressed by the Auditor-General that the building approval processes may not capture all the income. There was a suggestion there should be amendments or changes to that process or processes. Has that been undertaken, or is it still ongoing?

Mr TSIKOURIS: The position of the NT Build Board has been publicly disclosed in the Auditor-General's report tabled in the Assembly. The view of the board is we support that recommendation from the Auditor-General, and that is with the government.

Ms PURICK: Thank you. A last question in regard to the investment strategy of NT Build, is that information public?

Mr TSIKOURIS: Yes, it is.

Ms PURICK: Okay, thank you.

Mr TSIKOURIS: That is published in our annual report.

Ms PURICK: Yes, thank you. That is all, Madam Deputy Chair.

Madam DEPUTY CHAIR: Do we have any non-output specific budget related questions for Transport?

Ms PURICK: No.

Madam DEPUTY CHAIR: No. That concludes Output 4.0.

OUTPUT GROUP 5.0 – DARWIN BUS SERVICE

Madam DEPUTY CHAIR: Do we have questions around Darwin Bus Service?

Ms PURICK: No, not from our side.

Mr WOOD: No.

Madam DEPUTY CHAIR: No, member for Nelson? So Darwin Bus Service was Output Group 5.0.

LAND DEVELOPMENT CORPORATION

Madam DEPUTY CHAIR: I will move to Land Development Corporation. Do you have officers who need to come forward? Minister, I invite you to introduce the officials accompanying you and, if you wish, to make an opening statement on behalf of Land Development Corporation.

Mr McCARTHY: I do not have an opening statement, Madam Deputy Chair.

Madam DEPUTY CHAIR: It is not a requirement as such, minister. If you wanted to go straight into ...

Mr McCARTHY: No, I have introduced Mr Mark Norman for the whole department, so that is okay in protocols as well. We can continue.

Madam DEPUTY CHAIR: Yes, that is fine.

Mr McCARTHY: Yes.

OUTPUT GROUP 6.0 – LAND DEVELOPMENT Output 6.1 – Land Development

Madam DEPUTY CHAIR: Given there is only the one output for Land Development, I will open it for questions.

Ms PURICK: Thank you. I will go the Defence Support Hub first. Minister, how many expressions of interest have been received to occupy this facility to date?

Mr McCARTHY: Member for Goyder, I will ask Mark to ...

Mr NORMAN: Mark Norman, Acting General Manager, Land Development Corporation. We have not asked for expressions of interest. We do not have any tenants as yet. We are marketing the Defence Support Hub to a range of Defence-related establishments, including the successful contractor for the Abrams tank and the ASLAV maintenance.

Ms PURICK: At this early stage, there must be some indication of businesses related to Defence or other such as transport that would be interested in putting some operations there.

Mr NORMAN: Well, yes. As I say, we are in discussions with the people who have the contract with the Department of Defence for the tank maintenance, and there are a number of other Defence-related companies with whom we are in discussions as well.

Ms PURICK: Will the Land Development Corporation be managing the Defence Support Hub area?

Mr NORMAN: The Land Development Corporation will be, yes.

Ms PURICK. In regard to overall management, given its location close to a Landcare area and waterways, will you be undertaking annual environmental studies to determine any impacts on the surrounding environment?

Mr WOOD: It is not in a wet area, you know that.

Ms PURICK: Yes.

Mr WOOD: I know, but we were told it was not.

Mr NORMAN: The Land Development Corporation is very conscious of its responsibilities with respect to the environment. Although there is not a specific schedule to monitor that, the impact of any industry that is located there would have to be deemed to meet any environmental requirements there are.

Ms PURICK: But if there were concerns by communities nearby of environmental fallout or impacts, would the Land Development Corporation take them seriously?

Mr NORMAN: Absolutely, yes.

Ms PURICK: In regard to the common user facility, have all the works on Stage 1 been completed? How is Stage 2 going? What is the status with regard to tenants and proposed tenants?

Mr NORMAN: All the work on Stage 1 has been completed. There have been potentially small defects with some of the asphalt, which is being looked at as part of the contract. Stage 2 we put on hold initially, but we are investigating what the nature of Stage 2 should be, particularly in the quest to - essentially, what the demand for the user area would be.

The first stage was specifically a heavy load, hardstand area which could be utilised for a range of operations but, basically, value adding and the potential building of pre-assembled modules relating to major projects. We canvassed, again, a number of clients. We have had interest in the CUA from people who might want to use it simply for lay down, but we are concerned as it was requested by industry as a specific use area. We want to retain it for that use.

Ms PURICK. Thank you. That is all, Madam Deputy Chair.

Madam DEPUTY CHAIR: One question, member for Nelson.

Mr WOOD: Yes, and a short answer, minister, because they have me on a time limit.

The legislative framework for the Land Development Corporation is to develop and promote project land for use by industrial businesses. Minister, has the Land Development Corporation been approached by the government to open up industrial land in the Humpty Doo District Centre, as there has been no release of any industrial land in that area for - I would have a guess - probably close to eight to 10 years, and there is a desperate need for industrial development in that area?

Mr McCARTHY: The Department of Lands and Planning is working on that issue and we are trying to deliver as soon as possible. We understand the need there and the opportunity. For the Land Development Corporation, Mark, would you like to make a comment?

Mr NORMAN: The only comment I make is the Land Development Corporation is, basically, there to deliver projects. The decision as to where they should be and the nature of them is more for the department in general.

Mr WOOD: We know where they should be, we just want them delivered. There is a spot zoned for it, ready to go, we just want some action. Okay, thank you.

Madam DEPUTY CHAIR: Thank you. That concludes Output Group 6.0, Land Development.

DARWIN PORT CORPORATION

OUTPUT GROUP 7.0 – DARWIN PORT CORPORATION Business Line

Madam DEPUTY CHAIR: We will move to Darwin Port Corporation. On behalf of committee members, I thank minister and your officers for appearing before estimates today and providing evidence. Thanks very much.

Mr McCARTHY: Thank you, Madam Deputy Chair.

Madam DEPUTY CHAIR: Are we ready to go, minister.

Mr McCARTHY: Thank you, Madam Deputy Chair. I introduce the Darwin Port Corporation officials, Mr Terry O'Connor, Acting Chief Executive, and Ms Anne Coulter, Chief Financial Officer.

Darwin Port Corporation is in a period of change and growth. Last year, the port recorded its first profit at \$300 000. I am pleased to advise this year the port is expecting another profit of an estimated \$1.8m. Visitors to East Arm would see the activity of a busy commercial port and the activity of extensive projects under way to position the port for the future. The Pond F reclamation project is one such project and it will provide additional hardstand for project cargo for INPEX. \$3m has been allocated for the design works for the second overland conveyor belt in readiness for a return of demand in the market. Tie rod remediation work will also take place this year. These investments are part of the Henderson government's \$100m East Arm Wharf expansion strategy.

This year, there was a focus on repairs and maintenance with expenditure in this area increased by almost \$1m, and a further commitment to repairs and maintenance of \$1m on top of this in 2011-12. The Darwin Port Corporation is making significant investments to improve environmental and safety standards at East Arm Wharf, including \$3m to improve the bulk loading system to enhance environmental sustainability in operations, and \$600 000 to improve wash down facilities at East Arm. The port corporation will also undertake maintenance and upgrades on its assets at Frances Bay mooring basin, Fisherman's and Stokes Hill Wharves.

Total trade for the Darwin Port Corporation 2011-12 is anticipated at around 4.25 million tonnes. The corporation is well-positioned for another year of growth in 2011-12 with OM Manganese, Territory Resources, and Oz Minerals continuing to export their commitments.

Madam Deputy Chair, I look forward to any questions the committee may have with regard to the Darwin Port Corporation's budget for the coming year.

Madam DEPUTY CHAIR: Thanks, minister. I will throw to the shadow, member for Drysdale.

Mr BOHLIN: Thank you, Madam Deputy Chair, and thank you, minister. Minister, are you happy to talk about the port corporation as a whole so we do not have to go in and out as income expenses?

Mr McCARTHY: Sure.

Mr BOHLIN: Thank you. Originally, the Darwin Port was built for cattle export and container trade. That was the original design concept. We now export minerals and many other products, including fuels. That has dramatically changed our goal posts and expected standards of the port. Minister, can you explain your lack of action to upgrade the port for the suitable safe and environmental handling, particularly of the more toxic or heavy metal product?

Mr McCARTHY: Thank you, member for Drysdale. From my opening statement, you would be aware of where we have come from and where we are heading. The concept is continual investment to deliver for the Territory economy and growth. That means diversifying your operational base, attracting new customers and delivering for the Territory. If you examine the output appropriation for the Darwin Port Corporation, you will see the itemised areas where we have been investing in improved infrastructure, improved systems, and improved environmental outcomes.

The previous administration, the Country Liberal Party, was very linear in its thinking building a port. When we look at the period we are in of growth and the opportunities that have emerged over the past decade, and the diversity created, that is a good outcome for the Territory and the Territory economy.

I can get you more comment on that. If you want to continue to explore this, we will start delving into exact examples of where we have been investing in the port and delivering better outcomes in transport logistics and operations and environmental outcomes. I am quite happy to do that.

Mr BOHLIN: Minister, that is the answer I thought I would get from you.

Due to the fact that, unfortunately, we are already two hours over time for this estimates process please, for your guests beside you, understand we had considerably more questions with greater detail that would have led into several points, perhaps less blunt than that first one. The point is we normally have a few more lead-up questions but, in the interest of cutting some time to get on with other things which fall in your portfolio, we will keep pushing through.

You mentioned economics and the benefits of economics, and I will comment on that now. Minister, two budgets ago, \$30m was allocated for an overland conveyor system. Can you explain why you failed to

deliver this system? Do you agree that conveyor belt would have been a great economic stimulus for local engineering companies and would have helped in the reduction of any of those recent toxic spills?

Mr McCARTHY: Member for Drysdale, there is a really good story around infrastructure in relation to an overland conveyor system. However, you do not build one to hang in the breeze and rust away; you build it in reflection to a market you are actively hunting and delivering. I will get you the technical details around this.

It appeared at last estimates and, unfortunately, the Country Liberal Party still has not understood it. It relates to demand and supply and the possibility of new customers and new markets coming online. You do not invest in something you do not need at the moment; you invest in the planning for that infrastructure, which is what we are doing with a budget appropriation. To give you a more refined technical report to that question, I would like Mr Terry O'Connor to make some comments.

Mr O'CONNOR: Terry O'Connor, Acting Chief Executive. Thank you, minister. At this stage, we utilise trucks to transport iron ore and manganese out of the stockpile area down to the ship loader. Future products may not be iron ore or manganese; it could be phosphate or some other type of product. It would have a different productivity around it; a different requirement for the conveyor system itself. The conveyor can only be built around specific products.

With that in mind, we currently export around three million tonnes of iron ore and manganese and, as such, the business case does not exist to move to an overland conveyor - to move it to the wharf. It would be much more expensive, and it would make the iron ore and manganese uneconomical for those operators to operate. We have always said our tick-over point is around five million tonnes of product to move, so we are looking for another two million tonnes of suitable product to move. Once that two million tonnes of product is identified and we know what the flow properties of that product are, then we can go ahead with construction of an overland conveyor, which is going to allow us to operate in an economical way.

Mr McCARTHY: Member for Drysdale, in relation to the spill you talk about, that product is transported through the port and is known commonly as copper concentrate. To understand the nature of that business you need to come down to the port. We will give you a really good tour of the port, and you can see how that product is transported by rail in sealed kibbles - in sealed containers - that are then taken into a sealed shed, and from that shed they go through a process of bulk loading through a ship loader onto the vessel.

The overland conveyor system would have had no impact on the issue that emerged. Once again, I would like Mr Terry O'Connor to provide you with some more technical details and the invitation down to ...

Mr O'CONNOR: More than welcome. Yes, please, come down and we will show you around. The copper concentrate does not go near, and would not be involved in, the proposed overland conveyor at all. As explained by the minister, it goes into a rail siding, then into a shed, and from that shed it is transferred onto the ship loader. We have spent ...

Mr BOHLIN: By what means, Terry?

Mr O'CONNOR: By what means? By a conveyor system which comes out of a truck dump which is adjacent to the shed. The shed encompasses the truck dump. It is moved by moveable conveyors which push out onto the truck dump, then, from that truck dump onto the conveyor system which takes it to the ship loader itself. It is probably 120 m of conveyor system before it gets to the ship loader. That system was an open system and still is an open system today. However, we have spent a significant amount of money - over \$1m - in recent times to cover that area in. We have another \$3m under way now in design and buildings to close it in further to, again, reduce the chances of fugitive dust trying to get out of the loading system.

Mr BOHLIN: Right. All very interesting. Minister, you said the case does not stack up for the overland conveyor system. First, one would then ask: why was it even proposed a couple of years ago? Surely, you would have considered, before you took to Cabinet an expenditure of \$30m, whether it was a viable product or not? If it was not such a viable product then, we still see a \$3m spend to further investigate that same conveyor. That is what the budget paper alludes to. Is it or is it not? Why did it go through Cabinet two years ago to approve a \$30m spend? Is it your Cabinet process that lacked integrity of scrutiny? Or is it you do not think it is the right thing anymore? You are going to still spend \$3m this year, and you have sat on it for two years. It is not really coming up that clean, is it?

Mr McCARTHY: Member for Drysdale, you have to be in the business of growth to believe it. That is the business we are in. When we talk about the chronology of a Budget Cabinet process and an overland conveyor system, you also have to factor in what happened in the global economy.

The technology is acknowledged by bulk loading operations. I will not take you to Kawana in Perth, but I was privileged to be able to visit there. I got to understand the big picture of bulk commodity exports and the benefits they bring to communities which have the opportunity to export them now. Within the Territory, as you have heard from me and from Mr O'Connor, the markets are out there. However, the markets have not been secured because we have to wait, for instance, for the price of world phosphate to spike. They have a figure around that; they are very open with us. They work with the port openly and accountably. They are a potential customer that will deliver incredible outcomes for a period of over 20 years for a bulk commodity operation.

Therefore, the \$3m we are spending in setting up that infrastructure is money well spent. It is not money well spent if we do not have the security and nail those markets. This infrastructure is recognised as world's best practice in loading. We are spending the money on how we would design it and operate it at East Arm. That will come when the markets are shored up. It relates to good forward planning from government and the Darwin Port Corporation.

Mr BOHLIN: Thank you, minister. I would love to continue to talk and debate that because I do quite enjoy that engineering aspect of it. It is a shame that if you built it, then the commodity might come as well; then it was there and they would not have to wait a couple of years for you to build it.

What works have you done to prevent any of those spills flowing through any of the storm water drains into the harbour, minister?

Mr McCARTHY: If we want to talk about storm water management at the port, then we have been very active in that space. The legacy of a Country Liberal Party policy ...

Mr BOHLIN: Ten years ago, mate.

Mr McCARTHY: The legacy of a Country Liberal Party policy in building a port for a capital city was to turn all the storm water into the harbour. You can talk about live cattle and bulk exports, but you really have to talk about vehicle traffic on the wharf for a start. It was to tip it straight into the harbour, member for Drysdale ...

Mr BOHLIN: What have you done? Let us cut to it and get to what you have done.

Mr McCARTHY: Exactly, we are going to get to that.

Mr BOHLIN: We have a short time frame, all right.

Mr McCARTHY: Really? Yes, I will hand over to Mr O'Connor to outline to you specifically what we have been doing around that issue of your concern.

Mr BOHLIN: Thank you.

Mr O'CONNOR: Thank you, minister. There are a number of steps which have been undertaken. In the interim and short term, the steps were to divert the storm water drains in the vicinity of the bulk loading points back into a retention pond behind the wharf face itself. That pond is known as Pond F, which is also part of the reclamation program under way. That has been undertaken and has proven to be successful over the last Wet Season, with the exception of one issue where a plug which was in place came loose. We have since put a permanent fixture in place to retain that.

We have also engaged Oricon to undertake a strategic review of what we need to do in that area. They have provided us with a draft interim report, giving long-term and medium-term prospects for what we should do to retain water. We have also begun work on a bunded area around the bulk loading facility itself, which will see all the water around the bulk loading facility being directed back towards the retention pond at the back of the wharf face. That work is under way; it started within the last week. We expect it to take 12 to 18 months before that work is complete but, in the interim, all the water that runs off from around those loading areas will be directed back towards Pond F.

Mr BOHLIN: Thank you. That was a good answer; not the spin you tried first, minister.

Mr McCARTHY: Thank you for acknowledging that.

Mr BOHLIN: Minister, as I said, moving through several questions. A recent incident at the port saw a suction tank, or a containment tank, punctured with a forklift and its contents spilt. You had a pressure vehicle crash back onto the deck of a ship. You had your largest asset piece, the crane, a piece of rolling stock, roll off down the port by itself, crashing through another crane and damaging some other company's ship. There might have been some other crane boom that collapsed and crashed into some pantech transport truck or something.

Minister, it seems there have been some significant safety concerns in the last 12 to 18-odd months. How many reported near incidents, incidents, reports of issues of safety breaches, or workplace accidents have we had at the wharf?

Mr McCARTHY: Member for Drysdale, I will start by going back to your litany of safety breaches. Okay? We can explain them in detail for you, if you like, regarding working port, or we can give you a number around safety incidents. We will need to get you a number on incidents, but if you would like to talk about those particular incidents you outlined, let us start with your misinformation on the one about a pressure container being pierced by a forklift. I would like to straighten that one out first, because you really have it wrong. Mr Terry O'Connor will give you the correct information about that incident.

Mr O'CONNOR: Just a couple of things. It was a kibble. It was one of the copper kibbles, not a sealed container. It is a bucket, for want of a better term, and it was punctured by a forklift. Again, no ...

Mr BOHLIN: Did it contain something?

Mr O'CONNOR: Yes, it was ...

Mr BOHLIN: Did it then leak out?

Mr O'CONNOR: Yes, it did.

Mr BOHLIN: Okay.

Mr O'CONNOR: No Darwin Port Corporation people were involved; it was contractor people within the port. The other one you alluded to was the pressure vessel being dropped on board a vessel. That occurred on board a ship - again, no control of the port or the Port Corporation. No control of the port at all; it was outside the port's ...

Mr BOHLIN: The cranes were not port cranes, or ...

Mr O'CONNOR: No, they were ship cranes. There were two ship cranes in those two incidents which you alluded to.

Mr BOHLIN: They do not have incident reports to be filled out or anything?

Mr O'CONNOR: They come up as near misses on our system, because the stevedores would report them. Beyond our control. They are subject of an AMSA investigation, which the minister then addresses through to the federal government and asks them for action.

Mr BOHLIN: Fantastic.

Mr O'CONNOR: The other one, the container crane moving down the wharf - a DPC asset - did occur on DPC land, and certainly was a significant issue for the port corporation. That was the most significant incident we had. I can say our lost time injuries over the last 12 months have been down on previous years. Our compensation payouts have reduced in regard to those types of activities. For total near misses and incidents, I would need to go back to the safety register to put it together.

Madam DEPUTY CHAIR: Do you want those as a question on notice, member for Drysdale?

Mr BOHLIN: Yes.

Question on Notice No 8.15

Madam DEPUTY CHAIR: Could you repeat the question?

Mr BOHLIN: What is the number of near miss reportable incidents of workplace safety, including actual incidents of workplace safety, and the workers' compensation costs related to those incidents? I am quite happy to take it right down to a cut finger.

Madam DEPUTY CHAIR: That is question on notice No 8.15.

Madam DEPUTY CHAIR: Further questions, member for Drysdale?

Mr BOHLIN: Thank you. Minister, how many cattle ships use the Darwin Port every year? What is the individual and collective value for each of those ships? What charges, as an income, comes to the port as a result of that? Whilst we are on that question, what pilotage charge comes off each of those services as those ships come in and out, please?

Mr McCARTHY: Member for Drysdale, I would like Mr O'Connor to respond to that because there are many logistical issues around that question ...

Mr BOHLIN: I am happy for that.

Mr McCARTHY: ... and it may help you to deconstruct that question when we hear from an expert.

Mr BOHLIN: Yes, certainly. Thank you.

Mr O'CONNOR: The basis of the charges is a number of different contributing factors. There are three charge lines, if you like. There are port dues, which covers navigation and pilotage etcetera; there are berthage fees, which talks about the actual use of the facility alongside, which relates to length overall; and then there are wharfage fees, which talks about actual movement of cargo across the wharf. So, depending on the size of the vessels: a small vessel carrying 1200 to 1500 head of cattle, obviously, is a significantly different charge regime to the guy who is carrying 20 000 head of cattle. We accept vessels in all those ranges.

Last year we had 129 – 123 last year - and this year we have had 83 vessels go out through the port. Our total number of head have reduced as a result of the 350 kg a head in Indonesia, and the requirements around that. I can give you total numbers as far as income in one lump rather than a breakdown of individual vessels if you like.

Mr BOHLIN: That will be fine. We will take that as one lump.

Mr O'CONNOR: Last year, it returned \$1.36m as an income stream from the live cattle. Prior to the suspension in trade, the livestock this year was forecast at \$1.05m, in view of the decreased number of head which were being exported. The total number of head was actually 359 821 last year. This year, we have had 83 livestock vessels exporting 236 853 head. We estimate, therefore, that the six-month cost, if it does last six months, is around \$0.5m.

Mr BOHLIN: Thank you. You must have been reading my mind. One of my questions was, minister, what is the projected loss in both port income and pilotage over the coming six months? Well done.

Mr McCARTHY: Member for Drysdale, that is an estimate and, as you know, we have this bipartisan approach which I acknowledge today ...

Mr BOHLIN: I agree.

Mr McCARTHY: ... and we are all working to solve this issue as soon as possible to see the return of the live export trade for the benefit of northern Australia and the Territory. Once again, that figure would be an estimate only, and the energy that is going into solving this problem should be recognised as well.

Mr BOHLIN: I do minister, that is a very good point. It is definitely a bipartisan agreement.

Mr WOOD: Tri-partisan.

Mr BOHLIN: Tri-partisan, sorry, member for Nelson.

Mr WOOD: I have not fallen asleep yet.

Mr BOHLIN: The federal government's decision to ban live cattle export has a direct impact on our ports. We are trying to paint that picture out, and this is the perfect opportunity to open it up and get it on the table for everyone to see the impact on the Northern Territory economy and how it will affect us.

Minister, jumping several questions because the gentleman alongside you seems to be reading half my mind, what is the projected loss for 12 months? If you think it is \$0.5m, do you think it is going to be \$1m or is it going to go up? You said you were looking to have an increase in port profits. If it is \$1m for 12 months, is it then going to be over the next five years if this is not fixed properly, because both sides are supporting this ...

Mr McCARTHY: Member for Drysdale, if we reflect on the logistical nature of the answer Mr O'Connor gave, it would be very difficult. Live cattle exports are not a one-size-fits-all export; there are many varying factors. To provide a longer-term estimate would be very difficult and would be giving you inaccurate information. That question is not able to be answered.

Mr BOHLIN: That is something you could be working towards because both sides could be working on saying to the federal government: 'You are going to cost the Territory economy. You are going to put the port at risk of its financial status'.

Mr McCARTHY: Member for Drysdale, absolutely. That is what the Chief Minister has been doing in Canberra.

Mr ELFERINK: It is the Independents not the government who are the problem.

Mr McCARTHY: The Chief Minister's motion was supported by all members in the House, and that was part of it. It is about the Territory economy, Territory families, and our industry.

Mr BOHLIN: Minister, if you do not have that five-year potential figure - and from what you have already given me you are going to reasonably guess it will be around the \$5m mark over the next five years, which takes the port to a very thin profitable margin again. Can you detail what you see as the nett financial loss in real term impacts to all those port and stevedore workers as a result of the federal Labor government's live export ban?

Mr McCARTHY: Once again, member for Drysdale, you are ignoring the reality of a very dynamic industry - the live export industry - and also a very dynamic Indonesian market. You would be aware our minister for Primary Industries has been searching for new markets for a long time and shoring up new opportunities. Cattle are still leaving our port, most recently to the Philippines. Once again, you are asking for these long-range predictions. They are not accurate and there are many variables, including the industry itself. I could break it down to Wet Season and Dry Season, member for Drysdale. If you spend any time living in the cattle, you would know what I am talking about.

Mr BOHLIN: Living in the cattle?

Mr McCARTHY: That is right, mate. That is what we like to call it.

Mr BOHLIN: Living in the cattle, right.

Mr McCARTHY: Born in the cattle is even better, member for Drysdale. *Born in the Cattle* is a good book you probably want to get your hands on.

Mr BOHLIN: Minister, that question is specifically targeted. I am disappointed you decided to go against that question. I thought you would have been right there supporting the stevedores and the port workers. That is the message we want to send to the Labor government in Canberra: it is putting the livelihood of our port workers on the line. We are trying to unpack those figures to see what that real term financial risk is to those workers. Looking after those workers is supposed to be your key bread and butter. I am disappointed in your answer. I would have thought you could have said, in a bipartisan way: 'Actually you are right; the federal Labor government's live export ban is putting those workers jobs at risk'. Surely, a \$0.5m loss would put a strain on the ability to retain X number of staff, particularly around those shipping vessels?

Mr McCARTHY: There is a whole industry at stake here.

Mr BOHLIN: There is, unfortunately. I know we were all over in the park yesterday supporting the cattle industry. That was a great show of support.

Minister, that being said, I am happy to hand over to the Independent. I have tried to regain a fair bit of time. Thank you very much to Anne Coulter and Terry O'Connor for their services today. We had planned many more leading questions but, due to time frames - I appreciate it, thank you very much.

Mr WOOD: I will keep to a couple of questions too, because I am well aware of the time. Minister, could you give us a reason why the previous CE was removed and at what cost? When will you be appointing a new CE for the port?

Mr McCARTHY: The previous Chief Executive, Robert Ritchie, has been given a new position as part of the Chief Minister's department - and a very important position in what we have been talking about in going out there and not only looking at markets and opportunities, but also looking at infrastructure as well. I will just get some notes here for specific timing around that.

Following the completion of his contract with the Darwin Port Corporation as the Chief Executive on 31 May, Robert Ritchie commenced a new four-year executive contract with the Department of the Chief Minister on 1 June 2011. Mr Ritchie was not sacked as reported in the media. Mr Ritchie's new title is Director Strategic Infrastructure Major Projects - which will put him a fair degree down the Barkly I am proud to say, and I am looking forward to continuing my work with Robert.

I have been informed that Robert is responsible for developing a strategic approach to bulk loading facilities to support Northern Territory infrastructure development. This will include the Roper resources precinct. Having outlined that it was the end of a contract, Mr Ritchie has gone on to a new position and there was no financials to report.

Mr WOOD: When will you finalise the new CE position?

Mr McCARTHY: Good question, member for Nelson. Mr O'Connor is doing a sterling job there as acting CE ...

Mr WOOD: Just quickly; I am watching time. I will talk to him after and tell him how wonderful he is.

Mr McCARTHY: There you go; you heard it, Terry.

This is a very specialised job. In the process, I have asked the department how we go out and get the best person for the job. It is a head-hunt process and we are trying to pull in as many opportunities as we can.

Mr WOOD: In relation to problems the wharf has had with the rods holding part of the wharf in, have those problems continued or have they been sorted?

Mr McCARTHY: The rectification of the tie rod issue is a major project. There is work under way now, but it will continue for a period of about 18 months. We are not only addressing those that broke, we are now going through and looking at every one.

Mr WOOD: And who is paying?

Mr McCARTHY: In the financials, that was a huge body of work completed a couple of months ago in relation to the original contractor, the original consortia.

Mr WOOD: They are paying?

Mr McCARTHY: They are paying, yes.

Mr WOOD: Minister, on page 52 of the annual report, it says: 'Develop and commence a project that meets Defence requirements for 2010 and beyond'. What does that mean?

Mr McCARTHY: The Defence requirements in the multi-user facility. I will get Mr O'Connor to explain that.

Mr O'CONNOR: There are two projects under way there. One is the development of a hardened barge ramp at East Arm. We are in negotiations with Defence now to build that barge ramp to facilitate their amphibious operations for their new generation of landing craft. We expect that to be constructed - step back one. The environmental impact study for that has just been released and is under way now. It is out for public comment. That is part of the marine supply base and the proposed tug berth at East Arm as that one work package. We expect that work to begin within the next six to 12 months.

Mr WOOD: That is all I have at the moment.

Madam DEPUTY CHAIR: I understand that concludes questions on the Darwin Port Corporation. Minister, thank you. Mr O'Connor and Ms Coulter, thank you for appearing today before the Estimates Committee.

Minister, I suspect you may like a quick break.

Mr McCARTHY: A quick break, thank you.

The committee suspended.

DEPARTMENT OF CONSTRUCTION AND INFRASTRUCTURE

Madam DEPUTY CHAIR: Would you like to introduce the officers accompanying you today, and if you have an opening statement to make?

Mr McCARTHY: Thank you, Madam Deputy Chair. I take this opportunity to introduce officials from the Department of Construction and Infrastructure here today. Mr Al Wagner, Chief Executive; Mr Mike Chiodo, Deputy Chief Executive; Ms Kate Lawrence, Senior Director Infrastructure Services; Mr Don Dowling, Acting Executive Director Regions; Mr David Alexander, Acting Executive Director Corporate Services; Mr Graham Coles, Executive Director Professional Services; Mr Bob Pymble, Executive Director Civil Construction; and Ms Jessica Short, Chief Financial Officer. I will be joined at the table by various senior departmental officers for further technical and operational advice as appropriate as we move through the appropriation for the department.

The end of the Department of Construction and Infrastructure's first full financial year will be marked on 30 June. As outlined to this committee 12 months ago, DCI was created in December 2009 to implement the Chief Minister's focus on managing the growth of the Territory. DCI plays a lead role in the economic development of the Territory and its remit encompasses infrastructure planning and development, asset and program management, and project management services. DCI has successfully delivered more than 2780 high standard projects this financial year. The Construction Division awarded 96% of contracts valued at \$242m to local businesses. These strategic projects catered for the NT's population growth, stimulated economic activity, and supported Territory jobs. Significant achievements have included Tiger Brennan Drive Stages 1 and 2, the Palmerston Super Clinic, the McArthur River bridge, Rosebery schools, and the Yarralin Police Station.

In Budget 2011-12, the Territory government will build on opportunities for the Territory with a \$1.5bn infrastructure program supporting 3000 jobs. DCI is responsible for the management and delivery of this program, including \$1.236bn in capital works.

In the year ahead, we will see work delivered on the highly anticipated Palmerston water park, a 40-unit seniors village in Bellamack, the Defence of Darwin World War II experience at East Point, and \$27m in headworks for the new correctional facility. Add to that, the \$20m Umbakumba road and other major road projects, a multipurpose sports complex in Tennant Creek at the Barkly College, the Kilgariff residential housing development in Alice Springs, and various locations.

Planned minor new works to be managed by DCI are up 7% on 2010-11 levels. Minor new works are projects up to \$500 000 in value, and provide agencies the flexibility to undertake necessary projects to improve the serviceability of assets. Of the planned 2011-12 total of \$87.5m, \$74.9m relates to new projects, while \$12.6m is revoted works.

DCI also carries responsibility for the repairs and maintenance of all Territory government roads and building assets, where funding has increased from \$202.7m in 2010-11 to \$219m – up by 8% - which includes \$93m in roads maintenance.

DCI works proactively to develop strong relationships with industry, sharing information and ideas, and applying innovative approaches to the construction program, wherever possible. I take this opportunity to acknowledge our committed and capable local industry, and also the staff of the department for their continued efforts.

The new whole-of-government asset management system is due to go live early in the new financial year, and is set to significantly improve asset planning, management, and reporting capabilities across the Territory government. The department will continue to develop and implement best practice infrastructure programming, procurement, and construction approaches, with an emphasis on creating sustained training and job opportunities.

DCI is well placed to effectively manage and deliver the substantial Northern Territory infrastructure program, and support strategies such as *Territory 2030*, and its policy areas of Greening the Territory, *A Working Future*, and Growing the Territory.

Madam Deputy Chair, I look forward to any questions the committee may have with regard to the appropriation for this year.

OUTPUT GROUP 8.0 - INFRASTRUCTURE SERVICES

Output 8.1 - Asset Management Services

Madam DEPUTY CHAIR: Thank you, minister. I will throw questions over to the shadow, the member for Drysdale.

Mr BOHLIN: Thank you, minister, and your various support staff. Under Asset Management Services, can you tell me what life of asset costs have been estimated to have been added to the public purse for the maintenance of building construction under the BER program? Obviously, each item, each hall, whether it is a duplicate hall, will add an extra cost of maintenance running. What is that asset management service cost added, please?

While you are considering that, I will let you know we have many questions but, unfortunately, due to time constraints we are going to be ...

Mr McCARTHY: Member for Drysdale, that is a very interesting question. We are talking about BER projects - Building the Education Revolution - infrastructure for schools never seen over the last 30 years, an incredible injection into ...

Mr BOHLIN: Would you like to take it on notice?

Mr McCARTHY: I will say, in asset management in the future, we are really going to be delving down into cleaning contracts, for instance. You are asking for an incredible amount of information that will actually be an estimate.

If was in Borroloola the other day opening a new multipurpose classroom. The ongoing costs associated with that asset management would be an enormous amount of work ...

Mr BOHLIN: Keeping everything in shape, keeping it painted, maintenance ...

Mr McCARTHY: Yes.

Mr BOHLIN: That is what asset management should be.

Mr McCARTHY: That is right. And what an estimate that would be, member for Drysdale.

Mr BOHLIN: That is fine, just put it there ...

Mr McCARTHY: Do you seriously want us to go down that road and do the work to answer that question here today?

Mr BOHLIN: I do not want you to necessarily tell me whether you are going to need to charge a cleaner to clean it ...

Mr McCARTHY: That is what you are asking, essentially.

Mr BOHLIN: ... but I want you to tell us what the cost would be because we need to include that in the budgetary cost for continuing to maintain these facilities. Same as the Marrara facilities; all those other facilities have a maintenance cost.

Mr McCARTHY: Member for Drysdale, I spent over 30 years in education, I know where the costs ...

Mr BOHLIN: You know how important it is.

Mr McCARTHY: What you want would be an incredible amount of work. Do you want to put these departmental officers to that task? Is that question so important?

Mr BOHLIN: Yes.

Mr McCARTHY: It would need to be a cross-agency response as well. I have just been advised not to underestimate DET's input into this question. We are talking about multiple agencies. That is a big question, member for Drysdale.

Mr BOHLIN: Minister, what role do you think you have in your department for asset management of those facilities?

Mr McCARTHY: I will get Al Wagner ...

Mr BOHLIN: Let us keep it contained to your costs. I do not want to go off into ...

Mr McCARTHY: Member for Drysdale, I will ask the CE of the Department of Construction and Infrastructure, Mr Al Wagner, to talk about asset management costs in general.

Mr WAGNER: Al Wagner, Chief Executive. Broadly, my department's responsibility is to assess and deliver maintenance on those assets. That would be the building maintenance side of it. The client agencies are responsible for the operational costs such as power etcetera.

Mr BOHLIN: I would have expected that. I am not asking for DET's side of looking after how much power or water flows through the building, I am talking about the pure asset management of any of that infrastructure built under BER. You have it for many other projects as well. I am presuming you have a formula for which you generate your budget specs. I am quite happy for you to come back with a course figure, but we have to have some guideline to what that asset management cost would have been.

Mr WAGNER: Broadly speaking, we adopt a needs-based approach in identifying the maintenance on our assets, rather than applying a broad-based formula.

Mr BOHLIN: If you take the question on notice, minister, I will make it specific to your department's cost expectation to asset management and its responsibilities on those items.

Mr McCARTHY: Member for Drysdale, we will go back to the structure of this. For instance, DET, which manage this infrastructure, is our client. It would determine the issues and the capacity of any program around its asset management. We then would manage that for it.

I am trying to explain the nature of your question is not really applicable to just DCI and, therefore, is a cross-agency answer and would require an enormous amount of work to provide an estimate. I am reluctant to take that on notice because I am concerned I will not be able to give you a proper answer. It would be very much an estimate based on many cross-agency estimates. When does the Borroloola School Council think it will plan to paint the new classroom?

Mr BOHLIN: You said it - the word 'plan'.

Madam DEPUTY CHAIR: Minister and member for Drysdale, I have received advice from our secretariat that answers are required by 8 August, and anything beyond 8 August cannot be published. Member for Drysdale, the minister has explained the difficulty around the huge amount of information you

are seeking and, as he has answered, is quite reluctant, not because he is being difficult, but because of the enormity of the task.

Mr BOHLIN: Thank you, Madam Chair, I will move on. Minister, we might have a chat another day, even a briefing on asset management costings.

Mr McCARTHY: Sure.

Mr BOHLIN: I am ready to move from that output.

Mr WOOD: I need a point of clarification. I was going to ask questions related to construction snapshots. It says Department of Construction and Infrastructure. Do I ask questions regarding the major works in here under this heading or Construction Division? I get a bit confused in this area.

Madam DEPUTY CHAIR: Are you seeking which output you need to ask questions in?

Mr WOOD: Construction Division is on the next page; totally different. Where do I ask those questions? Do I take it under Infrastructure in general, or do I take it under Construction Division?

Mr McCARTHY: This one. We will take the questions, Madam Deputy Chair.

Madam DEPUTY CHAIR: This output, member for Nelson.

Mr WOOD: All right. I will be as quick as I can; I know the time. Minister, on page 173 of the Treasurer's Annual Financial Report for 2009-10, it mentions 'gifting of utility assets \$2.498m'. Can you tell us what assets were gifted?

Mr WAGNER: I refer that to our CFO, Jessica Shaw.

Ms SHAW: Jessica Shaw, Chief Financial Officer. The gifting of the utility assets you see in the TAFR of \$2.5m relate to the completion of waterfront electrical facilities. We were advised by Treasury the only way to transfer those assets to Darwin Port Corporation was through the profit and loss rather than through our equity, which is our normal process.

Mr WOOD: I understand it as far as I can, but that will be okay. I will try to do this quickly, so you might be able to give us a quick answer. Minister, I am reading off these snapshots here. It mentions the Berry Springs Primary School multipurpose pavilion and cyclone shelter. Has that cyclone shelter been signed off and were the issues in relation to the suitability of the roller doors sorted out?

Mr McCARTHY: Member for Nelson, there are two parts to that. Mr Mike Chiodo might like to comment on the status of the project, and Al Wagner, CE, will comment on the roller door.

Mr CHIODO: Sorry?

Mr WOOD: Has the multipurpose pavilion and cyclone shelter at Berry Springs Primary School been signed off and has the issue in relation to whether the roller doors were suitable for a cyclone shelter been sorted?

Mr CHIODO: Mike Chiodo, Deputy CE. The answer to both questions is yes. The issue of the roller doors – in fact, the problem of how those roller doors were going to be secured was taken back to our structural engineer, in conjunction with the contractor who was building the structure. The structural engineer and the contractor came up with a design that met the requirements, and both have now been completed.

Mr WOOD: Minister, you might like to take this – sorry, were you going to say more, Al?

Mr WAGNER: No, that is okay.

Mr WOOD: Minister, you might take this question on notice. I have had a number of stimulus package projects in my electorate and, in some cases, those projects have been slow; they have not been completed when they thought they would be. In relation to your – what will I call this? – construction snapshot ...

Mr McCARTHY: Snapshot.

Mr WOOD: Yes, on pages 12, 13 there is a list of all schools from the East Arnhem region through to the Darwin CBD which have had stimulus package work done on them. Would you be able to provide information as to whether they were completed within budget or estimate, and whether they were completed on time? Perhaps you might be able to - I do not know whether it is possible, it might be more work than you want – say who the contractor was for each particular contract.

Madam DEPUTY CHAIR: Happy to take that on notice, minister?

Mr McCARTHY: Yes, Madam Deputy Chair.

Question on Notice No 8.16

Madam DEPUTY CHAIR: Member for Nelson, for the sake of clarity, could you repeat the question as succinctly as you can, please?

Mr WOOD: Under Department of Construction and Infrastructure, Snapshot Booklet, pages 12 and 13, could the government please indicate, in relation to all the stimulus work packages for the schools shown, how much those schools cost to complete - how much those projects cost to complete? Were they completed on time and who were the contractors for each project?

Madam DEPUTY CHAIR: That is question No 8.16.

Mr WOOD: In relation to one of those schools, because this was of interest some years ago, it says here the estimate for completion of Rosebery primary and middle school was \$55.4m, and it was to be completed on 11 January. Minister, could you give us the original estimate and the actual amount of money that school cost to build?

Madam DEPUTY CHAIR: Was there a subsequent question?

Mr WOOD: No, I think they were going to see if they would have an answer on that single school.

Mr McCARTHY: On Rosebery school?

Mr WOOD: Yes, please.

Mr McCARTHY: Yes, member for Nelson, and I will need to seek clarification on the last part of that, but Mr Al Wagner will give you some details.

Mr WAGNER: Budget Cabinet approved an amount of \$53.45m in 2009-10, and a further \$7.544m in 2010-11 for Rosebery.

Mr WOOD: The estimate on this paper was \$55.4m, so the actual was around \$61m?

Mr WAGNER: I would have to get a final cost on that project, which I do not have in front of me at the moment.

Mr WOOD: I am wondering if I could put that on notice, Madam Deputy Chair?

Question on Notice No 8.17

Madam DEPUTY CHAIR: It is a question on notice. Could you repeat the question?

Mr WOOD: Minister, could you supply the actual cost for the construction of Rosebery primary and middle schools?

Madam DEPUTY CHAIR: That is question on notice No 8.17.

Mr WOOD: That will be my questions, I did it in my time; I can start again now.

Madam DEPUTY CHAIR: That concludes consideration of Output 8.1.

Output 8.2 – Infrastructure Development

Madam DEPUTY CHAIR: We will move on to Output 8.2, Infrastructure Development.

Mr BOHLIN: Unfortunately, I need to skip that, so I have no questions.

Madam DEPUTY CHAIR: That concludes consideration of Output 8.2.

Output 8.3 – Technical Specification

Madam DEPUTY CHAIR: We will move on to Output 8.3, Technical Specification.

Mr BOHLIN: I have questions but no time, so I will skip that and move to Program Management.

Madam DEPUTY CHAIR: That concludes consideration of Output 8.3.

Output 8.4 – Program Management

Madam DEPUTY CHAIR: We will move on to Output 8.4, Program Management.

Mr BOHLIN: Minister, I thank you for your leniency so far. You may well wish to take this on notice straightaway; however, if you have the information it would be great. Considering we had Cyclone Carlos and rain in the Centre and every part of the Territory, what is the repair cost to roads per sector - that is, the Barkly region, the Katherine region, Darwin, etcetera - after Cyclone Carlos? You do road surveys and you draw up the costings of repairs and maintenance. Do we have a road repairs and maintenance cost for those sectors? Do we also have a previous costing for 2009-10? Can we please have that broken down into Territory responsibility and federal government responsibility road costings?

Mr McCARTHY: Yes, member for Drysdale. Current disaster maintenance repair estimate to Northern Territory roads is \$33m. This includes \$13m resulting from 2009-10 occurring events, and approximately \$20m resulting from 2010-11 occurring events. Of this amount, it is estimated that \$15m of disaster maintenance repairs will be completed in 2010-11, with the remainder, \$18m, to be completed in 2011-12. As at 17 June 2011, approximately \$14m of these works has been completed.

Member for Drysdale, the following roads received flood damage during the 2010-11 Wet Season. Emergency repairs have been completed and permanent restoration works are ongoing. Further roads may be included; however, remain inaccessible to allow necessary inspections to be carried out. It is broken down then into regions: the Alice Springs region, the East Arnhem region, the Katherine region, the Barkly region and the Darwin region. Within those regional breakdowns, there are specific roads listed. However, in front of me today I do not have the breakdown of costs allocated to each of those specific roads. Would you like me to get that for you, and that would mean it would be a question taken on notice?

Mr BOHLIN: Yes please, and thank you.

Question on Notice No 8.18

Mr McCARTHY: Could you outline that question for Madam Chair please, of what you want in relation to cost breakdown?

Madam DEPUTY CHAIR: Thank you, member for Drysdale.

Mr BOHLIN: What is the repair cost to roads after Cyclone Carlos by region, broken down into Territory responsibility and federal responsibility road costs?

Madam DEPUTY CHAIR: That is question on notice No 8.18.

Mr BOHLIN: Thank you, minister.

Madam DEPUTY CHAIR: Further questions?

Mr BOHLIN: I am ready to skip to some others now.

Madam DEPUTY CHAIR: That concludes Output 8.4.

Output 8.5 – Working Future Infrastructure Coordination

Madam DEPUTY CHAIR: We move on to Output 8.5, Working Future Infrastructure Coordination.

Mr BOHLIN: Unfortunately, I have a question there. In fact, I have four questions, but I will skip that as well. I am keen to move into ...

Madam DEPUTY CHAIR: Construction?

Mr BOHLIN: Output Group 9.0, Construction Division.

Madam DEPUTY CHAIR: That concludes consideration of Output 8.5.

OUTPUT GROUP 9.0 – CONSTRUCTION DIVISION Business Line

Madam DEPUTY CHAIR: Output Group 9.0, Construction Division, Business Line.

Mr BOHLIN: Minister, I have a string of questions on project management, but we may send them through as written questions later on for your department to consider.

Construction projects. This one should come as no surprise: the McMinn Street, Tiger Brennan Drive, Bennett Street intersection. What are the cumulative failures that mean this is one of the longest projects on your books?

Mr McCARTHY: Member for Drysdale, the challenges of this project have been significant, and this project is ongoing ...

Mr ELFERINK: And ongoing, and ongoing, and ongoing ...

Mr McCARTHY: We have some real reasons around that, and there have been significant challenges. The project was awarded in August 2009. It is a major project, but one of 3000 projects a year we are delivering. I admit we could have done better.

There are a number of components to that particular project, and there were a number of unforeseen circumstances impacting on the project, including land acquisition, heritage issues around a World War II site, unidentified underground services, and significant wet weather delays. There have also been some frustrations with ensuring we get it right with the Darwin City Council, which also applied another layer of complication to it; however, we were able to work successfully through that with them.

There is no other way to address this issue but to say, yes, we could have done better. We plan on having that project completed in the Dry Season of this year, when we have good conditions to complete it. Are there any other details you require around that?

Mr BOHLIN: Certainly, minister. One would have thought some of those issues might have been overcome with some slightly better planning. One would have thought we would have had all the i's and t's crossed and dotted in their appropriate order before you even ran a grader blade or otherwise down there. Minister, you just mentioned land acquisition. That would normally suggest there is a cost allocated to that. Can we have a cost for that? Can we also have what the initial budgeted cost for the project was, and what will be the final cost, whenever that final cost will be?

Mr McCARTHY: That is a good way to approach that, member for Drysdale. I will get Mr Wagner to give you some technical details around that.

Mr WAGNER: I do not have a specific value of the land acquisition; we will need to get that for you ...

Mr McCARTHY: The bigger picture, Al.

Mr WAGNER: The total budget currently is \$8.72m, but I should add we have received a large claim from the contractor. As you would be aware, we have engaged a consultant to give us some expert advice in relation to that claim, so we can assess the claim. The forecast final costs will be a function of the outcome of the claim, plus the time taken to complete the job from here.

Mr BOHLIN: Okay, minister ...

Madam DEPUTY CHAIR: Do you want to ask for this question on notice.

Mr BOHLIN: I would like to take that as a question on notice to clarify all those aspects.

Madam DEPUTY CHAIR: I need you to repeat that question.

Mr BOHLIN: Yes.

Madam DEPUTY CHAIR: Minister, are you happy to take that?

Mr McCARTHY: Once again, what are you looking for, member for Drysdale? Is it of ...

Mr BOHLIN: You had land acquisition ...

Mr McCARTHY: I have outlined a number of unforeseen circumstances that created the delays. When we talk about a heritage site, it is going to be very difficult to cost a heritage site as we had to wait until that site was identified and cleared. If we talk about our wet weather delays, it would be difficult to put a cost on that but we could do an estimate on these. What do you think, Mr Wagner?

Mr BOHLIN: Minister, time is money and you indicated there was land acquisition. A cost is normally associated with land acquisition, is it not?

Mr McCARTHY: Sure.

Mr BOHLIN: Therefore, we should have a cost for that. Someone has to sign the cheque. One would presume it is you, minister, or your delegate. We would have a defined final cost, even if it is the current cost pending an issue of confidence, perhaps.

Mr McCARTHY: Land acquisition cost is another example of cross-agency research I would need to conduct, so that is the Department of Lands and Planning. In relation to contractor costs, AI, do you want to explain for the member for Drysdale?

Mr WAGNER: Your comment before about the time value of money - the contractor claims for extensions of time under the contract and is entitled to some costs with the extension of time. If we approve the full claim, more money would be associated with the time. The job is not finished yet, so it is hard to answer your question.

Mr BOHLIN: The public will wait with baited breath to see the final outcome on total cost. I will give you some written questions later on that, due to time. I thank you for the explanation so far; it has been very insightful.

Minister, was there not a review done into that project, and are you willing to table that report?

Mr McCARTHY: Member for Drysdale, no, there has not been a report done into that project per se, but I will give you the details of what we have been doing.

Mr WAGNER: Could I clarify? I mentioned before we engaged an expert consultant who provided us with some information. Is that the report you are talking about?

Mr BOHLIN: Yes. Normally that information is put into some form of report. If you put a different brand to the name it does not matter, it is still a report.

Mr WAGNER: We received some information from a consultant so, yes, we have a report.

Mr BOHLIN: Are you willing to table that report?

Mr WAGNER: It is commercial-in-confidence and the contract is at large, as I indicated before, so it would be inappropriate to table that.

Mr BOHLIN: We will move forward. I had some interesting questions here, minister.

The Construction Division manages project managers to the tune of \$63m. Your income for project management is some \$63m, and they are project management funds. Why is it so expensive for your department to project manage, particularly when you are often project managing other companies who have project managers?

Mr McCARTHY: Member for Drysdale, we will deal with this assertion.

Mr WAGNER: Broadly, the issue of fee level is contentious in all industries, as it is with the Construction Division in my department. The Construction Division is a government business division and operates on a fee-for-service basis. There is a definitional issue in relation to project management fees. The words used in the budget papers relate to the total fee we receive. Part of that is for project management - literally project management. We also have architects, engineers, contract administration people, site supervision etcetera. To put it in context, it is a broader definition of project management fees.

You commented earlier my department's core business is to deliver capital works and repairs and maintenance on behalf of government. Sometimes, we do the up-front project management work and outsource everything else. In the case of BER, we did a small contract administration role and outsourced the whole lot. Typically, we do 10% to 15% of the design work and most of the contract administration, to give you a feel. It is lump sum percentage-based against the construction value of the work, and we benchmark our fees against industry. I put to you we are about middle-of-the-road in the fee for service and value for money.

Mr BOHLIN: Thank you for that reply. I would love to unpack that further because I find it quite an interesting, contentious issue, particularly when it comes down to club levels where we have government-owned facilities, small sporting clubs and community clubs trying to get stuff done and are getting absolutely tagged on the back by those fees.

I want to get to, probably, the last question I have for the day, unfortunately - I have many questions. Minister, Tiger Brennan Drive is a major project without doubt. There have been letters to your department, from me, the Palmerston City Council and others regarding the silt that has come into the Durack Lakes.

It is now blatantly obvious, particularly considering the amount of works that are being done on-site in the Tiger Brennan Drive extension area where they are cleaning out the drains and moving scourage protection barriers. Anyone who drives past any of those drains leading to Durack community can see the drains are more than chock-a-block full of sediment. I can guarantee a dump truck did not come along and park there and fill up those drains; they have been washed there during various storms.

Whose responsibility is it to clean up the Durack Lakes now that silt sediment control would appear to have been poorly done on that project? That is evident by the fact there is so much silt and sediment built up in those drains they will have to be dug out before it is finally handed over to us. The department has, in the past, refused to say it is their responsibility. It is so blatantly obvious to everyone the silt that ended up in Durack Lakes is as a result of that development.

Mr McCARTHY: Member for Drysdale, I will start, and then I will hand to Mr Mike Chiodo.

Environmental controls were established prior to the Wet Season to minimise the environmental impacts. You are right; we acknowledge that silty storm water entered Durack Lakes from the Stage 2 site during a record Wet Season. At the moment, DCI is working with Palmerston City Council to resolve the issue. That involves water quality testing, silt mitigation, and revegetation. To give you a more technical reply to that question, I will hand over to Mr Mike Chiodo, Deputy CE.

Mr CHIODO: Member for Braitling – Drysdale, I am sorry. I am used to responding to you.

Mr GILES: I would love to ask you some questions, Mike.

Mr CHIODO: I was looking forward to it as well.

Mr GILES: So was I.

Mr CHIODO: The monitoring of the siltation and the environmental impacts on the Durack Lakes has been an ongoing process. I am interested in your comments in relation to the build-up of silt and Palmerston City Council contacting us in writing because, in fact, we have worked very closely with Palmerston City Council.

There has been ongoing testing of those lakes which shows clearly there has been no increase in siltation in those lakes ...

Mr BOHLIN: Would you really like me to quote you on that?

Mr WOOD: It is in *Hansard*.

Mr CHIODO: I would not have said it - and it is sitting in *Hansard*, yes. The revegetation of the disturbed areas and the desilting of the drains are currently under way.

Mr BOHLIN: Thank you, Mr Chiodo. That is us, unfortunately.

Madam DEPUTY CHAIR: No further questions around construction? Thanks very much.

Mr BOHLIN: Thank you to all the staff. We are sorry it has been so short today.

Madam DEPUTY CHAIR: That concludes consideration of that business line. Thank you, minister, and thank you to the officers accompanying the minister.

We will move into Corrections, with a changeover of staff.

OUTPUT GROUP 10.0 – CORRECTIONAL SERVICES **Output 10.1 – Custodial Services**

Madam DEPUTY CHAIR: We move to Output Group 10.0 Correctional Services, Output 10.1 Custodial Services. Minister, welcome back, once again, and welcome to officers from the Department of Justice Corrections area. Would you like to introduce the officers accompanying you, and do you have an opening statement to make?

Mr McCARTHY: Thank you, Madam Deputy Chair. I introduce representatives from the Department of Justice and its NT Correctional Services Division: Mr Greg Shanahan, Chief Executive Officer; Mrs Anne Bradford, Deputy Chief Executive, Business Strategy and Performance; and Mr Ken Middlebrook, Executive Director, Northern Territory Correctional Services. Other senior department officials may come to the table as appropriate for technical or operational advice as we move through the outputs.

This is an exciting time to be involved with Northern Territory Correctional Services as we deliver a new era in Corrections. We are committed to this new era because the Territory's recidivism rate of 48% is completely unacceptable. The Territory has a record number of prisoners in our gaols. The new era in Corrections will address the cycle of reoffending with a stronger focus on education, rehabilitation and training.

The government will deliver a new correctional facility for Darwin, replacing the outdated and beyond upgrade Berrimah gaol through a public/private partnership; \$27m is allocated in this budget for headworks for the new correctional facility, and work is already under way on an access road and service routes. Construction of the precinct will generate approximately 1000 direct and indirect jobs, supporting Territory business and building on the Territory's opportunities.

Legislation is before the House to support new court orders to place non-violent offenders into treatment and education, as well as new electronic monitoring measures. \$1.4m is the budget to roll out the electronic monitoring, both for so-called ankle bracelets, as well as for voice recognition.

We are also starting recruitment to boost our important Community Corrections Service, with \$1.9m to recruit an extra 18 officers.

I am pleased to report that the first 10 prisoners are now at the Barkly Work Camp, which will build the capacity of 50 prisoners. Talks are under way with Charles Darwin University about the construction and operation of the future Katherine prison farm.

NT Corrections is continuing to work to recruit professional staff for the delivery of an expanded rehabilitation treatment program. The percentage of prisoners engaged in employment programs has increased from 52% to 72% in the last financial year – a 20% increase on last year.

Madam Deputy Chair, I welcome any questions the committee may have with regard to the appropriation for this year.

Madam DEPUTY CHAIR: Any questions on the opening statement?

Mr ELFERINK: A few, and I will try to race through them. I wanted to go into this in much more detail, but time will prevent it.

Minister, can you provide or table a list of all training programs currently supplied by Correctional Services? Can we add to that the allocation of money to each of those programs? That includes sexual offender programs, rehabilitation programs, and training programs.

Mr McCARTHY: Thank you, member for Port Darwin. While Anne Bradford is finding those details, Madam Deputy Chair, I have an answer to a question taken on notice.

Answer to Question on Notice No 8.12

Mr McCARTHY: The question was: how many other jurisdictions charge for driver education books; how much money do you expect to make on the books each year; and where do you get these books in growth and non-growth towns?

Six other jurisdictions charge for their driver education handbooks. The cost of the Northern Territory Driver Education Handbook is \$6. So far, for 2010-11, we have sold 696, bringing the revenue to \$4176. The books can be downloaded free of charge on the MVR Internet and may be purchased through all MVR offices and police stations. All Driver Training and Licensing Program students are provided with a handbook free of charge.

Madam DEPUTY CHAIR: Thanks, minister.

Mr ELFERINK: Minister, do you provide, amongst the programs about to be tabled, a sexual offenders program or similar programs?

Mr McCARTHY: If I can get the house in order, we have those answers to your first question, member for Port Darwin. Are we are tabling these documents? That would be a good way to do it. Good, thank you. The next question is?

Mr ELFERINK: Yes, the next question is, amongst those programs you provide, do you provide a sexual offenders program?

Mr McCARTHY: A sexual offenders program? Yes, we do.

Mr ELFERINK: Okay.

Mr MIDDLEBROOK: But it is not in – sorry, are we giving you education?

Mr ELFERINK: Yes, education. I asked for all programs.

Mr MIDDLEBROOK: All programs.

Mr ELFERINK: There should be a sexual offenders program in amongst the mix. Is the sexual offenders program delivered by a psychologist or involve a psychologist?

Mr McCARTHY: The answer to that is yes.

Mr ELFERINK: How many psychologists are involved in the delivery of both sexual offenders programs and other programs in the prison system?

Mr McCARTHY: That ...

Mr ELFERINK: How many do you have on the books?

Mr McCARTHY: Yes. I could give you – that is very difficult to attract.

Mr ELFERINK: No, that is not what I am asking. I am asking how many have you got on – how many have you across your ...

Mr McCARTHY: Of course you are, member for Port Darwin.

Mr ELFERINK: What is your establishment?

Mr McCARTHY: We will get you that number, member for Port Darwin.

Mr ELFERINK: I think I might be on to something here.

Mr McCARTHY: That is an interesting comment.

Mr ELFERINK: Well, I do not know. You seem a bit twitchy about it; or it is just my imagination.

Mr McCARTHY: As you can see, we are busily gathering the information you require, member for Port Darwin.

Mr ELFERINK: Yes, unfortunately, and I apologise to the staff. I am trying my hardest to truncate about 20 minutes worth of questioning into two.

Madam DEPUTY CHAIR: We are all working very hard to accommodate in a tight time frame.

Mr ELFERINK: They are doing a diligent job, I see much shuffling. Okay, Mr Middlebrook ...

Mr MIDDLEBROOK: Thank you. Ken Middlebrook, Correctional Services. We have a number of psychologists working for the department. We have psychologists at both Darwin and Alice Springs. We have a number of vacancies at the moment, so I need to check on how many of those - we also have three psychologists within head office of Correctional Services who oversight the programs across the Territory.

Mr ELFERINK: You have how many psychologists - establishment?

Mr MIDDLEBROOK: I need to confirm that, but we have at least three in Alice Springs, at least four in Darwin, and three in head office.

Mr ELFERINK: All right. So, 10 at least, or thereabouts. How many of those positions have been vacant in the last 12 months, and how much time has been lost to those vacancies being filled?

Mr MIDDLEBROOK: Quite a substantial amount. It is very difficult to attract – in fact, we established a Clinical Services Branch two years ago and, because we had real difficulty in filling those positions, especially in Central Australia, we have moved to a new model and a new way of delivering those services. All the services are oversighted by the psychologists.

Mr ELFERINK: Of the psychologist positions that are vacant, are any of those psychologists responsible for delivering the sexual offenders programs?

Mr MIDDLEBROOK: They are responsible for oversighting and some delivery, yes.

Mr ELFERINK: Does that mean offenders who are seeking to participate in the sexual offenders program have missed out on access to those programs?

Mr MIDDLEBROOK: As of April 2011, there were 54 sexual offenders by serious offence in Darwin and there were 44 in Alice Springs. Of those, 27 had completed or are completing a sex offender program, four had failed to complete the program, 18 had refused to participate and were assessed as unsuitable, and of the remaining 49, 16 had less than 12 months to serve and 33 had more than 12 months to serve. Prior to their release, these offenders will be assessed for participation in the treatment program.

Mr ELFERINK: A question on notice, Madam Deputy Chair, in relation to the psychologists.

Question on Notice No 8.19

Madam DEPUTY CHAIR: Please repeat the question.

Mr ELFERINK: How many psychologists are on the Corrections Services establishment? How much time has been lost due to unfilled vacancies? How many courses have been cancelled and/or truncated as a direct result of the absence of psychologists?

Madam DEPUTY CHAIR: Happy to take that question, minister?

Mr McCARTHY: That will be a difficult one, but I am happy to take that on notice, yes.

Madam DEPUTY CHAIR: That is question No 8.19.

Mr ELFERINK: Did we get that list of programs circulated?

Mr McCARTHY: Yes.

Mr ELFERINK: Minister, there is an anticipated participation rate in this financial year of 40%. I note in your final estimates - that is in last year's budget paper on page 89 - and on page 87 of this year's budget paper your final estimate for the year 2010-2011 says you are going to achieve that 40% rate. How confident are you of that 40% participation rate?

Mr McCARTHY: In the program?

Mr ELFERINK: Yes.

Mr McCARTHY: I am very confident in Alice Springs, member for Port Darwin, and I am very confident in Tennant Creek. However, we have great challenges in the old archaic Darwin Correctional Centre. I will place that on the record. I have real concerns we can deliver there. It purely relates to the frustrations around the infrastructure and the issues of managing prisoner numbers.

Mr ELFERINK: The reason I asked the question, minister, is quite specific. Prisoner numbers have far exceeded projections. The last time that occurred, in the year 2008-09, there was an anticipated participation rate of 50%. In the year 2008-09, according to the annual report of that year, the result was 26%. Now you have a similar growth in unanticipated prisoner numbers. The footnote in that 2008-09 annual report on page 97 reads:

The lower than expected 2008-09 actual prisoner participation in education rate is the result of a rapid increase in prisoner numbers during the year and a change in eligibility criteria from a minimum six month sentence to all prisoners, thereby significantly increasing the pool of eligibility.

I am concerned about the component which says there was a rapid growth of prisoner numbers dragging down the participation rate. Why will that not occur this year if it occurred two years ago?

Mr McCARTHY: One of the areas I have instructed the department to look at - and we have been working together on - is how to deliver programs differently. When I say differently, we are not only focusing on the challenge of numbers and infrastructure, but also the cross-cultural considerations, English as a Second Language, even down to the level of hearing impairment amongst Indigenous prisoners. What we are doing, member for Port Darwin, to achieve those targets is to look at more group work, more group approaches. We are looking at trying to combine generic elements of accredited training and deliver it in group sessions.

We are pioneering this. We are doing it in Darwin in ageing infrastructure and with great challenges. However, it is our ambition to meet that target and, to achieve it, we are looking at alternative education, rehabilitation, and training initiatives.

Mr ELFERINK: Whilst I ask for it to be tabled, do we have a list of the number of programs that are run?

Mr McCARTHY: That went up in the first list of tabled documents.

Mr ELFERINK: It says a projection of 40%; what is the current and overall completion rate for the financial year to date?

MR MIDDLEBROOK: Participation and education as at now is 29%.

Mr ELFERINK: Your participation rate is 29%. What is your completion rate in that participation?

Mr McCARTHY: Completion rate, member for Port Darwin, in a Certificate II in Construction Completion?

Mr ELFERINK: Yes. How many people finish the courses they start?

Mr MIDDLEBROOK: One of the difficulties with people completing is the short sentences we have. I can say there were 652 enrolments in the 2010-11 year and, of that, 13 certificates have been successfully completed.

Mr ELFERINK: Sorry, 452?

Mr MIDDLEBROOK: 652 enrolments.

Mr ELFERINK: Enrolments, and 13?

Mr MIDDLEBROOK: Thirteen who have actually completed the certificates.

Mr ELFERINK: What certificate level is that?

Mr MIDDLEBROOK: There are 10 in Certificate I, another two in Certificate I, one in Certificate II. For external providers, I have 747 enrolments, but I do not have the completion rates.

Mr ELFERINK: You say, at the moment, the participation rate is 29%, which is substantially lower than the budget final estimate for the current financial year of 40%. The ...

Mr MIDDLEBROOK: That 29%, sorry, is only in programs delivered by Corrections. That participation rate does not include programs delivered by external providers. That is ...

Mr ELFERINK: That 40% is all of them?

Mr MIDDLEBROOK: Yes.

Mr ELFERINK: All right. So ...

Mr McCARTHY: Member for Port Darwin, could I outline for the committee that when Mr Middlebrook talks about the total outcome - the outcome of an accredited certificate - we also have numbers around units successfully completed in accredited training: units in horticulture, rural skills, art and contemporary craft, music, literacy, and numeracy. These numbers reflect the cohort of prisoners who are engaged in education and training as well. That needs to be balanced out in our ongoing ambition to meet those targets, and the result of new policies around education, rehabilitation, and training.

Mr ELFERINK: I am just flicking through some of these programs, minister. The cannabis awareness and treatment program for the Darwin Correctional Centre for the last three years, including the proposed financial - so for the last two years is probably more accurate - is 2008-09, nil, 2009-10, nil, and as of March 2011, nil. Why are we not running a cannabis awareness and treatment program in the Darwin Correctional Centre?

Mr McCARTHY: Member for Port Darwin, I am aware you visited the Darwin Correctional Centre - I acknowledge that - and participated in a classification ...

Mr ELFERINK: Very interesting and fruitful exercise.

Mr McCARTHY: ... exercise. Yes, so you would be aware one of my biggest frustrations in this is a prisoner has to show much motivation to enrol and take part in these courses. That is one of the things I

found really difficult upon commencing the new era. We are now looking at alternative ways to address that in group delivery.

Mr ELFERINK: Minister, I will ask the same question ...

Mr McCARTHY: Mr Middlebrook might like to give you a couple of numbers around that as well.

Mr ELFERINK: Well, he has given me the numbers – nil, nil, and nil.

Mr MIDDLEBROOK: Can I add to that?

Mr ELFERINK: Yes, sure.

Mr MIDDLEBROOK: The delivery of Alcohol and Other Drugs programs is changing for a number of reasons. However, the existing AOD programs offered in Darwin and Alice Springs will be supplemented by new intensive Alcohol and Other Drugs program for longer-term offenders. It is a new rolling program. The program will improve the quality of treatment and therapeutic outcomes for offenders with chronic substance use issues. It is anticipated the new program will commence in the latter half of this year.

It is supplemented with cognitive skills, victim awareness, family wellbeing program, Indigenous family violence, sex offenders, women's intervention and life skills programs. Yes, we probably have not been as proactive as well as delivering - we acknowledge that. There have been a number of problems associated with it; one has been identified recently in the hearing of offenders, and we are addressing that. We are starting to put the resources into a rolling-type program to be able to deliver that.

Mr ELFERINK: The reason I was somewhat surprised, Mr Middlebrook, at your earlier answer to the ones done by Corrections themselves, of 652 commencements, 13 completions. Then you broke them down a little further - I was a little confused about that – 13 completions of 652 commencements. Do you consider that to be an effective use of resources, minister?

Mr McCARTHY: When I outlined the next level of that, that was prisoners in education courses, and the units successfully completed. I would like to outline for this committee the difficulties we have in education in this particular environment. When I talk about the most disadvantaged Territorian - you may have heard in the House - I talk about a person with a low educational level entering the institution: generally, a person with several languages; a person who has other issues around special needs, hearing being one; a person who has entered the institution who does not have a well-developed world view and understanding.

What we are dealing with are very specific challenges to delivering education outcomes. I ask you to consider, when you use a figure like 652 enrolled and 13 completions, there is an element of a positive result around that. I applaud the 13 who did complete. However, you must acknowledge there are many others who are having a go, who are enrolled in courses. For some of these prisoners, it is probably the first formal education since primary school they have entered into. It is not just cut and dried like that; there is much work going on, there is much engagement and it needs to be factored in.

Mr ELFERINK: Have any Certificate IIIs been produced as the result of enrolments in prison-based programs? If so, what were they?

Mr McCARTHY: Okay, Certificate III. I know we have prisoners graduated in Certificate III in Construction. As to numbers around that, once again, that will probably be counted on my right hand. However, I am proud of that and it is heading in the right direction. Certificate III. Mr Middlebrook, do you want to make another comment?

Mr MIDDLEBROOK: I go back to those 652 enrolments I talked about. That does not mean 652 distinct prisoners by the way, that is 652 enrolments. I would like to break those down to what that enrolment is, what courses they are in, if you want to hear them?

Mr ELFERINK: Sure, I am interested to listen, so long as it is brief.

Mr MIDDLEBROOK: There were 10 in the rural skills program and those 10 completed. That was a rural skills training program - stockman-type training. The member for Nelson would be keen on that. There were 283 enrolled in literacy and numeracy at Darwin. There were 139 in literacy and numeracy in Alice Springs. Keep in mind many of the people who are enrolled are doing fairly short sentences, so what we are doing is getting them engaged in the period they are there. They might not be there long enough to

complete that entire program. Fifty-three were music in Darwin, 62 were music in Alice Springs; 52 were art in Darwin, and 42 were art in Alice Springs; and 11 were horticulture. That makes up the 652.

Mr ELFERINK: How long does it normally take to do a Certificate I course?

Mr McCARTHY: Nationally accredited training is self-paced, member for Darwin, and is measured in terms of ASH hours, so ...

Mr ELFERINK: So, how many hours of self-paced training do you have to do to get a Certificate I level qualification?

Mr McCARTHY: That varies, but if we want to pick out a course, we could get you that information.

Mr ELFERINK: Get me a garden variety course and see if you can answer the question against that one.

Mr McCARTHY: We can definitely answer that question. I do not have it in front of me, and I do not have my ...

Mr ELFERINK: Is it 16 hours, 20 hours?

Mr McCARTHY: For a Certificate I?

Mr ELFERINK: For a Certificate I, yes.

Mr McCARTHY: No, considerably more than 10 hours.

Mr ELFERINK: Okay, how much, roughly?

Mr McCARTHY: It is 120 hours.

Mr ELFERINK: One hundred and twenty hours so, basically, three weeks full-time.

Mr McCARTHY: That is for a basic Certificate I course in, let us say, the start of rural operations.

Mr ELFERINK: Three weeks full-time. Minister, the illicit drugs program at the Darwin Correctional Centre, as of 31 March 2011, had eight people going through with two withdrawals; alcohol awareness and treatment programs, 27 participants with seven withdrawals – sorry, that was Darwin. In Alice Springs, there were no participants in the illicit drugs program and 55 participants in the alcohol awareness treatment program. How many prisoners are in gaol because of alcohol-related offences?

Mr McCARTHY: We could get those details for you, member for Port Darwin. A factor around that question relates to the inference you just made in completing a Certificate I course of 120 hours in three weeks. Let us add to that in the perfect world: a student who has ...

Mr ELFERINK: We have moved on from that; that is a new question.

Mr McCARTHY: ... a degree of literacy and numeracy, who has an educational background in mainstream.

If you are not prepared to accept that, that is fine, we will go straight to the statistical analysis. Illicit drugs program, Darwin Correctional Centre, number completed eight, withdrawal two, completion rate 80%.

Mr ELFERINK: That is right; what I just said. The question I have is: how many prisoners are currently in custody as a result of an alcohol-related crime? You have 90 participants year-to-date in alcohol and drug treatment programs, your prison population is well in the order of about 1200 at the moment. What I would like to know is why you only have 90 participants in those programs? Is it because those programs are full or they are not being used by the prison population?

Mr McCARTHY: We will go to how many prisoners are in for alcohol-related offences. Is that what you are asking, member for Port Darwin?

Mr ELFERINK: Yes, as a percentage of the overall prison population, if that is convenient.

Mr McCARTHY: Mr Middlebrook?

Mr MIDDLEBROOK: I would like to talk about the alcohol and drug related programs. There are three distinct alcohol programs run in prisons. One is run by Corrections for prisoners doing greater than six months. There is another program in prison - a prison in-reach program run by Department of Health for offenders doing less than six months. That program has seen 561 offenders since 1 July last year. The program Corrections runs has seen 108 offenders addressed in that program. There was a prison in-reach program run in Alice Springs, the Safe and Sober Program, and it saw 99.

Mr ELFERINK: Can you table the documents you quoted from, if that is at all possible, Mr Middlebrook, so I can refer to them later? I am not trying to be cute, I just ...

Mr McCARTHY: No, absolutely, we are not trying to be obstructionist. Member for Port Darwin, the other thing about your question on the number of prisoners who are in for alcohol-related offences, as a person trained in law you would be aware the majority of prisoners are in for multiple offences, so it would be hard to single out whether alcohol was the sole cause of why they were incarcerated.

Mr ELFERINK: The problem I have is that every time I turn on the television, the government is quite happy to assert from unpublished data relating to March last year that 60% of all domestic violence is alcohol-related. I presume the government is capable of making the same assertion about its prisons.

Mr McCARTHY: Assertions - we were challenged with getting you a document to table.

Mr ELFERINK: All right, no worries.

Mr SHANAHAN: Greg Shanahan, CEO. Member for Port Darwin, page 3 of the handout we gave you has that table around health programs.

Mr ELFERINK: Unfortunately, I am reading this on the hop, you will understand.

Mr McCARTHY: Health delivered programs, yes.

Mr ELFERINK: All right minister, staying on the alcohol-related programs and drug programs. Are there sufficient funds available to meet prisoner demand; that is, are prisoners being turned away from these programs or are these programs constructed to meet demand?

Mr McCARTHY: Member for Port Darwin, prisoners are encouraged – which you would have seen in that session where regular interviews take place - to engage with education, training and rehabilitation to address their offending behaviour. The first challenge is many of these disadvantaged Territorians do not understand the link between their offending behaviour and the substance abuse they are engaged in. We have a long road to go; there is no doubt about that.

In relation to resources, that is why we are now looking at the group approach, the rolling program, the more culturally appropriate educational rehabilitation training delivery models. That is why we have gone down this road; we are trying to deliver to more of our prisoner cohort in a more sensitive and culturally appropriate way.

Mr ELFERINK: You are endeavouring to educate prisoners as much as you possibly can within the prison system?

Mr McCARTHY: We are trying to maximise efficiencies in starting groups. When you talk about alcohol awareness courses, we are looking at a group approach and how we can develop this. It is getting away from that traditional thinking of the one-on-one, or the teacher at the front of the room; it is about trying to be innovative, culturally specific, and deliver efficiencies so we can get across to more prisoners more examples of them engaging in formal education training programs so they are not only getting the benefits from the program input, but also understanding about addressing criminogenic behaviour.

Mr ELFERINK: Minister, I may have asked this question before: how many prisoners are in for offences of a sexual nature? How many sex offenders do you have?

Mr SHANAHAN: We did answer that. It was 90-something.

Mr ELFERINK: I am sorry; I have put my questions aside. Minister, in the last annual report the proposal was to have 12 community probation and parole officers employed by the department by 31 December 2010. Did you reach that target? If not, why not?

Mr McCARTHY: That is a question for Community Corrections output.

Mr ELFERINK: Yes, I know it is and I am trying my hardest. We will not get there; that is the problem.

Mr McCARTHY: We will get the answer for you, member for Port Darwin.

Madam DEPUTY CHAIR: We are on Output 10.1, Custodial Services.

Mr ELFERINK: I know.

Mr SHANAHAN: The short answer is we struggled.

Mr ELFERINK: How many did you get?

Mr SHANAHAN: I believe it varies during the year.

Mr ELFERINK: Can I put that question on notice?

Question on Notice No 8.20

Madam DEPUTY CHAIR: Would you please repeat the question?

Mr ELFERINK: In last year's annual report you pledged to employ 12 community probation parole officers, operational by 31 December 2010. What was the success of that? How many of them are there, and where are they located?

Madam DEPUTY SPEAKER: That is question No 8.20.

Madam DEPUTY SPEAKER: Was that in relation of Output 10.2?

Mr ELFERINK: Generally, sort of, maybe - I squeezed it in, Madam Deputy Chair.

Mr McCARTHY: The minister is flexible.

Mr ELFERINK: I acknowledge the minister's flexibility.

Answer to Question on Notice No 8.20

Mr McCARTHY: The number is 10. When we talk about 2010-11 - seven, sorry, seven out of 12. That is correct.

Madam DEPUTY CHAIR: Is that the answer in relation to Question on Notice No 8.20?

Mr McCARTHY: Yes. It varies during the year.

Mr GILES: I had a question about the Barkly Work Camp. I would like to know when the Barkly Work Camp will be finished, where the prisoners have been staying, and where the officers have been staying until they moved yesterday.

Mr McCARTHY: Member for Braitling, welcome to the portfolio of Correctional Services. I mean that in all honesty because, from the time in the House where you put your position forward that under the Country Liberal Party you would dig a big hole, concrete it, and put all the bad criminals in there, I have been really waiting for you to get to the table so we can start to ...

Mr GILES: Why do you not just answer the question?

Mr McCARTHY: ... to challenge your policy - and challenge it immediately. You are certainly touching on an interesting area of the new era; that is, the work camp. Let me give you the chronology, and Mr Middlebrook will give you the technical details.

What we did when we went down this new era road to really focus on education, rehabilitation, and training to address recidivism - and you know the story; you made very strong comments about it in the House - we looked at this work camp concept. There is a whole ...

Mr GILES: Minister, I asked a simple question. Through the Chair, I ask my question be answered. I have two minutes.

Mr McCARTHY: Yes, I am answering it.

Madam DEPUTY CHAIR: The minister is answering the question.

Mr McCARTHY: There is a much education in the community. What we did, in a very short, succinct way, was staged a community support program into Tennant Creek. We had no infrastructure so we utilised existing infrastructure within the community ...

Mr GILES: When was it built?

Mr McCARTHY: ... and that was the Juno Horse Farm. We started that program - Mr Middlebrook will give you the dates. From that, we are now staging into the Barkly Work Camp, which is a 50-bed capacity. What we did in that process was educate the Tennant Creek community, develop the community consultation committee, and then there is a - I table that photo to show the infrastructure we are talking about. I table that document, thank you, Mr Middlebrook. We went down this pathway strategically, and with best practice of new era thinking. Mr Middlebrook might like to put some technical details around that.

Mr MIDDLEBROOK: Thank you. We got off to a slow start with construction given the negotiations with the Patta Corporation took a little longer than we anticipated. Then, unfortunately, we were hit with a fairly lengthy Wet Season.

In our negotiations with the Tennant Creek community and the community consultative committee, and our time line of recruiting staff, we had staff online well before the buildings were completed. We had the opportunity to move to Tennant Creek with 12 prisoners on 1 April. We moved there using the Juno Horse Farm. The only thing that was substituted - instead of running the program at the new work centre we were doing it at the Juno Horse Farm.

Then, on 16 May, the builder agreed and made provision for us to use the completed part of the camp. We moved over to the camp on 16 May with 10 prisoners. That is the case. The camp will be finished this week and handed over sometime this week. We will then start putting prisoners in. The official opening will happen at some point down the track.

Mr GILES: All right, thanks. Mr Middlebrook, is it true that because the work camp is not complete, prison officers are unable to move unauthorised or unwelcome family and visitors off the work site from a prison capacity?

Mr MIDDLEBROOK: No, that is totally incorrect. They have the same authority to move people on as they would if they were at the Juno Horse Farm site, or they would if they were working at a location somewhere in the community. The site is a gazetted site and they have the full authority to move people on.

Mr GILES: Even though it is a construction site still?

Mr MIDDLEBROOK: Part of the area is still a construction site; part has been handed over.

Madam DEPUTY CHAIR: Honourable members, we have reached 4.30 pm.

Mr WOOD: I have five-and-a-half seconds left and I have waited all that time.

Mr McCARTHY: And I have two questions too, but ...

Madam DEPUTY CHAIR: Member for Nelson, this is the last question then on this output, as long as it is a quick one with a quick answer.

Mr WOOD: Thank you, Madam Deputy Chair. Minister, I was looking for the 2010 Parole Board report. I do not know where it is, but I have the 2009 report. It has a table regarding the number of Parole Board decisions. In the 2009 report, it says 42% of Parole Board decisions were refused.

I had an employer come to me recently. He is employing, I gather, a person from the prison. That person, I think, was looking to get parole and was rejected. From what I understand, that person was down in the dumps because he did not know the reason his parole was rejected. In the act, there is no section regarding natural justice. Is the department considering putting that natural justice clause into the *Parole Act* so, if a prisoner feels he is being hard done by, by a decision under that act, he at least can use that natural justice section to find out the reason his parole was rejected?

Mr McCARTHY: Member for Nelson, I have taken that on board. That was communicated to me previous to this estimates hearing, and I have asked the department to look at that and put it together in a submission I can take to government.

Mr WOOD: Thank you.

Madam DEPUTY CHAIR: Questions on notice?

Mr McCARTHY: Madam Deputy Chair, I have two answers to questions that were taken on notice.

Madam DEPUTY CHAIR: Thank you.

Answer to Question on Notice No 8.11

Mr McCARTHY: Question No 8.11: how many road trains operate in the Northern Territory?

Data is only available on the number of road trains registered in the Northern Territory.

Answer to Question on Notice No 8.10

Mr McCARTHY: This information has been provided in response to Question on Notice No 8.10.

Data is only available on the number of road trains registered in the Northern Territory. Interstate road trains operate on the NT road network; however, there is no data on numbers available.

Answer to Question on Notice No 8.14

Mr McCARTHY: Question on Notice No 8.14: how often have you needed to utilise the services of a debt collection agency and for how much money?

Answer: a debt collection agency was used twice in the 2010-11 period. The amounts owed were \$56 000 and \$4097, and that was in relation to the Department of Lands and Planning, NT Build.

Madam DEPUTY CHAIR: Minister thanks for that.

Madam DEPUTY CHAIR: Minister, thank you very much for appearing before the Estimates Committee this afternoon. Thank you to the officers from Correctional Services and Department of Justice also for providing advice to the minister. It is just unfortunate, minister, we do not have time to go through the Arts and Culture portfolio.

Mr McCARTHY: Thank you, Madam Deputy Chair. As I know you are very interested in arts and culture, I am very disappointed as well.

Madam DEPUTY CHAIR: Very disappointed. Thank you.

MINISTER KNIGHT'S PORTFOLIOS

DEPARTMENT OF BUSINESS AND EMPLOYMENT

Mr CHAIRMAN: Welcome.

Mr KNIGHT: Thank you.

Mr CHAIRMAN: Do you have an opening statement you would like to make?

Mr KNIGHT: I do, Mr Chairman, a brief opening statement. The Department of Business and Employment is responsible for three Output Groups: Business Development, Employment, and Shared Services. It also has responsibility for three government business divisions: NT Fleet, Data Centre Services, and the Government Printing Office.

In 2010-11, Northern Territory gross state product growth is estimated to have risen by 2.2% whilst state final demand, which is a better reflection of the onshore economy, is estimated to have increased by 3.2%. Increased public sector investment, including the Northern Territory government's capital works program, is estimated to have offset a reduction in the private sector investment in 2010-11. The Territory is between major projects and some sections of the business community have been tightening their belts in recent months. The outlook in the minerals and energy sector remains strong. Tourism has softened Australia-wide and here in the Territory. Construction has also softened in the last few months, but is expected to pick up in 2012. Public sector investment is forecast to pick up in 2011-12, and the gross state product to increase by 3.2%.

The Northern Territory government has continued to provide a business-friendly environment with the lowest taxing jurisdiction for small or medium businesses. We are focused on key infrastructure like the marine supply base project, providing business support and development programs, and a partnership approach with business and industry. The business support and development area operates the Territory Business Centres, delivers a range of business support programs including business up-skills, business growth grants, ecoBiz, and October Business Month. This area is also responsible for managing the investNT website, industry participation plans, support for research and innovation, Defence industry support, and provision of assistance to businesses to find their way through a range of government programs and regulatory requirements.

My department is also responsible for employment policy development and coordination; the identification of skill shortages and training priorities together with the department of Education; skilled worker attraction, both interstate and overseas; and assistance with skilled migration. The department also has responsibility in the area of Indigenous employment. The Department of Business and Employment is also the shared corporate services provider for the Northern Territory public service. The Northern Territory has been a leader in shared service provision since 1998 and continues to break new ground in this area.

The department provides a range of shared corporate services to the rest of the public service, including accounting services, payroll and recruitment, ICT contract management and data centre services, leased property management, fleet services, printing services, and procurement services. The business and employment portfolio has responsibility for a number of government priorities under the 2030 strategy, the climate change policy, and *A Working Future* strategy. The green fleet strategy, green building policy, and ecoBiz all contribute to the achievement of key objectives in *Territory 2030* and the climate change policy. Indigenous training and employment programs contribute to the delivery of priority objectives under *A Working Future* strategy and workforce growth, business support, investNT, innovation and Defence support and ICT all contribute to the important economic sustainability objectives under 2030.

I welcome questions for the committee. I would like to introduce Graham Symons, the Chief Executive Officer of the department to my left, and Rex Schoolmeester, the Chief Financial Officer. Other officers are available behind me for further clarifying questions.

Mr CHAIRMAN: Thank you, minister. Are there any questions to the opening statement?

Mr MILLS: No, I will save that and we can go straight into ...

Mr CHAIRMAN: Do you have agency-related whole-of-government questions?

Mr MILLS: Yes.

Minister, thank you for your overview, and welcome. Could you describe what you see as the current economic challenges the Territory faces?

Mr KNIGHT: Where we are now; we tend to operate counter-cyclical to the rest of Australia. A year to 18-months ago the rest of Australia was really impacted by the global financial crisis; we were still very strong in most sectors. Things have obviously tightened. We are experiencing, in a range of areas, some tightening, especially the manufacturing area. Different sections of the retail area are experiencing some pressure, high-end fashion; those high-end stores are impacting.

Although people are saying it is not as good as last year, it is still very strong. There is a degree of confidence out there. The Sensis Business Index indicates there is a degree of confidence. They understand where we are in the cycle of things - waiting for INPEX to come. Our growth figures are still strong compared to the rest of Australia. Our unemployment rate has been the lowest for quite some time throughout Australia, and the participation rate in the workforce has been the highest in Australia.

Things are travelling fairly well. We have slowed down; however, given we are about to launch into a fairly strong economic future with the oil and gas industry, not just INPEX, but the first of the FLNG plants coming on board, with Prelude, with another six to eight prospects to follow. We have had recent announcements with ENI and MEO for their Blackwood field 400 km north of us. There is a range of exploration activity going on in the oil and gas industry. With the marine supply base, selection of a preferred tender will conclude shortly, and that facility makes for confidence, and rightly so, in the future of the Northern Territory economy.

Mr MILLS: The question was: what do you identify as being the major threats to the Northern Territory economy? I use the word challenge. What do you see, minister, from the point of view of your government as the major challenges or threats to the Territory economy right now?

Mr KNIGHT: My discussions with business and my observation is, basically, the workforce. That is one of our biggest challenges, coping with growth. Growth for these major projects requires public infrastructure which we are investing in, and we have made some decisions to invest and go into deficit and keeping businesses going as well.

When I am talking to businesses, they are finding it hard to find workers. That is the first thing that comes to mind.

Mr MILLS: Are you telling me the economy is expanding and, as a result, workers here are insufficient in number to meet the demand? Is that what you are saying?

Mr KNIGHT: Yes, that is indicated by the unemployment rate. Also, the skill level required for these other projects will be higher. We are working closely with the department of Education around school-leavers, matching training with future occupations. The oil and gas centre of excellence at the university is going to be a key to that. We have to look at our local workforce; we have to give them the opportunity to move into higher paying jobs. We have interstate and overseas campaigns happening to bring workers here.

Mr MILLS: What you see as the biggest and most significant challenge to the Territory economy is our workforce, our labour force, and that there is insufficient because the industry is expanding. Would you not also recognise a loss of population - people are leaving the Territory to the tune of about 100 a month?

Mr KNIGHT: I accept there has been some slow down; however, you make that comment but you also say there are not enough houses for people and that is why we have land release where we need more housing for the people coming here to live. There is a growing population here, and we will see that continue to grow through major projects and natural growth. There are jobs here for people to take on now, so people are also staying.

Mr MILLS: You do not recognise the cost of living as being one of the major threats to the Territory economy to hold skilled workers? In fact, we are losing population in that specific area; people are choosing to go elsewhere because of the cost of living in the Northern Territory. You have not come across that as a significant concern which needs a policy response from government to benefit business?

Mr KNIGHT: We have the second lowest power prices in the country and the lowest water prices in the country. We have a very strong residential property market that has moderated in the last few months. The reason is because there is a prospect and much anticipation of a boom economy in the Northern Territory,

and I accept this. The cost of living - you are really talking about the rental market. We have done a great deal there and land release would have been covered by previous ministers.

We are all about expanding the economy. People are coming to the Territory because there are good jobs and a bright future. Our residential property market will stabilise and grow.

Mr MILLS: I will set the scene before moving forward. It has taken time to get a clear fix on what you see as servicing the needs of the Territory economy through this portfolio and, as a minister of government, what the key economic challenges are: (1) is skills shortage, (2) you would accept the cost of living has caused people to make a decision to leave the Territory when we would prefer them to stay. Do you accept the cost of living is a factor bearing on businesses to try to hold people here to be involved in their enterprises?

Mr KNIGHT: The main cost of living you are talking about is providing affordable housing, and that is what we are trying to do. There are models and experiences interstate where we have been trying to introduce those affordable housing options into the marketplace, because there are good jobs here. As I said, the power, water, and sewerage prices are the lowest in the country, so those expenses you incur as a family or as an individual, are low. It is really about getting more stock out there and different stock - more affordable housing.

The prospects for people here are high-paying jobs. For those people who are in semi-skilled or low-paying jobs, we want to ensure they get the opportunities to undertake training to move into higher-paying jobs and move here. People are moving here - that is the reality of things - because there are good prospects.

Mr MILLS: With respect, the ABS figures have shown in the last 12 months we have lost 1200 people.

Mr KNIGHT: People are coming and going all the time. I know people are coming here. There is a huge demand for more housing - people are looking for housing.

Mr MILLS: You just said the housing market has slackened. Could that be because there are 1200 more people who left than arrived here? Largely, it is the cost of housing and the opportunities in other places. You cannot have two stories. It has slackened off because people are leaving. The population has, in fact, slipped because there are more leaving.

Mr KNIGHT: If you want to talk about the housing market, it is really a reflection of some ceilings reached with affordability. The international credit market has dried up and that has replicated to the national level. We have tried to get banks to realise the Territory economy is very different to southern economies. Although that work has been semi-productive, it now requires us going to mortgage lenders as well, trying to get them to understand the Territory economy is very strong, and the housing market here is strong as well, and they can reliably lend into this marketplace.

Mr MILLS: To set the tone, I thought we approached this like business; it is not political. I am not having a go at the government. I want to get clear what you see as the key threats. I thought it was obvious. To me, it is the skilled supply, the capacity to service the needs of industry straight up. That is under threat because of the cost of living in the Northern Territory. Anywhere I go, I hear that. Once we have established that, we can talk about the policy responses of the government to those issues facing industry.

Moving to surveys, there are plenty of surveys out there, minister, about business confidence. The Sensis survey is one in particular. Could you advise what you see the current trends are in relation to local business confidence?

Mr KNIGHT: With the Sensis Business Index?

Mr MILLS: Yes.

Mr KNIGHT: They remain the highest in the country. They are confident in the government's policies. The reasons they give are around the support programs. We are the only jurisdiction to provide managers to work with businesses. Our support programs - everywhere I have been and talked to people who have used those programs there have been glowing results. October Business Month gives people another suite of information about how they can improve their business. The support the government provides is why they have confidence, the highest confidence in the country.

Mr MILLS: It is not about the government. I am just wondering, what are the business ...

Mr KNIGHT: Well, that is what they say.

Mr MILLS: Sorry?

Mr KNIGHT: The Northern Territory government has the highest ...

Mr MILLS: Business confidence - what trends do you see? Can you tell us about the trends you see emerging in the Sensis survey? It is not about how people might feel about the government. The government is doing the best it can, perhaps, but a snapshot into the state of play in the Territory economy is revealed through surveys such as Sensis.

Mr KNIGHT: The trend has been that businesses have the highest confidence in the country.

Mr MILLS: In what, sorry?

Mr KNIGHT: In the policies of the government and of their future prospects. I can rattle off the Sensis Business Index if you want.

Mr MILLS: This is not about the government. It is nice that people are confident in the government. Government is trying its best, but there are some trends affecting business, concerning business, and I would quote to you from the survey that indicates there are significant concerns about unemployment; for example; we have 750 fewer people in jobs in a month as a result of the costs of living. How they feel about the government is one thing, but the fact unemployment rates have increased in the Territory is a concern. It is not about what people feel about the government, but about a trend we are starting to see emerging in the Territory labour force.

Mr KNIGHT: From 2.7% to 3.5%; full employment is at 4.5% to 5%. We have been below full employment for quite some time. In some ways, it is unhealthy to have a 2.6% or 2.7% unemployment rate whilst having high participation rates. It is not as if people are not participating, they are; we have so many jobs and so little people to take them. It is a critical area of business to find workers and retain them because people are moving around, but to go to 3.5% is still way below the national full employment.

Mr MILLS: I will give you that; however, if our unemployment rate - and we are measuring it specifically on those that are in the workforce seeking work - if it is as low as it is in the Territory, that is good. However, when you match that against the cost of living driving skilled workers out of the Territory, it tells a different story. The amount of pressure on households to live in the Territory, and making a decision therefore to leave, puts that figure into a different perspective wouldn't you say? If you want work you can find it, but most people on modest incomes cannot afford to stay here. That is another aspect of it, wouldn't you say? You have a skills shortage, you have 1200 more people leaving the Territory than arriving in the Territory - people able to find employment elsewhere and we lose them.

Mr KNIGHT: We have the land release policy, we are trying to put affordable housing initiatives in place, and we have many jobs. We have people moving here for those jobs; however, we are competing for that workforce not only amongst the resource rich states of Queensland and Western Australia, but Australia has a fairly low unemployment rate as well, some 5.5%. So, we are all struggling for workers. The current demand in the resources sector - 36 000 workers by 2015 are required and they do not exist in Australia at the moment. It is a challenge right across Australia for workers and, in the Northern Territory, it has grown considerably and we are trying to address the key factor of the cost of living - housing. We have land release and many blocks coming online so we look forward to moderation. There is also confidence; people are paying that money for housing because they can see the economy of the Northern Territory is going to continue being very strong for decades and decades to come.

Mr CHAIRMAN: I am going to head back to you in a second, Leader of the Opposition - and you are fine to keep asking your questions. There is often a level of policy debate at Estimates Committee; I wanted to note we are half-an-hour in and the core business of Estimates is asking questions about the budget. We have not moved to there yet. Your call, but the business of Estimates is usually around the appropriation debate.

Mr MILLS: I understand that; however, before we start that journey, I have to get a few things clear so we know what we are dealing with. Getting an understanding of how business is positioned, and I referred

you, minister, to the Sensis Business Index, do you have any further advice as to the trends emerging from that index, apart from how they feel about the government?

Mr KNIGHT: I do not have anything specific. There has been confidence in the government and the program so we will continue to deliver those programs. The lack of workers has come up as a main reason for concerns with business.

Mr MILLS: I am concerned, minister, that the value of sales for the November-January period has decreased by 13%. That is what the Sensis trends have shown us. The expectation was in the other direction by 17%. The size of the workforce has slipped by 9%, profitability has dropped by 9%, and capital expenditure has dropped by 9% when they were expecting it to drop by 2%. It is a significant shift. I have not heard any of that.

Mr KNIGHT: It is a quiet time of the year. As I stated in the opening address, we are between major projects. We have been hit with the tail end of the GFC, the credit market has tightened, the Australian dollar is high, and we came off the biggest Wet Season we have ever had. Despite all that, the business community has the highest confidence in our government than any government in Australia, and also the programs and initiatives we are running to help them to improve their business.

As far as business investment goes, we know that it is happening. People are having trouble getting money or are holding off to see what happens to major projects. That is why we have kept the economy ticking over. You can read doom and gloom into things, but my experience when getting out and talking to businesses throughout the light industrial area, Casuarina, Palmerston, Yarrawonga, and the CBD, is things have started slow this calendar year and have improved. Some shops of a particular kind are experiencing some slow down, but others are saying it is going quite well.

It is mixed; however, we are not hiding the fact that things have slowed. We came off a fairly high base. Over the last two years, things have been booming. People were working seven days a week. They might be working five days a week now. It is one of those cycles which happens with the economy, but it is certainly not doom and gloom, and what is ahead of us for the Northern Territory is something business can have confidence in. Our big focus is not only securing these major projects, but to make sure local businesses get a share in it.

Mr MILLS: Thank you, minister. Last year, you talked a great deal about business opportunities. What have been the significant additions to business activities in the Territory in 2010-11? You talked about the opportunities. What opportunities have eventuated in 2010-11? What major business opportunities and additions to business activity have occurred in 2010-11?

Mr KNIGHT: I will start with the biggest one, INPEX. INPEX is rolling through its onshore and offshore feed at the moment, and we have been working closely with it and with the ICN. We have invested quite heavily in ICN with additional resources specifically for the INPEX project - the project gateway. That is to enable businesses to have a chance at getting that work. In February of this year, the Chief Minister and I held a forum with business around those opportunities with INPEX and other major projects which was really saying: 'This is what is coming up'.

For INPEX, listing the standard businesses have to step up to, and we have incorporated those requirements into a series of workshops where businesses must obtain their prequalification. Their tendering requirements are not unreasonable but are of a high standard and businesses need to step up to them. We also held other workshops around alliancing and clustering. Some of these contracts coming out are beyond the capability of a single firm, so there is the opportunity to not only cluster with some local businesses, but also align to a national business which does not have any presence in the Northern Territory but has the capability to work with a local business. We are running a series of workshops on that, and are giving support for the ICN to allow those businesses the best possible chance of getting that work.

The marine supply base is a whole new product for the Northern Territory and will be a game changer. The Chief Minister has an understanding around the Aberdeen development, and I will be working over the next few months to get an understanding. We will be working with businesses for them to look at diversifying into that marine servicing to the oil and gas industry. We provide workshops to allow businesses to take up these opportunities.

Mr MILLS: Perhaps our minds are in different places. I was thinking of business activity rather than the activities of the department providing workshops for business. Perhaps we are coming at it from two different sides. If we are going to pitch it at the business activities, the things the department does to assist

business in the Territory, how do you measure your results, minister? You have workshops and activities of different kinds, but is there a way you can measure what you get as a result of these workshops, discussions, and cluster groups?

Mr KNIGHT: With respect to the workshops, it is a bit hard to measure. We are working with INPEX to find their requirements and deliver that to interested businesses. What happens then is yet to be decided; they have not made a final investment decision. They are working with a number of businesses, but those businesses will not know if they are successful until contracts are awarded. It is too late to be getting ready at FID, so we were trying to provide as accurate and good information for those businesses to best position themselves to get this work. That goes a fair way to give them a better chance.

Mr MILLS: We are still casting this in the same mould as last year; we are talking about opportunities. You have talked about the marine supply base which is over the horizon, as INPEX is. I asked, in 2010-11, what specific business activities you could describe. You talked about opportunities this time last year. What opportunities occurred? What real business activity occurred in that 2010-11 period you can point to? Business activity, to support business, to grow business - what happened in the marketplace in 2010-11, from the business point of view, particularly small business.

Workshops, yes. Do you measure how many people go to these workshops as a way of determining whether you are on track? Do you have an expectation? Do you run surveys to see whether business is interested in what you are providing? Are you on track there? Give us some more detail at least. If we are going to talk about the programs you run, can you catch something solid in there? Otherwise, it is fluffy.

Mr KNIGHT: We have ideas on numbers, which go through October Business Month and through our ...

Mr CHAIRMAN: At that point we are stepping out of agency whole-of-government into output by output? These things come up during the outputs.

Mr MILLS: I was asking a question and getting a different answer. I thought I would try to get something from it. Do you want to leave that or ...

Mr KNIGHT: No, Doug Phillips will provide some information on workshop attendance. We also did some on feedback. I will pass to Doug Phillips.

Mr PHILLIPS: Doug Phillips, Executive Director of Business Support. The workshops we conduct and the programs the Business Support Division conduct during the course of the year are Territory Business Centres, Territory Business Upskills, October Business Month, and ecoBiz.

In our general business liaison, we have four client managers based principally in Darwin, but also have representation in Alice Springs: the Territory Business Growth program, our procurement liaison, our arrangement with the Business Enterprise Centre which help start-up businesses, Getting Started in Business workshops and, of course, our technology and business activity which is all about better use of websites.

In the case of Territory Business Centres, we have had a record inquiry - this if for the 10 months until the end of April - 131 000 inquiries. This year, there has been the requirement for the Ochre Card and some other occupational health licences which have not existed in the past. Territory Business Upskills has had 64 workshops throughout the Territory, with 687 attendees - again to the 10 months - which is up 40% on last year. Our October Business Month in October 2010, had 84 events Territory-wide, with 5529 participants - an all time record. In the case of ecoBiz, we had 107 businesses go through this program until the end of April.

With business liaison, our client managers had active - this is just not shaking someone's hand, this is constructive interface with the business - is 3230. With Territory Business Growth, we have assisted 79 businesses to date, again to April, with 26 committed. In 2008-09, we had a record spend of \$500 000, and that was when the GFC hit, and by the end of this financial year we will be very close to that figure again. We have been very active in that area. Our Procurement Liaison Group has spoken to 132 businesses on procurement inquiries. The Business Enterprise Centre, through Jack Hughes, has had 80 workshops with 838 attendees, and again, in conjunction with the Business Enterprise Centre, we have conducted 11 workshops for Web 2.0.

Generally, our activities this year have been higher than in previous years. Currently, we are doing a great deal of work with businesses, and times are, as the minister indicated, tight out there. We are finding that businesses, probably in good times, often do not want to have too much to do with government, especially government procurement; we are doing a great deal of work helping businesses step up to the plate and put in a better tender document to give them a chance to be successful.

From my point of view, as the Executive Director looking after that side of the department, we are very happy with the way our programs have run this year and acceptability by the business community Territory-wide.

Mr CHAIRMAN: That is good. Can I suggest we either return to that high-level discussion around questions to the opening statement, which we did not move on from, or we go into outputs? I know the member for Nelson has questions.

Mr MILLS: Yes, now I have gone into that field I was dealing with it in another place. I thought at least we will get something. I am happy if the member for Nelson wants to ask some questions.

Mr CHAIRMAN: No, he has questions for the outputs which is the agenda, if that makes sense.

Mr MILLS: Yes.

OUTPUT GROUP 1.0 – BUSINESS DEVELOPMENT Output 1.1 – Business and Industry Development Support

Mr CHAIRMAN: The first agenda item is Output Group 1.0, Business Development, Output 1.1, Business and Industry Development Support. I am confident that is where Defence Support comes in, which is where the member for Nelson had questions. That is the first item.

Mr MILLS: Business Development, Business and Industry Development Support. Minister, what impact to business are you able to describe of the failure to deliver on skilled worker accommodation in Darwin and Alice Springs? What impact has that had on industry and business in the Territory?

Mr KNIGHT: We you have seen our rental vacancy rates opened up and it is not as oppressing as it was at the time it was announced.

Mr MILLS: Is that why the decision was made not to proceed with it?

Mr KNIGHT: It is not part of this portfolio. It is probably a question for another minister.

Mr MILLS: What impact has it had on business? Can you see any impact at all of not having worker accommodation in Darwin and Alice Springs? Do you think it has had no impact?

Mr KNIGHT: I could not say. Things have slowed; vacancy rates have opened up so there is more accommodation available in the rental market and more land available to build on. That has opened up a bit and the pressure has eased.

Mr MILLS: I will not pursue the door that has been opened there, but what about the impact? Can you describe the impact of the significant number of Defence personnel moving out of the Territory on Territory businesses?

Mr KNIGHT: It is a bit hard to gauge. I imagine there is a procurement spend here. The moving of 7RAR to Adelaide will be offset by a growth of 5RAR back to the same sort of numbers. With Defence, we have people moving all the time. My advice is it was going to grow 5RAR back to the same level 5/7 was.

Mr MILLS: The only information I seem to be getting is you run programs. I thought industry and business would have a focus on those things; feel that pulse and be able to quantify in some specific way what effect it has. It is not about the government - I am not having a go at the government - it is being able to read the play and what effect Budget 2010-11 has and what sort of policy response you would be anticipating making. What effect does this have in the amount of procurement money flowing through the system? What effect does it have on employment? Why are Sensis figures showing these quite surprising trends, which are concerning? Is this explained by that? I would like to hear what you have to say on that?

Mr KNIGHT: The advice I have is there are 6770 personnel in the Territory, which is a 21% increase in numbers since June 2006. The numbers have grown, and there are different Defence spends from time to time. There are exercises in Queensland at the moment with many Army personnel heading there, so people are coming and going all the time.

Mr MILLS: Are you saying the numbers last year are greater than this year or less than this year?

Mr KNIGHT: They are greater than 2006.

Mr MILLS: Minister, have Defence Force numbers increased or decreased this year relative to last year? 2006 is an interesting number, but we are asking have they increased or decreased? Pick a number.

Mr KNIGHT: I will get Gareth James to answer.

Mr MILLS: I am having difficulty getting to first base.

Mr KNIGHT: I am about to introduce Gareth James.

Mr JAMES: Gareth James, Executive Director for Business and Industry Development. The aim of Defence was to increase the numbers in the Defence area in 1st Brigade and then cut away to Adelaide to form 7RAR. The nett difference is an increase over time. The numbers I have given you, minister - there has been an increase in the Defence presence in the Northern Territory over the last few years. In fact, it is a 21% increase since 2006.

Mr MILLS: What were the numbers last year?

Mr JAMES: The Defence community population, members plus families, has increased by 1059.

Mr MILLS: From last year to this year. What is it predicted to be next year?

Mr JAMES: That is a different question, Mr Mills. It is difficult to get answers from Defence in relation to their force disposition planning. With the announcement today by the Minister for Defence that they are going to review their force disposition, their basing arrangements, and where they are going to have Defence and families based, they anticipate there will be an increase in presence of Defence in the Northern Territory. As to the size of the increase, it is difficult to get a handle on that.

Mr MILLS: Once that advice is provided, how does the department respond to that, and how is that information responded to at this level?

Mr JAMES: What response do you mean?

Mr MILLS: What preparation you could make. If numbers increased significantly on the basis of the decision announced today it would mean there is a potential for greater procurement money being available. How does that information flow work? At what point do you get yourself ready for what may be an opportunity? How does that information come to you from the announcement made today, for example?

Mr KNIGHT: There are two separate things. One is the expenditure of personnel and families, and then there is the Defence specific expenditure on equipment and maintenance etcetera. They are two separate things. Much of the Defence procurement is locked into contracts which we try to get here, but I will pass to Gareth James for more of an explanation.

Mr JAMES: Each year there is a Northern Territory government and Defence executive consultative group meeting. This is one source where we can extract information relating to Defence planning and projections. There is a strong commitment between the Northern Territory and Defence to work together to understand what their baseline arrangements are going to be.

We try to anticipate, therefore, where there are opportunities for economic growth and opportunities for industry growth. With some increases in the Defence presence there may not be as great an opportunity for industry growth as in others. Much has been said about the Abrams tanks over the years and our ambitions to capture that work in Darwin instead, as we have seen in years past, it leaching out of the Northern Territory and going to places such as Bandiana.

We are keeping under constant review the Defence plans and what projects they are working toward, their procurement plans such as the replacement howitzers, the replacement field vehicles under projects such as what they call Land 121. Those kinds of projects will net significant economic and industry development opportunities for the Territory. We are working closely with Defence to understand their plans and, importantly, working closely with the prime contractors in the Defence area to attract those activities to the Northern Territory - trying to attract their investment and, importantly, trying to attract their interest in working with local pre-existing industry to help grow clusters and strategic alliances where people within the supply chain are going to benefit.

Mr MILLS: Thank you, Mr James. On the strength of today's announcement, expect more questions for next Estimates; see how you go. Minister, last year at Estimates you identified two industry participation plans that had been completed. Could you give us a report on how those plans fared? What is the final score on them? They were in relation to Commonwealth stimulus package plans.

Mr JAMES: Which plans?

Mr MILLS: It was not very clear. I have a transcript from last year and am interested in following this up. You were asked, I think, by the member for Solomon, how many projects ...

Mr KNIGHT: Solomon?

Mr MILLS: Fong Lim. Did I say Solomon? He used to be.

Mr CHAIRMAN: That is how I guessed who it was.

Mr MILLS: How many projects in 2009 were required to prepare Industry Participation Plans, IPPs, and I believe the answer came as 17. We wanted to get down to how many in 2010, and there were two. I believe they were to do with BER or Power and Water. Two were referred to and I want to know, now we are in 2011, how did they go? Give us a report on them.

Mr KNIGHT: One is INPEX, but I will pass to Gareth James.

Mr JAMES: Mr Mills, in the 2009-10 period the department assessed IPPs for 26 projects and in the 2010-11 period - I am talking financial years in line with the output framework - up to 30 April, the department had assessed IPPs for 28 projects.

Mr MILLS: The two referred to so far in 2010 - I guess it is hard to identify what they were at that point in time - is there a report on them? How did it go? You had a plan; did you achieve your objectives? That is what I want to know. You might have 78 participation plans, great, but did the plans achieve their objectives?

Mr JAMES: The department's role is to establish and administer the policy, which is the requirement of the IPPs. The follow through on the IPPs is part of the contract management process, not a role of the department. We assess the quality and content of the proposed IPPs and, thereafter, it is not a role of the department to follow through. The IPPs are attached to procurement by a whole range of different departments as a component of that procurement.

Mr SYMONS: I can add to that. It depends a bit on the IPP and the project. INPEX is a good example because of the scale and the potential for local business to benefit. We have an ongoing steering committee with INPEX that Mr James co-chairs. An extensive range of activities have been initiated under the umbrella of that IPP steering committee. For example, recently a workshop was held with Indigenous businesses that had 80 ...

Mr JAMES: No, 120.

Mr SYMONS: ... 120 attendees. It was a very constructive workshop.

We have run a whole series of workshops for local business to upskill business, specifically around oil and gas and the opportunities with INPEX. There was one on project management and control that had over 80 attendees in April. Another one on joint ventures and consortiums in May had over 30.

If I continue in relation to the INPEX project, we have established a gearing-up local business steering committee I jointly chair with Chris Young from the Chamber of Commerce that has high-level

representation from the oil and gas industry, but has the key officers from the peak industry associations and also representation from Unions NT. That is looking at both sides of the picture: what the opportunities for local business are, what the pre-qualifications requirements are that business needs to know, what the steps are, what government and industry associations can do to help gear up local business.

It is also looking at the issues you were raising before about skills. There has been quite detailed work done to calculate what the shortages are, what steps need to be put in place training local people, working with the Commonwealth to free things up a bit in our capacity to get people from overseas, and what the opportunities are, or are not, in interstate recruitment. There is a whole raft of work being done.

Mr MILLS: Thanks, Mr Symons - a good description of the breadth of the plan. The question then is: who has ultimate responsibility to ensure the plan meets its requirements and objectives? If it is not this minister, is it another minister, or is it a range of ministers?

Mr SYMONS: In the case of INPEX, it is this portfolio. It depends a bit with the other projects. It would vary.

Mr MILLS: The BER one, for example, that was referred to last year.

Mr SYMONS: With Power and Water, it would be Power and Water responsibility. If it was a major construction project that involved an IPP the Construction and Infrastructure portfolio would generally be responsible for following through.

Mr MILLS: From the point of view of the opposition, if we wanted to pursue that we would have to know under which ministerial responsibility it sits, is that correct? I will not go any further with that.

Through the minister, Mr James, you referred to the number of industry participation plans in the last financial year. Are you able to table those? Thank you.

Minister, did Finbuilt produce an industry participation plan for its activities? It was work in Central Australia, I believe.

Mr SYMONS: I refer to Gareth James.

Mr JAMES: The IPPs, Mr Mills, are required for projects over \$5m. I am not sure whether it was a project over \$5m.

Mr MILLS: I assume it would be in that list.

Mr JAMES: I am looking through the list. I cannot locate it at ...

Mr MILLS: That may be the case. Did Finbuilt receive CAL accreditation? Is it mandatory for Northern Territory government contracts?

Mr SYMONS: There are tiers of CAL accreditations at different levels. So, yes, CAL accreditation would be required for construction projects in the Northern Territory; however, there is a whole tier depending on the value of the work and the kind of work.

Mr MILLS: Would that involve checking the ongoing financial status of the business that is given accreditation?

Mr SYMONS: Yes. What happens is that CAL, which is an organisation jointly owned by the Chamber of Commerce and Master Builders Association - it is an independent organisation with its own board, but it receives funding from the NT government under a contract with DBE. Part of their responsibility is to monitor that kind of thing. They would be monitoring, I do not know how often they look at financial viability - annually, I am advised.

Mr MILLS: Minister, how many businesses closed in the Territory in 2010-11?

Mr SYMONS: I should say before commenting that the statistics available and collected nationally have limited use.

Mr MILLS: Let us square it off and say how many opened and how many closed, so I am not just talking doom and gloom?

Mr KNIGHT: These range from one-person businesses up to large businesses as well.

Mr MILLS: They are numbers ...

Mr SYMONS: In the first case these are ABS figures on the number of actively operating businesses; however, because of the limits of statistical collections, the last one available to us is June 2009 from the ABS. At that stage, there were 13 893 actively operating businesses, an increase on the year before. Business exits, the last figures available through ABS were from 2008-09. There were 2383 business exits. The rate in the Territory was in the mid-range of the states and territories in regard to rates and exits. Insolvency and bankruptcy - these are figures from ASIC for 2009-10. Twenty-four companies entered into administration compared with 9281 nationally. Bankruptcy figures from Insolvency and Trust Services Australia, in 2010 there were 30, compared with 23 in 2009.

Mr MILLS: Are they figures for the year before?

Mr SYMONS: For which one?

Mr MILLS: For both, administration and bankruptcies.

Mr SYMONS: The number of actively operating businesses in 2008 represented an 85 increase on 2007; the 2009 figure represented a 96 decrease on June 2008.

Mr MILLS: Is that going into administration?

Mr SYMONS: No, that is total number of actively operating businesses. The number of bankruptcies was 30 in 2010 compared with 23 in 2009. I do not have the comparison for those going into administration.

Mr MILLS: Thank you. I only have a few more, member for Nelson. It almost crosses the boundary; however, what is the status of the Robertson Barracks Defence Support Hub?

Mr JAMES: The Defence Support Hub, Mr Mills, is a two-phased one. Four blocks are available. The road is in and services to those blocks. Is that the answer you were looking for?

Mr MILLS: We have achieved Phase One. Has the \$1m allocated been spent?

Mr JAMES: I need to point out the Land Development Corporation is the developer of the land and is in control of the expenditure of the money. Some of those questions were dealt with earlier today.

Mr MILLS: I will leave that. Two more questions; then we go down to output specific. Minister, has your department done any work on modelling the effects of the carbon tax on Northern Territory businesses?

Mr KNIGHT: Before we receive more detail, it is hard to do. Treasury, I understand, is doing some modelling; however, until we get some clearer details it will be quite hard to do. My understanding of the Ross Garnaut presentation I attended is very few businesses in the Northern Territory would pay a carbon price. There would be a ripple effect; however, until we get more detail it is quite hard to do. Territorians will also receive a higher benefit than other Australians in compensation.

Mr MILLS: Minister, I am interested you advise Treasury is doing some modelling on that. How is that advice communicated to this department? Can you explain how that works? If that modelling is occurring, how do you become aware of it; how does your department become aware of it?

Mr KNIGHT: It depends on how it comes back to us, whether it comes back as a Cabinet presentation or whether it comes back through Coord. At this stage, it will be up to the Treasurer and the Chief Minister to work out what form it comes back in.

Mr MILLS: Have you requested information be provided to this department on the potential effect?

Mr KNIGHT: We are awaiting the Treasury modelling which will come back, I imagine, to Cabinet.

Mr MILLS: Have you requested this information?

Mr KNIGHT: There has been no need to because they have undertaken the work.

Mr MILLS: Have you done any modelling, or are you aware of any modelling, on the effects of the blanket ban on live exports and what effect that will have on Northern Territory businesses? I assume from your previous answer it must exist in Treasury; however, can you advise on ...

Mr KNIGHT: It depends how long it continues. I will pass to Mr Ian Prince to provide some advice.

Mr PRINCE: Ian Prince, Director of Economics and Policy, Department of Business and Employment. We have been tracking this issue very closely because it has a significant economic impact in the Northern Territory - influencing the policy shift that has happened and looking for a rapid resolution of the issue.

Two levels of business need to be considered. Clearly, the beef producers - I daresay that has been covered with the Department of Resources, which is responsible for primary industry. We are also interested in the support businesses that rely on the live export trade and our estimate is there is something like \$40m per annum value to our economy associated with those support industries. We are looking very closely at how they might be supported through this issue and what the economic impacts are.

Mr MILLS: Looking closely, does that mean someone is conducting modelling so we can have management of this risk or at least preparedness to respond to it?

Mr PRINCE: Yes.

Mr MILLS: Where is that occurring?

Mr PRINCE: That is occurring in our Department of Business and Employment and in the Department of Resources. We are looking at that very closely so we understand the issue as well as we can and tailor our programs to influence the rapid resolution of the issue and provide the support required for those businesses in the interim.

Mr MILLS: Support in the interim. Do you believe there is a case for compensation?

Mr KNIGHT: The support we are providing is for businesses to look to a business plan around how they can structure their business. It depends on the duration of the ban, on how quickly it starts up again, and at what stage. I have sent out an e-mail through the department to all businesses in the Northern Territory asking if they are a supplier to the live export market or the pastoral sector. The best advice we can give is to keep them updated so they can make business decisions about what they do; whether they stay in the industry, whether they get out of the industry, whether they diversify, and how they arrange their cash flows.

That is trying to support those businesses. Just today we have provided \$30 000 in the Trade Support Scheme for the Northern Territory Cattlemen's Association, and another \$30 000 for livestock exporters so they are able to, after the ban is lifted, do extensive marketing and education promotion of the Northern Territory livestock industry to get back into those marketplaces.

At this stage, we are trying to work with businesses to sustain them, in a planning sense, so they understand how their businesses are going.

Mr MILLS: When did you send the e-mail out?

Mr KNIGHT: Today.

Mr MILLS: Businesses will start calling in saying: 'I would like a diagnostic'.

Mr KNIGHT: They can do that, or they can ask to be kept informed about every piece of information coming through which will save them trawling through the national or local media. We can give them as accurate information as possible about what is happening with the sector.

Mr MILLS: That will suffice for now. Thank you, minister.

Mr CHAIRMAN: Many of those questions were to Output 1.1. Do you have other questions for Output 1.1? Those last few questions were to that output. Do you want to continue?

Mr MILLS: Yes, I do, but I am mindful that ...

Mr CHAIRMAN: If the minister is comfortable, we can go to the member for Nelson and then come back. You have questions to Output 1.1, member for Nelson, do you not? You are welcome to ask them now and then we will come back ...

Mr MILLS: I did say there was some crossover so, I am more than happy for you to have a shot now and then come back to me.

Mr CHAIRMAN: We are going to formally move to Output 1.1. The member for Nelson is going to commence.

Mr WOOD: Minister, when I was in Alice Springs prior to the last sittings, an issue was raised with me that was quite concerning. It came from a leading businessperson connected to the Chamber of Commerce who sees the future of Alice Springs, from a business point of view, as fairly bleak. I believe his reasoning was this: there is an increase in the number of Aboriginal people being part of the demography of Alice Springs; there is a shift of skilled non-Aboriginal people out of Alice Springs to other places; the gap in the skills is not being picked up by Aboriginal people to take on those businesses to become entrepreneurial.

I wonder whether you had any suggestions as to how you would turn that around. His big concern is Alice Springs would end up being very dependent on welfare or social security being the main part of its economy. Do you have any population statistics which would show there is a change in the demography of Alice Springs? Has there been some indication there has been a loss of skills from Alice Springs to the south? This could have been caused by some of the social dysfunction we have had recently, or people have just decided to retire out of Alice Springs.

Mr KNIGHT: We do not have the degree of detail you are after, such as assessing the skill levels which have moved away or have been retained. As far as the solution goes, probably more than the seven hours we have here to talk about the welfare system ...

Mr WOOD: I am not worried about the welfare system. This section is about business and industry development support. His concern is Alice Springs is losing some of its skilled people - the people who actually drive the economy - and there is an increase in the Aboriginal population of Alice Springs. Those people are not moving into the gaps caused by these people leaving. He is saying instead of having an economy that is driving itself, you will end up depending on welfare. His concern is it will not be good for Alice Springs.

Mr KNIGHT: Even in Darwin, we struggle attracting with certain occupations, as does Alice Springs. In Alice Springs, we are assisting businesses and sponsoring skilled migrants and we will continue to do so. Just because some people are leaving does not mean positions stay vacant; it means we will have to fill it. If it is not coming from the cohort you are talking about, it will come through interstate campaigns or the assistance of the department through skilled migration.

Mr WOOD: It is not individual jobs we are talking about. We are talking about businesses going, folding up, finished - that whole cohort of industry has left and nothing is replacing it, except welfare. I am repeating what a member of the Chamber of Commerce, who runs a business in Alice Springs, told me. He has said this is a real concern. He is looking at the long-term viability of industry in Alice Springs. I am passing that on. It is an area the government needs to be taking seriously, because I see plenty of welfare in the Northern Territory; sometimes I do not see much industry.

Mr KNIGHT: Becoming a business owner is partially what you are talking about. We run workshops and forums to assist people who are interested in doing that to move through that maze. Going into business is an extremely challenging thing to do. I had meetings around the Alice Springs sittings with the Chamber, and many other people as well. There are a number of challenges in Alice Springs. However, there is also an economy. The recent announcement of the airport graveyard is a sector we not only have to inform existing businesses about, but also put out there might be significant opportunities for people to start businesses in servicing and providing goods or services to that new industry.

Mr WOOD: Minister, I hope some attention will be put on that concern. Another area you mentioned in your annual report was the Business Enterprise Centre travels to various main centres in the Northern Territory to develop skills for businesses. Have you gone into communities? Who goes to the growth towns to promote small business there?

Mr KNIGHT: I will pass to somebody else in a minute; however, I have seen them at Wadeye being inundated by Mr Harold Anderson. They have been there on a regular basis. I will just pass to Hayley Richards.

Ms RICHARDS: Hayley Richards, Director of Industry Development and Investment. With respect to Wadeye, the Business Enterprise Centre ...

Mr WOOD: Not just Wadeye, all the ...

Ms RICHARDS: Wadeye, okay.

Mr WOOD: The big picture.

Ms RICHARDS: ... has been doing enterprise visits. We work closely with the Department of Housing, Local Government and Regional Services, who have Indigenous economic development officers and regional development officers working in specific growth towns. They work in coordination with us, visiting each of those towns often on a cyclic basis. There are officers based in Nhulunbuy, Tennant Creek, Alice Springs, and Katherine. They have a rotation where they go and visit those towns and talk to people about start-up businesses. Then there is a number of ways we support those entrepreneurs as they want to move into business.

Mr WOOD: Minister, the budget is about outcomes. Was the figure for the number of businesses in the Territory about 100 - was there a figure you gave about the number of businesses?

A Witness: Thirteen-thousand, eight-hundred.

Mr WOOD: If you are going out into the communities outside the main centres, how many private businesses are operating in those communities? I would not want to include, necessarily, cattle stations. In fact, they might be out of business if we keep going the way we are. In these communities, how many private businesses are operating excluding government enterprises like the post office etcetera? Is it possible to come up with a figure?

Mr KNIGHT: We will have to take that on notice. It is a fairly detailed question. Is it just for growth towns?

Mr WOOD: No. The thing that concerns me is we are all about real jobs, we are all about creating employment, and we have people working out there. Your department is working out there. We are about outcomes. What we need to see is the money spent achieving real jobs. Is a hairdresser developing at Wadeye, is there a baker at Ramingining, those types of things?

Mr CHAIRMAN: Are you taking that question on notice?

Mr KNIGHT: I will ask Ms Richards to provide some information which may satisfy you.

Ms RICHARDS: We have a number of profiles which are growth town related. I understand you are asking the broader picture; however, it is very difficult to map the number of businesses because we use the Australian Business Names Register, which may have operators, particularly in the bush, that are not operating any longer or hobby businesses that are not in operation. We can provide, immediately, profiles of the growth towns and all businesses there at the moment. The department of Housing is currently producing a number of economic opportunity profiles, in collaboration with us, as part of its regional development role. We can provide that information.

Mr WOOD: That might do at the moment. It will give me some indication there are some real businesses operating. You get a strong impression it is generally based on the Commonwealth or the NT government rather than individual enterprises operating. I would be happy if I could get that information.

Mr CHAIRMAN: Is that a Question on Notice or is it a provision of information at a later date?

Mr KNIGHT: Perhaps we will table it. Do you have that with you?

Ms RICHARDS: The profiles, no. However, I can get them immediately.

Mr WOOD: It can wait until they come back.

Mr CHAIRMAN: If you want it to be formally part of Estimates, we will take it on notice. That is the easiest way of doing it. From experience last week, we should get a number and do it formally.

Mr WOOD: Do you want me to ask the question?

Mr CHAIRMAN: Yes.

Question on Notice No 9.1

Mr WOOD: Minister, could you supply a list of private businesses in growth towns in the Northern Territory?

Mr CHAIRMAN: That is question No 9.1.

Mr WOOD: Minister, this seems like it should be in the next section; however, it is in the annual report under Business Development. It says the department has conducted employment mapping of the towns to understand the employment profiles of the Territory growth towns. Has that employment mapping ...

Mr CHAIRMAN: Gerry reads the annual reports. If anyone is listening, there is a reader of annual reports.

Mr WOOD: Minister, the department has conducted employment mapping to understand the employment profiles of the Territory growth towns. Has that mapping been completed and is it available for public scrutiny?

Ms RICHARDS: The mapping was completed last year. It was an imperfect process. It is available and being used to inform the work happening in the Territory growth towns. We realised we needed to put more rigour into the mapping and have commissioned, through the ABS, to pick up much more information around employment, possible opportunities and business questions.

We have some existing mapping, and there will be an additional piece of work done on the back of the census.

Mr WOOD: When you say imperfect, does that mean you could not do all the growth towns or you could not get the information you needed to cover what you intended to do?

Ms RICHARDS: We collected the information to feed into the baseline mapping done for each of the growth towns. It was often collected by telephone, some on the ground, and we did not have in place things like consideration for Ntaria; whether you would include the nearby outstations with significant numbers of local rangers.

There have been some discrepancies. It is usable, but we are trying to rectify some of the business rules that would make it more rigorous.

Mr WOOD: When would you have complete employment mapping?

Ms RICHARDS: We have a complete set now; however, some of the rules around it are being improved upon in this process, which we can provide. However, we also, as part of the census process, will have more mapping going on which should be available in October.

Mr WOOD: What will the use for this information be? You collect it; it is nice to have statistics. What will this do to help the economy of the Northern Territory? Where will it go from there?

Ms RICHARDS: It will contribute to several key things. One is informing the Department of Education and Training how they purchase training products for the communities. It ensures the training purchased maps existing jobs in the community and what we anticipate future jobs might look like.

It also helps us conduct workforce planning analysis to ensure not just the training, but the other government programs and support being delivered meets the needs and aspirations of the community.

Mr WOOD: Does it map unemployment?

Ms RICHARDS: No.

Mr WOOD: Should it? If we are talking about employment and jobs, should we not have an understanding of how many people do not have jobs?

Ms CLARK: Tracy Clark, Director of Employment, Research and Strategy at DBE. My unit is responsible for collecting this data and we are in the towns collecting survey data at the moment. The survey is about businesses looking for job vacancies and providing information around business growth rather than looking at the unemployment rate.

We survey every business within the town, rather than individuals, which would give you the unemployment rate. We are not doing a census of people; we are doing a census of businesses.

Mr WOOD: Minister, I become concerned about the small towns, the outstations, and homelands.

Mr KNIGHT: With respect to employment or unemployment?

Mr WOOD: We should be conducting employment mapping because those people are just as important as people in the growth towns. If we are doing this to create more jobs, there are many people not in growth towns.

Mr KNIGHT: Yes, most of those jobs would be sourced out of a growth town, resource centre, or the shire, and the positions would nominally be on their books. A person may be on an outstation, but once we get this process right - there are 500-odd outstations in the Northern Territory. It is what we obtain from this information and whether it covers outstations. For example, Emu Point is covered by Yantjarrwu but now Yantjarrwu would not be covered by this.

Mr WOOD: Not many growth towns in that part of the world unfortunately.

Mr KNIGHT: One.

Mr WOOD: Yes, it is a big country. Minister, how many growth towns have been mapped? Could I have an example of employment opportunities in a place like Elliott? How many growth towns have been looked at, and have you identified jobs in Elliott, for instance?

Ms CLARK: All 21 growth towns are being surveyed and, at this stage, I cannot tell you what is happening in Elliott. I would have to take that on notice.

Mr WOOD: When do you think that would be complete?

Ms CLARK: We are expecting it to be completed by the middle of July 2011, as in the data would have been collected by the surveyors, they will forward that to us, and we will start our analysis from there.

Mr WOOD: One last question; ecoBiz is one of the activities in your annual report. It said 30 businesses received grants totalling \$327 382 and an annual reduction of 753.01 tonnes of CO₂ was achieved. Who evaluated that amount of reductions? Did someone say: 'We paid you some money', they filled out a form then said: 'We have saved 753.01 tonnes'. Did they have to prove they produced a real reduction in carbon dioxide?

Mr KNIGHT: Mr Doug Phillips is getting that information for you. It is a very good program for those people who have done the survey to assess power consumption and the change in energy. I will ask Doug Phillips to answer that question.

Mr PHILLIPS: Doug Phillips, Executive Director of Business Support. The ecoBiz NT program is based on a program from Queensland, so we did not develop much of the intellectual property. We operate under licence from the Queensland government. We have, during this year, had two client managers who solely specialise in ecoBiz. How the program works: businesses formally apply, we do an audit and - staff working on the program this year have the qualifications to audit businesses. There are also some programs out of Queensland we use. For example, if air conditioners are changed over, there are certain websites you can check the consumption of electricity from the model you are replacing to whatever. There are a number of formulas which are ...

Mr WOOD: Minister, was there a reduction in CO₂ by two companies who turned off air conditioners or became energy efficient?

Mr KNIGHT: Asia United Foods switched air conditioning systems. They knew the model they were using and the rates they were operating at was producing this much CO₂ and what the new system was supposed to produce.

Mr WOOD: They were Darwin companies?

Mr PHILLIPS: They are all Darwin-based companies. In the case of Alice Springs, an interstate company owns the Crowne Plaza Hotel, and we helped them with a small matter.

Mr WOOD: My question is similar to what I asked last night. Sometimes we con people. I am not saying we con them in a mischievous way. However, I asked Power and Water a question last year regarding how much power would have to be reduced in Darwin to turn a generator off. We are talking about carbon reductions. The only carbon reduction in Darwin from power generation is to reduce the number of generators operating on Channel Island. If I turn a light off in this room, it makes no difference to carbon. Technically, it does, because we are not using as many kilowatts; however, at Channel Island you are still burning carbon.

Can you say, in real terms, not theoretical terms, a company that changed its air conditioning over has made any change to the release of carbon into the atmosphere in Darwin? Is it a theoretical figure based on energy reduction?

Mr KNIGHT: It is a reflection of the energy use and what that means to carbon. I understand what you are saying. The point in time they switch a generator on or off depends on the day-to-day peak load ...

Mr WOOD: That is right. However, you are giving a grant to someone, through ecoBiz, designed to help the environment; however, they have done nothing but reduce their power bills - which is fine by me; do not get me wrong. However, they have not reduced carbon.

Mr KNIGHT: It is reflective of the reduced consumption of energy. If everyone did it ...

Mr WOOD: That is right, if everyone did it.

Mr KNIGHT: That is what it is reflective of. I understand what you are saying, but it is still a very good program and does what it does.

Mr WOOD: It would be better to sell this as: 'Have you reduced your energy consumption?' and do not put a figure down for carbon because you have no proof they have reduced carbon emissions by 703 01 - which is a finite amount - tonnes of CO₂.

There is much talk about carbon reduction, but not much proof it is happening in reality. It might happen in industries that produce their own energy; however, in Darwin, I have my doubts unless you can turn one of those generators off. I will agree with you then. You have a program, ecoBiz, which is about trying to be green; in some cases, it would be better to become more efficient in the use of energy. I give people top marks for that. It concerns me that we are telling people something that does not really happen.

Mr KNIGHT: I hope Andrew Macrides is listening tonight so he will be ready for tomorrow.

Mr WOOD: That is all right.

Mr KNIGHT: Doug, do you have any more comments?

Mr PHILLIPS: Yes, minister. We actually describe the program as: ecoBiz NT assists small to medium enterprises achieve cost savings by improving the environmental energy efficiency.

Mr WOOD: I agree, that is good

Mr PHILLIPS: That is what we do. The measure we use is CO₂ because that is what Queensland does. When we go into a business, we sell it on the basis that if they reduce their electricity it is also good for the environment, but it is good for their bottom line. That is what most businesses take up on. We all relate it back - we have a direct connection to Power and Water with authority from there.

We go back six months after the grant money has been paid and, if their electricity has not come back as we predicted, we inquire why. It could be they expanded their business, extended their workshop, etcetera. We go back in six months and again in 12 months. The words I use describe that. Perhaps our measure could be fine-tuned but, in essence, it is all about reducing electricity and water consumption and improving the business bottom line.

Mr WOOD: It is about not wasting energy. I will blame the Queenslanders for using that measurement. I cannot, because you have Defence Support here. Is that right?

Minister, I was a little confused about your role as Minister for Defence Support. I cannot find it in the budget. Do you have any money? Is there a section in the budget that gives you a role I can understand?

Mr CHAIRMAN: It comes under Output 1.1.

Mr WOOD: Yes, I have that. I do not see Defence Support under Business Development in the budget. It used to exist. It is not really a good thing if we say we support Defence and do not have it in the budget.

Mr SCHOOLMEESTER: Rex Schoolmeester, Chief Financial Officer. It is at a lower level within the budget. It is included in the total. I can give you the approximate totals for Defence Support for this year and next year.

Mr WOOD: Can I see it in the budget? Can you give me a page?

Mr SCHOOLMEESTER: No, you cannot see it. It is wrapped up in the - it is at the higher level.

Mr WOOD: For the sake of sounding like we support Defence - that is your business - we should have a line mentioning it.

Mr KNIGHT: Let us clarify that. We are supporting businesses to get Defence work, and that is why it is in the Business Development Output.

Mr WOOD: Is there a minister for Defence Support? It does not say minister for the support of Defence business.

Mr KNIGHT: The role of the Defence Support Minister is supporting NT businesses to obtain Defence work.

Mr WOOD: You are the only one in the Northern Territory government that has ...

Mr CHAIRMAN: To clarify, member for Nelson. There is a minister for business support, which is before us and at Output 1.1, and he has an appropriation to help business and you can ask questions to that. There is a Minister for Defence Liaison, who is the Chief Minister, who is perhaps more in the area you are talking about at the moment. If you want to go to an output appropriation and how the minister does what he does in Defence Support, that is what we are here for in Output 1.1.

Mr MILLS: We have been through that though.

Mr CHAIRMAN: The Leader of the Opposition touched on some of that.

Mr WOOD: Yes, the member for Blain asked about that. Are you doing anything to help convince the Department of Defence we need a second entrance out of Roberston Barracks? It is an area I push hard. I do not always get much support from the NT government on this.

A member interjecting.

Mr WOOD: Yes, you probably do. I raise it because it has been raised time and time again - take the traffic away from the residential area of Knuckey Lagoon. If you are talking to Defence people, minister, we would very much appreciate your support for a second entrance for Robertson Barracks. That is the end of that section.

Mr CHAIRMAN: I was going to suggest we take a two-minute break at that point.

Mr KNIGHT: I will pass to Gareth James with respect to that last item.

Mr JAMES: Mr Wood, we could arrange for it to be on the agenda for the next Northern Territory government executive consultative group meeting?

Mr WOOD: We have been trying for 15 years - nearly as long as the bicycle path from Palmerston to Howard Springs. However, all things come to those who wait. It would be good if you could do that. Thank you very much.

Mr CHAIRMAN: We will return in a couple of minutes to the Leader of the Opposition and Output 1.1.

The committee suspended.

Mr CHAIRMAN: We will recommence minister. We are at Output 1.1 with the Leader of the Opposition.

Mr MILLS: Minister, I do not have it in front of me, but you have people that can verify if this is the case. In 2009-10, and previous budget papers, your government reported businesses assisted financially. Why is that measure not in this year's report?

Mr SYMONS: We changed the measure because we did not think it was a particularly meaningful measure. However, if you want that information we can provide it.

Mr MILLS: Thank you.

Mr SYMONS: In fact, we report it in the annual report.

Mr MILLS: Could you table that? Thank you. Would you like to do anything?

Mr CHAIRMAN: They are tabling it? Minister, did you have something that you wanted - sorry, Mr Symons. Minister, you had a tabled paper for ...

Mr KNIGHT: Yes.

Mr SYMONS: That was question on notice No 9.1 regarding businesses in growth towns.

Mr CHAIRMAN: Thank you very much.

Mr MILLS: Minister, can you table the number of industry and investment projects that have been facilitated?

Mr SYMONS: We might be better taking it on notice to ensure we have it in the right form.

Question on Notice No 9.2

Mr CHAIRMAN: Could you ask the question one more time?

Mr MILLS: Could you please table the number of industry and investment projects facilitated by the department?

Mr CHAIRMAN: That is question on notice No 9.2.

Mr MILLS: Minister, what are the outcomes, the measurables, of the Buy Territory campaign?

Mr SYMONS: We could not give you figures across the board. What we can give you is Northern Territory government procurement and the percentage of projects or procurements through Northern Territory government that have gone to Northern Territory-based businesses.

Mr MILLS: Can that be done over the period of the Buy Territory campaign - last financial year, this financial year? I am happy to take it on notice.

Mr SYMONS: We might be better off giving it to you on notice. I believe the first Buy Territory campaign was 2008-09. We can table this table if you like.

Mr MILLS: What is that table, Mr Symons?

Mr SYMONS: It provides Northern Territory government procurement 2008-09, 2009-10 and 2010-11 up to 31 March, and provides the information by both volume and dollar value.

Mr MILLS: That is good. Thank you, Mr Symons.

Is that an adequate measure of the success of a program such as Buy Territory? Could other measures be cited to demonstrate a program is achieving its objectives?

Mr KNIGHT: This one we control at the point of purchase within the private sector. It is difficult for someone to survey the people who are buying their service by asking: 'Why did you buy me? Is it because of the Buy Territory campaign?' It would be difficult to do, but we can analyse our own procurements.

Mr MILLS: I have a natural, healthy scepticism. When a program such as this is invested in there should be the capacity to determine the investment in the program produces a real result. I accept your response, minister, in relation to the department, but are there any other measures? Before you make an investment in a campaign such as this, are you able to be guided by some targets or some result that would ensure the public money being spent produces a result that is measurable or beneficial in some concrete terms?

Mr KNIGHT: It would be difficult. Someone buying a product or service, as opposed to another product or service, would be difficult.

Mr MILLS: Given it is very difficult to measure, can you explain why you embark on a program such as Buy Territory if it is not possible to determine if it is successful or not?

Mr KNIGHT: It is difficult to analyse the success of it, but that should not stop us from doing it. Reminding people to buy Territory products and Territory services supports Territory jobs and keeps people here, as opposed to buying interstate. It is something we are obliged to do. The sheer nature of it is difficult to analyse. Someone decides what they are going to buy. Getting that information would be very detailed, very time-consuming, and expensive. I will ask Graham to comment.

Mr SYMONS: I understand what you are saying. To do it properly we would need to do it industry by industry. The trick would be to focus on industries or businesses where we reasonably believe the NT has some sort of competitive advantage or should be able to expand employment. For example, you would do it with tourism, Indigenous art, or some other cultural products. However, you would need to do it industry by industry.

Mr MILLS: I do not want you to interpret in any way, minister, I do not support the initiative; it is getting clarification on when a decision is made. How can you determine whether the investment produces a result? I understand it is difficult.

What is the message of Buy Territory? Is it to buy that which is made in the Territory?

Mr KNIGHT: It depends what it is. If it is the choice over a product which is made here, as opposed to something that is made somewhere else, of course. If it is a service, it depends on the product or service being provided. However, if it is a product which has to be manufactured here, if the service is provided here ...

Mr MILLS: Go to the local shop instead of buying online - is that message contained in the Buy Territory campaign?

Mr KNIGHT: Yes.

Mr MILLS: How does the message go? It is a significant threat to Territory and Australian businesses now, to buy online rather than going to Casuarina or a local business and buying goods there. That is a real threat, and I am wondering what messages have been run through this campaign on that front.

Mr KNIGHT: Territorians know if they are shopping for a particular product - a bag or something like that - they can go online and Google a product and know where that product is sold. If it is in the Territory, they know they are supporting Territory jobs.

They might source from the same wholesaler in China; however, it has been funnelled through a middle distributor within the Territory. Broadly, it is businesses based in the Territory, products which are made in the Territory.

Mr MILLS: Is the message running through this campaign: 'Buy something from a shop in Darwin, rather than buy it online'? Yes or no?

Mr KNIGHT: It is implied.

Mr MILLS: You are looking for someone?

Mr KNIGHT: It is implied. I do not know the wording of our campaign.

Mr PHILLIPS: From what our client managers tell us, especially with online buying, businesses like the campaign because it makes the potential customer aware they should be first looking at home before going interstate or overseas. As a general comment about the campaign, yes, it does. The business community look to it to raise the implications of not buying in the Territory in relation to employment and economic benefit for the Territory.

Mr MILLS: Yes. From outside, the message implies goods made in the Territory. I am hoping there is a strengthening of the message, particularly with retail sales dropping off in the Territory, the message is buy your goods in the Territory, it does not have to be made in the Territory. Are you assuring me that message is a strong and clear message for Territorians, regarding Buy Territory, as distinct from buying stuff made in the Territory, like a barramundi or buffalo wallet, or whatever; go to the shop and buy it instead of going online and buying it?

Mr PHILLIPS: We used to have a campaign called Territory Made, which was all about manufactured and produced in the Territory. We ran into trouble with the ACCC because what is the definition of Territory made? How much do you have to value-add before you can call it Territory made? In that campaign people did look for it - Paul's milk, manufactured in the Territory, came in packets from Queensland with a little water added. You will find the current campaign, in feedback from my client managers, the business community look upon it as a worthwhile campaign to encourage people to buy their goods and services in the Northern Territory.

Mr MILLS: How much does the campaign cost? What is the spend on the Buy Territory campaign?

Mr PHILLIPS: You will have to ask the Department of the Chief Minister about that fund.

Mr MILLS: I will have to ask him later on in a letter. You do not know?

A Witness: No, I do not know.

Mr MILLS: Mr Phillips, do you know how much you have to spend on this?

Mr PHILLIPS: No.

Mr MILLS: It is put in place by the Department of the Chief Minister.

Mr PHILLIPS: Yes, it does not come through our budget. It is a campaign conducted by the Department of the Chief Minister.

Mr MILLS: What has your department done to support Winnellie traders impacted by the movement of residents out of Eaton?

Mr PHILLIPS: We have had our client managers working with the supermarket, the newsagency, and other businesses in that area. There has been a reduction in trade; there is no hiding behind that. We have had people actively working there, as we did with the Karama shopping centre when the major retailer moved out. We have had people monitoring the situation in both shopping centres, and offering the

programs we have to help them to better market themselves, financial management, and all other related programs.

Mr MILLS: The plan to build a prison, I understand, is a public/private partnership. What work has been done by the department to identify businesses to be involved in that project?

Mr KNIGHT: I do not know that we have been directly involved in this process. There will be an expression of interest for that to happen. We are not directly involved yet.

Mr PHILLIPS: I mentioned earlier today the work we do in the department to help businesses, through external consultants, to better prepare tender documentation. Those procurement programs, through consultants to help them write better documentation for tenders, to do capability statements, etcetera, we are working with. As far as that particular project, we have not been working on it.

Mr KNIGHT: People who would take that on as a PPP would be well and truly capable of doing all that work anyway.

Mr MILLS: Those are my questions for that output.

Mr CHAIRMAN: That concludes Output Group 1.0, Business Development, Output 1.1, Business and Industry Development Support.

OUTPUT GROUP 2.0 – EMPLOYMENT **Output 2.1 – Workforce Growth**

Mr CHAIRMAN: We move on to Output Group 2.0, Employment, Output 2.1, Workforce Growth.

Mr MILLS: We had a debate, if you can call it that, about the unemployment rate in the Northern Territory. What do you say the current unemployment rate in the Territory is, minister?

Mr KNIGHT: The last results were 3.5%.

Mr MILLS: Was that in May?

Mr KNIGHT: They were 2.6%, 2.7%.

Mr MILLS: I have an unemployment rate of 4.4% in May 2011 released on 9 June 2011 - Northern Territory government, seasonally adjusted. On one page you have 3.5%, but on the next page you have labour force statistics - the unemployment rate for 11 May 2011 is 4.4%.

Mr KNIGHT: I will ask Mr Brian O’Gallagher to provide some explanation.

Mr O’GALLAGHER: Brian O’Gallagher, Executive Director, Employment and Policy Coordination. We are quoting from the latest labour force survey and the figure we have as of May 2011 was 3.5%. Unemployment is 4.9% nationally, and the participation rate for the same period is 72.3% and 65.6% nationally.

Mr CHAIRMAN: Perhaps we could have a mutual tabling of papers.

Mr MILLS: Show me yours and I will show you mine! This is your document and you have 3.5%, and when it is seasonally adjusted you end up with 4.4%, which is a bigger number. You prefer to use the other number, which is not adjusted. We have participation rate on your own document at 71.1%. You said it is 72%.

Mr O’GALLAGHER: I am trying to understand which document you are reading from, Mr Mills.

Mr MILLS: We will swap documents and continue this conversation later. We could go for a long time on this.

Mr CHAIRMAN: Could we have both of them tabled?

Mr MILLS: To be continued, minister. I thought that would happen - you would end up with the nicer figure and I have the other figure. Let us talk about that properly.

Minister, what are the key skills currently in most need in the Territory?

Mr KNIGHT: We produce an occupational shortage list and I will ask Brian O'Gallagher ...

Mr O'GALLAGHER: We have done an occupational shortage list and identified 25 key occupations coming forward that are at critical shortage, particularly in regard to the upcoming resource projects coming forward. They cover items such as welders, electricians, plumbers, and fitters. It goes into a range of semi-skilled occupations as well.

Mr MILLS: Are you able to table the list?

Mr O'GALLAGHER: Yes. These are based on the ANZSCO Code. The type of occupations identified in the key 25 varies from builders' labourers, ladders, electricians, fitters, pressure welders, construction riggers, scaffolders, welders first-class, technicians and trade workers, carpenters, metal fabricators, mobile plant operators, sheet metal workers, etcetera. I am happy to table the list.

Mr MILLS: Thank you, and in tabling it, could you advise how that is determined?

Mr O'GALLAGHER: Yes. It is done through consultation with local industry.

Mr MILLS: Are surveys conducted?

Mr O'GALLAGHER: Yes, we test it with local industry. Tracy Clark might give a detailed explanation.

Ms CLARK: Tracy Clark, Director of Employment Research and Strategy. Our unit is also responsible for putting together the occupation shortage list. We have 171 occupations on that list and it is reviewed annually. It is sent out to businesses around the Territory requesting advice on what they see as the issues and whether any other occupations should go on that list. We collate that information when it comes back to us, depending on the evidence supplied. We then come down to a shorter list of which ones we will research.

We then contact at least 10 businesses across the Territory who employ that occupation and, if enough evidence is supplied through our research to warrant its inclusion on the list, it goes on. If we do not get enough evidence to support it, the occupation does not go on.

This list has been out since 2005. Those occupations that have been on there for three years or more are surveyed every year and receive extra research as well. We also look at advertisements on these positions, and we look at forecast growth through some of our labour market modelling.

Mr MILLS: What you have there - sorry, I missed your name.

Ms CLARK: This is the Northern Territory occupation shortage list. Tracy Clark.

Mr MILLS: That is the contemporary one. You talked about it being in existence since 2005, refreshed every year.

Ms CLARK: It is refreshed every year.

Mr MILLS: Are they ranked?

Ms CLARK: No. We do not rank them because trying to tell a business their occupation is not as important as another could impact on the growth of the business. We stay away from trying to rank the most important. It is not as easy as you would think. You could rank it by: this is how many we think it will be. For example, doctors, if we were to say they were not so important because we do not need as many, how do you think the medical profession would feel?

Mr MILLS: You have probably answered this, the determining of the policy response to address the specific need to enable the economic activity to be realised, how do you make that judgment?

Ms CLARK: Once we have done our research and have enough support from the research, and that is through businesses and their experiences, what we see their growth is going to be, what has occurred through training, especially in the VET occupations - we get some higher education information but not as much - we put all that together, analyse it, and determine which ones go on the list. If there is enough

evidence and research backing it, they go on. There have been quite a few times when a number of occupations have not gone on because we have not been able to determine enough information - three businesses may have an issue, five others have not; so that does not give us enough evidence to put it on.

Mr MILLS: Does the economic analysis marry into Treasury and their economic forecasting?

Ms CLARK: Treasury has input into this. The list is put together by my unit, but we speak with all other agencies around the Territory - all other government departments.

Mr MILLS: Ms Clark, is your list the same as Mr O'Gallagher's list?

Ms CLARK: The list Brian was talking about is a subset of this list. That list is purely to do with the INPEX project and the modelling we have done around that project.

Mr MILLS: Could I have both those lists? It would be good reading.

Ms CLARK: Yes, this one is publicly available on the net.

Mr O'GALLAGHER: I will have to get this one in a proper form for tabling.

Mr WOOD: Have you finished that subject?

Mr CHAIRMAN: Member for Nelson, are you asking to go on the back of his questions?

Mr WOOD: The deficiency in skilled ...

Mr CHAIRMAN: Are you still going on that category?

Mr MILLS: On that specific category about skills shortages, let me check.

Mr CHAIRMAN: Minister, we try, while we are on a topic, to stay with it rather than come back to it later. The member for Nelson is indicating he would like to ask some questions on this area. I am going to pass to the member for Nelson.

Mr KNIGHT: I might get to the point of that unemployment figure. There is some explanation and we might need to take it on notice.

Mr O'GALLAGHER: It is the difference between the trend figure, which is what we were quoting, and the figure we normally run with as the most accurate representation of employment at the time. The figure you are referring to is what is called the original figure. I do not think any of us are going to go into the technical explanation of the difference, however, we are quite happy to it on notice and explain the difference between the two and the way they are calculated.

Mr MILLS: The test is if the actual figure - the real figure - was less than the trend figure, which one would you have quoted?

Mr O'GALLAGHER: It consistently is the trend figure.

Mr MILLS: I will test you on that and note that.

Ms CLARK: At the Australian level, they will use the term as well.

Mr WOOD: Mr Chairman, I do not know whether it is worth continuing. I have one on unemployment and one on the skills ...

Mr CHAIRMAN: Maybe we will keep going with Mr Mills and come back to you after he is finished

Mr WOOD: That is all right.

Mr MILLS: What is the employment growth of the Territory?

Mr KNIGHT: I will ask Brian O'Gallagher to answer that one.

Mr O'GALLAGHER: Employment is forecast to grow for the Northern Territory at 2.6% annually, which compares to a national forecast of 2.3%.

Mr MILLS: What was the forecast last year? Do you have that?

Mr O'GALLAGHER: I would have to check.

Mr SYMONS: Estimated growth is 2.2%. It is in Budget Paper No 2.

Mr MILLS: Okay, 2.2%. The forecast this year?

Mr O'GALLAGHER: Employment forecast to go forward from now is 2.6% annually.

Mr MILLS: What is the actual employment rate in the Northern Territory - the real one, not the trend one?

Mr O'GALLAGHER: I said the participation rate was 72.3%, and I said the unemployment rate was 3.5%.

Mr MILLS: Right.

Mr O'GALLAGHER: We are talking about 121 200 employed people as of May 2011. That is a 2% increase over the year

Mr MILLS: We could get bogged down here and have a really good discussion. We should go out to tea and have an argument. We will leave it at that.

Can you explain the status of Indigenous unemployment in the Northern Territory? It always annoyed me that we talk about what appear to be good figures, but the reality is different? Could you please describe the status of Indigenous unemployment in the Northern Territory?

Mr KNIGHT: We are providing the statistics as they come from ABS. I share your concern because I have looked at Wadeye, in particular. There are, apparently, 340 people unemployed out of 2500 people. My concern is Centrelink is moving people to pensions rather than strictly to UB. Having said that, I will ask Brian to address to the figures we have from ABS.

Mr O'GALLAGHER: All I can do is quote the ABS figures; Tracy might be able to give you further details. The ABS statistics claim Indigenous employment has been trending upwards over the past two years. On the statistics available, from 2008-09, there was an increase of 1100 Indigenous people employed, coming to a total of 19 800 ...

Mr MILLS: Have you a percentage figure?

Mr O'GALLAGHER: I have an unemployment figure that decreased by 3.4% for the same period. If you compare that nationally - according to the ABS you have an increase in the number of people, or plus 1100 people for that year - I do not have the percentage. That contrasts to an employment decrease of 2000 nationally.

For unemployment, the rate claimed by ABS is 3.4% for the Northern Territory, which compares to a national increase of unemployment of 3.8%. Tracy, you might want to give further information.

Ms CLARK: That data we have is for the 2008-09 year. There is no new data out until the end of this month from ABS, which will give us the 2010 figures.

Mr MILLS: Minister, your government has committed to 10 000 apprentices in the Northern Territory. How many apprentices commenced training in the last three years?

Ms CLARK: We can give you the numbers as at December 2010. Apprenticeships fit with the Department of Education and Training. As at the end of December, there were over 5700 apprentice commencements.

Mr MILLS: That is commenced training?

Ms CLARK: Yes.

Mr MILLS: From a point of view of business, how many of them complete, if you are using the same ...

Ms CLARK: Once again, we would have to ask the Department of Education and Training that.

Question on Notice No 9.3.

Mr MILLS: Could you, because that has passed. From the point of view of industry and business, that is the object of the exercise. Are you able to find for us how many completed and in what areas? I want to match it with your skills list. I will put that on notice.

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

Mr KNIGHT: Yes.

Mr CHAIRMAN: That is question No 9.3.

Mr MILLS: I will ask it again?

Mr SYMONS: Mr Chairman, I am not too sure how this works. It is information not from this portfolio; it comes from the Department of Education and Training.

Mr CHAIRMAN: Yes, and there are two ways to do this. One is you could seek it from the relevant minister through written questions, a letter, a question in the House, or any other method. Or, if you choose, minister, you can take it on notice, source the information from another minister and provide it in that capacity, which we sometimes do in Estimates, but usually do not.

Mr MILLS: The whole-of-government approach would assist with this.

Mr CHAIRMAN: You can take it on notice with the understanding you are sourcing it from another minister; that is the accepted caveat. You can say: 'I will take it on notice and do my best to get it from another minister's department'.

Mr KNIGHT: It might be easier for it to be a written question.

Mr CHAIRMAN: We are here, the question has been asked, it is on the record, and we just move on.

Mr MILLS: And it connects to employment and that skills list. I want to match the two. I would have thought that would have existed in the department. Otherwise, it is running programs. The object of the exercise is meeting that skills list with training - there is a connection.

Mr SYMONS: There is ongoing liaison between the two.

Mr MILLS: I am sure there is.

Mr SYMONS: In fact, there is a standing committee. The shortages feed very clearly into the training priorities DET has and the training it purchases.

Mr MILLS: Yes.

Mr CHAIRMAN: Perhaps you could rephrase the question one more time.

Mr MILLS: Could I be provided with the apprenticeship and training completions, and how that relates to the skills shortage or the skills list?

Mr CHAIRMAN: Minister, are you happy to take that question on notice? That is question No 9.3.

Mr MILLS: Minister, how many visas have been issued for guest workers in the Territory?

Ms MARTIN: Mary Martin, Director, Workforce Growth and Skilled Migration. The terminology guest worker does not exist in Australia. A guest worker is somebody who comes into a country and works under conditions specific to that visitor. All the people who come into Australia are employed under the same terms and conditions as Australian workers. I am presuming you were talking about 457 Visa holders, and that is one very small category of the overall skilled worker program.

Mr MILLS: I will rephrase my question. How many visas have been issued for workers in the Territory under the 457 Visa scheme?

Ms MARTIN: The Commonwealth government, to the end of April 2011, had granted 410 primary applicant visas. That figure does not include dependents.

Mr MILLS: Are you able to break that down into the areas of skill?

Ms MARTIN: Yes, to a certain degree. Registered nurses, general medical practitioners, social workers, resident medical officers, specialist managers, café and restaurant managers, primary school teachers, cooks, mechanical engineers, registered nurses in critical care and emergency, chefs, engineering managers, university lecturers, peri-operative registered nurse, plumber, and then we have 210 in what they call, other.

Mr MILLS: What is that?

Ms MARTIN: These figures come from the Commonwealth. We do not keep figures. I knew this question would be asked.

Mr MILLS: Others, interesting. Minister, how does that information from the Commonwealth relate to the skills list which has been produced, and the occupation shortage list?

Mr KNIGHT: To explain the process, we have our own occupational shortage list. We send that up and get a skilled migration plan. I will get Mary Martin to explain in full detail.

Mr MILLS: Send it up where?

Mr KNIGHT: To the Commonwealth. It gives us a state migration plan.

Ms MARTIN: The 457 Visa is an employer-driven visa. The person sponsored has to be coming to work for a specific employer. The shortage has to exist for them to sponsor. They have to show there is a labour market shortage. They have to show they are offering the right terms and conditions and a range of other things. This is an employer response to a shortage.

Mr MILLS: I understand, and I assume the occupation shortage list is an employer list, as the shortage is an employer list. It is not an abstract list. The categories for approval of 457 Visas would be reflected in the lists, is that correct?

Ms MARTIN: There is a high level of health professionals in our occupation shortage list.

Mr MILLS: Minister, in relation to the recent failure of an engineering company, some of those workers were on 457 Visas, and it looks like they will have to return overseas. What opportunities are there for someone under that arrangement, in that situation, when they lose their sponsor? What is the response and role of the department in those circumstances?

Mr KNIGHT: Mary Martin will deal with the generic question of what happens, then the specific situation at Universal Engineering.

Ms MARTIN: While the 457 Visa technically ties an employee to an employer, there is no specific requirement apart from the sponsorship. If an employee is working for one employer and wants to move employers, it is physically possible to do so if other employer will sponsor them. As far as the Universal Engineering situation, there were two people on 457 Visas. We connected those people with other potential employers, and my last advice was they both had alternative sponsors.

Mr MILLS: That is good news, thank you. No further questions on that.

Mr CHAIRMAN: It is 7 pm; we will be breaking for dinner for half-an-hour. We will be returning at 7:30 pm to this Output.

The committee suspended.

Madam DEPUTY CHAIR: We are resuming with Output 2.1, Workforce Growth, and, member for Nelson, the Chairman tells me you have the call.

Mr WOOD: Minister, I will go back to unemployment. When they do the figures for unemployment on Aboriginal communities, do they also do a comparison of how many CDEP jobs are available? CDEP is a government employment project without which the figures for unemployment would be much higher.

Ms CLARK: CDEP, as far as ABS record it - if someone answers as a CDEP participant, they are regarded as employed.

Mr WOOD: Does anyone calculate figures with CDEP and without CDEP?

Ms CLARK: We will be able to do that for the growth towns.

Mr WOOD: It will still be hard to get a comparison in outstations and small communities.

Ms CLARK: Yes. After the Census in August this year, we should be able to get more clarity.

Mr KNIGHT: Also, as mentioned before about how they classify people. Wadeye has an unemployment rate of 13%. It is about the classification of people not being fit for work.

Mr WOOD: Minister, I raised during the discussion over SIHIP, a concern I had in relation to information about Thamarrurr Association. The whole idea of the SIHIP program was to increase Aboriginal employment by 20%. I do not have the papers here with me, but I can produce them. They are the people employed by Thamarrurr and, the information I have is, most were not Aboriginal people from Wadeye. If they are Aboriginal people, they are from somewhere else. The answer from the minister was: so what, as long as they are Aboriginal people.

That is not what the SIHIP program was meant to do. It may be where you are doing refurbishments with short-term employment. There may be a group of people moving from one community to the other so they have long-term employment. I am concerned when you say there is 13% unemployment, and I am told Thamarrurr Association, which employs many people, may not be employing many locals. Is it worth investigating if you have such a high local unemployment rate, when one of your associations on the community appears not to be employing local people?

Mr KNIGHT: The unemployment rate is too low in relation to jobs and the population. It is about classification. I do not know about TDC's circumstance. It has, from my observation, many Aboriginal people, and many programs. The ranger program is part of its operation.

Mr WOOD: This is more to do with the housing contract.

Mr KNIGHT: I cannot comment specifically today about that.

Mr WOOD: It concerns me when you quote a figure of 13%.

Mr KNIGHT: That is the ABS figure.

Mr WOOD: If that is the case and you find a large number of people have been employed from outside, especially in the construction side of things, I do have a concern. However, we probably cannot do much about that now.

In relation to SIHIP, part of the activities listed in your annual report for last year was around Indigenous training for employment programs. Have you been working with the alliance partners in relation to SIHIP?

Mr KNIGHT: I will ask Karen Lindsay to give you a rundown on our involvement and what has been achieved.

Ms LINDSAY: Karen Lindsay, Director, Indigenous Employment. In response to that question about Thamarrurr and SIHIP, work is being done through the alliance partners around progressing people from the SIHIP project into other employment opportunities. Thamarrurr has been consulted regarding what other opportunities it may have, as have the shires. We have also contacted other local employers to see what the continuing employment arrangement may be.

The Australian government Department of Education, Employment and Workplace Relations has sponsored an employment brokerage program to ensure transitioning of SIHIP.

Mr WOOD: The number of people at Wadeye who have lasted more than 26 weeks being one, would send out a message people have not been trained to a very high standard. If you cannot last more than 26 weeks - it is only half the year.

What jobs can people get if they are not getting the training from the SIHIP program at Wadeye? The whole idea of the program was to give people jobs, skill them up, and get more jobs. The question many of us would ask is: it is a nice theory but, in practice, has it taken place? You might be looking for places for them; however, if I asked how many people have been working on the SIHIP program and now have another job, can you tell me? That is the outcome we need to know. Many people spending much time talking about how to help people and how to skill them. In the end, we have to be saying how many people have jobs?

Ms LINDSAY: That work is not the total responsibility of this agency. We would need to do that, if it was to be progressed, in collaboration with the Department of Housing, Local Government and Regional Services, which takes primary responsibility for the SIHIP program.

Mr WOOD: When you have a section Jobs NT 2010 - 2012: an overarching workforce development structure that brings together current government policies and initiatives which talks about 3000 Indigenous Territorians commencing employment across the public and private sector in the three years to 2012. Does that include SIHIP employed people?

Mr O'GALLAGHER: Yes, it does. If I look at the figures, as you correctly said, 3000 commencements; 1287 of those occurred in 2009 and 1795 in 2010. If you look at the breakdown of the 2010 figures: 397 of those commenced with the Northern Territory public service, 606 commenced with the SIHIP program, and there were 792 apprentices and trainees.

The issue, and this may be what your touching on, Mr Wood, is – and I have to emphasise, they were commencements. The issue is retention; how many stay on. From NTPS commencements, about 50% have stayed on over the last two years. SIHIP numbers, we have had some; however, I would have to check. It was down to around 39%, I believe.

Mr WOOD: We are talking about bringing people in from overseas; we are talking about poor retention of people - obviously they go back onto welfare. We should be employing people in our own back yard if we can.

Has anyone investigated why these people cannot stay on and what happens when they leave? Do they go back to welfare? Has there been an analysis of what is happening in our own workforce and why we cannot fill the gaps we have to fill from overseas?

Mr KNIGHT: I will get some detailed advice on whether or not we have conducted an analysis. The labour market is in certain centres - Darwin, Palmerston, and Nhulunbuy - wherever the economic activity is. What needs to be discussed is mobility. People gain skills in a remote location, work dries up, and they have to make a choice. The discussion that needs to be had with them is about mobility; moving to where work is. Also, the challenges: housing, work, culture, transport, family, and all those things. I will ask Brian to give you a specific answer on whether we have done an analysis of those things.

Mr O'GALLAGHER: The short answer is no. However, we are looking into the issue, particularly since we are following on from the results of the commencements and collecting as much as we can on retention rates, which are lower than what we want. We have to increase that.

As a general employment policy, first and foremost, we are about developing our local workforce, including the Indigenous workforce. Much of that is about linking people to jobs where they are close to where they live because, as the minister pointed out, mobility is an issue. All the work in growth towns is about creating an economic base to create jobs. The department is also taking initiatives through its

procurement policy and programs, for example, where there are shires they can bid for work specifically within those shire areas. For government contracts, shires can receive a certificate of exemption as long as they seek to employ 30% Indigenous people for that contract.

The department is also working with other departments, including the Department of Construction and Infrastructure and the Department of Housing, Local Government and Regional Services, to see if there is a way of scheduling a pipeline of work for those shires, maybe over three years, for repairs and maintenance of roads and houses etcetera. You would have a demand for work over a three-year period. This then allows people not to be employed on a single project, contract, or tender. Shires may be able to take on apprentices and see those apprentices through to the completion of their training by having a steady pipeline of work.

That body of work has just commenced and Mr Symons can relay more on that.

Mr SYMONS: There are two aspects of work. The one Brian has mentioned, which is looking at the possibility of scheduling work over a five- to 10-year period, so you have continuity. Also, looking at the stream of repairs and maintenance work associated with that.

The other end of it, as you commented earlier, is there are not many businesses in remote areas in the business of construction, infrastructure, or repairs and maintenance; however, there are a few Indigenous businesses. There are a couple in East Arnhem that contract mainly with Rio Tinto, rather than government; Thamarrurr, you have mentioned.

Several shires have a level of CAL accreditation and are able to contract for work. We have initiated a project with shires interested in looking at what is involved in building up their capacity because they have responsibility for local government roads. Money also flows through them for housing maintenance, so they have some responsibilities in that area already. They are looking at building up their capacity, their ability to meet CAL, and their ability to contract for work, so there is a steady stream of employment at the local level and people do not have to move a long way away to get jobs.

Mr WOOD: There is more chance of people moving if there is no welfare. Some of these issues should be taken up with the Commonwealth because, if people are leaving so easily, they know they can get onto welfare and there is no pain. You have probably heard me on that before; I will not go down that path. It is a crying shame that so many people do not have jobs, yet we are employing people from overseas.

Minister, in relation to the skills shortage, I had a plant operator in the rural area ring me two weeks ago saying: 'I cannot get skilled operators', and he mentioned mobile plant operators. One of their concerns is to get apprentices to work in the machinery business – graders, rollers, heavy trucks - they must be 18. You might have an apprentice of 16 you want to train; however, they are not permitted to have a licence to drive heavy vehicles. I presume it is a grader and certain vehicles. That person was wondering whether, in that industry, there could be an exemption because when they try to employ them later, they have gone somewhere else. They are having difficulty capturing young apprentices because they have restrictions on machinery licensing.

I was interested in mobile plant operator being on the list, and wondered if there is a move to skill up those people? Are they on the apprenticeship list? Is that area not looked at or missing out? You said 5900 apprenticeships. Have you heard anything similar?

Mr KNIGHT: I have not heard of that specific case. I am unsure whether there are apprenticeships in mobile plant operation.

Mr WOOD: It is Colemans, who do the grading out your way too – at Batchelor. They are having trouble finding skilled labour. They said there is a problem employing people - I presume apprentices - under the age of 18. There would be some apprentice-type operations, would there not, for ...

Mr O'GALLAGHER: My advice is for that occupation we are talking about traineeships as opposed to apprenticeships ...

Mr MILLS: That might be what she meant.

Mr O'GALLAGHER: That is available. Whether they are eligible to drive probably relates to whether they are going on public roads and things like that.

Mr WOOD: They probably would if they are maintenance people. That is coming from a business saying there is a shortage of skilled operators in that area at the present time. I pass that on. Maybe there is something you can do about that.

Mr KNIGHT: If you can drive a truck you can get a job in a mine. That is the challenge of it. It is competition for that workforce where the civil contractors are challenged.

Mr WOOD: Are there two types of visas? In your output group, you talk about business and skilled migration strategy. Is that the same visa as the one we were talking about previously?

Mr KNIGHT: There are many visas. What were you particularly interested in?

Mr WOOD: You have a section here which says: 'Visas for nominations and sponsorship certified increased by 1707 on previous years', and you gave a breakdown. How did that fit into the scheme you were talking about with Terry. Is it the same visa?

Ms MARTIN: The statistics you have there are not related to the 457 Visa. They cover a range of visas in which we have involvement. We do not grant visas; we simply sponsor people to gain visas through the Commonwealth process, or we certify permanent resident nominations for employers.

The numbers you are looking at are a collation of migration under general skilled migration, which are independent people who are young, have high levels of skill, are English speaking, and are nominations by Northern Territory employers to fill shortages through a permanent visa.

Mr WOOD: Do they have to work for that employer?

Ms MARTIN: The ones I mentioned under the general skilled migration program are required to stay in the Northern Territory for two years, but are not required to work for any specific employer. They have the ability to move around. The people who are sponsored for permanent residence under what we call the Regional Sponsored Migration Scheme are required to sign a contract with an individual employer to stay with them for two years.

Mr WOOD: How does your department get involved in what is a Commonwealth issue?

Ms MARTIN: The Regional Sponsored Migration Scheme is a regional scheme which relates to skill shortages in the Northern Territory. It is related back to our occupation shortage list. We confirm the employer is legally operating within the region, there is a skill shortage or that particular occupation cannot be filled from within the labour market, and the market rate is being offered in the salary. The assessment of the visa itself is done by the Commonwealth.

Mr WOOD: I will ask Terry if he and I should have a briefing on visas. It seems there is more in it than I realised. That is all the questions I have. Thank you, Ms Martin.

Madam DEPUTY CHAIR: That concludes Output 2.1.

OUTPUT GROUP 3.0 – SHARED SERVICES

Output 3.1 – Finance Services

Madam DEPUTY CHAIR: We will move to Output Group 3.0, Shared Services, Output 3.1, Finance Services.

Mr MILLS: Thank you, minister. How many corporate credit cards have been issued?

Mr KNIGHT: I will pass that on to Mr Rex Schoolmeester.

Mr SCHOOLMEESTER: We have 50 in the Department of Business and Employment.

Mr MILLS: Fifty, five zero?

Mr SCHOOLMEESTER: Fifty, five zero.

Mr MILLS: In managing these, does it occur that personal expenditure is incurred on those cards which is subsequently claimed back or repaid?

Mr SCHOOLMEESTER: No, the policy does not allow you to do that.

Mr MILLS: Right.

Mr SCHOOLMEESTER: If it did happen, it is reimbursed straightaway back to the department. It happens very infrequently but, if it did happen, it is reimbursed immediately on the receipt of the voucher.

Mr MILLS: Are there any outstanding issues?

Mr SCHOOLMEESTER: There are none.

Mr MILLS: Thank you. What is the current monetary value of outstanding creditors of the Northern Territory government?

Mr KNIGHT: Of government, on the ... The advice is that we can give you what information that we have responsibility for.

Mr MILLS: Yes, that is all I want.

Mr KNIGHT: We would have to put it on notice.

Mr MILLS: No, only what you are responsible for in this output group.

Mr SCHOOLMEESTER: We can do an approximate number.

Mr KNIGHT: Do you want an approximate or do you want to take it on notice?

Mr MILLS: I will take it on notice, thank you.

Question on Notice No 9.4

Madam DEPUTY CHAIR: Can you repeat the question please?

Mr MILLS: What is the current monetary value of outstanding creditors of the Northern Territory government?

Madam DEPUTY CHAIR: That is question on notice No 9.4.

Mr KNIGHT: Acknowledging that it is the Department of Business and Employment only.

Mr MILLS: Absolutely, yes. Thank you. No further questions on the output group.

Madam DEPUTY CHAIR: That concludes Output 3.1.

Output 3.2 – Human Resource Services

Madam DEPUTY CHAIR: We will go to Output 3.2, Human Resource Services.

Mr MILLS: Minister, can you give us an update on the status of payroll systems in the public service?

Mr KNIGHT: What aspect of the payroll system?

Mr MILLS: Is there one single payroll system, or are there a number?

Mr KNIGHT: Yes, there is one payroll system.

Mr MILLS: One single system? Department of the Chief Minister has the same system as everyone else? There are no different agencies, different departments? All have the exactly the same?

Ms ROBINSON: Kathleen Robinson, Executive Director Shared Services. Yes, all departments use the same system, including Department of the Chief Minister.

Mr MILLS: Are they all answerable to one person? Is there one point to which this whole system, which covers every agency and every payroll, is answerable to?

Mr KNIGHT: We provide payroll processing services for the whole-of-government.

Mr MILLS: Right. And you are telling me there is one system that is managed centrally for every single agency?

Mr KNIGHT: It is fairly unique in Australia.

Ms ROBINSON: Yes, that is right. That is the case; we have had that system in place since 1992-93.

Mr MILLS: How long is it taking to process leave requests, minister?

Mr KNIGHT: I will pass you on to Kathleen Robinson.

Ms ROBINSON: The timing for leave requests varies depending on the complexity of the leave, and whether it is a pre-dated leave or existing leave, and those sort of issues. I cannot give you a set number of days for a particular type of transaction.

Mr MILLS: You would have an average figure, so that you know how your system is performing, I would assume? What is that average figure?

Ms ROBINSON: I have an average figure of the number of leave transactions we process per annum, which is around 260 000 per year.

Mr MILLS: Do you have an average time it is taking to process those?

Ms ROBINSON: Again, that varies, related to the type of leave and the complexity and things like that. It can take anything from a few minutes to an hour or more to process.

Mr MILLS: I fully understand that, but there would have to be some means to measure how your process is actually working. I assume there would be an average figure, so that you know that this year, the system is working better or worse than last year and what, therefore, you need to do next year. Are you tracking okay? How do you know?

Ms ROBINSON: We track it according to keeping track of the number of leave forms we have been putting through the system, the number we have outstanding, and those we are still processing as we go through it. We gave some information for the written questions, which was at the end of March, which indicated we had around 1% of our transactions outstanding at that time, which equated to around three to three-and-a-half days worth of transaction processing based on the average number. I think we get around 1000 to 1400 a day.

Mr MILLS: If it is 1%, you say ...

Ms ROBINSON: That was 1% of the total.

Mr MILLS: For that month?

Ms ROBINSON: For the year.

Mr MILLS: That is quite a few, is it not?

Ms ROBINSON: Yes, 3700 it was at the time.

Mr MILLS: What would be causing the delays?

Ms ROBINSON: That is not a significant delay in the context of it being three-and-a-half days of outstanding transactions because, on top of leave processing, the payroll officers are processing higher duties requests, temporary transfer requests, and a whole range of other payroll changes. It is a matter of how they prioritise their work according to which items are going to have the greatest impact on an individual's pay, and which items need to be processed for that pay period. They focus on particular things,

like overtime, temporary transfers, higher duties, and those sorts of things get priority usually, then leave processing comes after that.

Mr MILLS: Is there a current backlog, and what is that number?

Ms ROBINSON: I do not have the number as at today, but I have the number as at the written question that we gave the answer to. It was 3775.

Mr MILLS: Do you have any cases of overpayment issues that are needing to be managed through the payroll system?

Ms ROBINSON: Yes, there are.

Mr MILLS: Is that a significant issue? Is there a significant number?

Ms ROBINSON: In overpayments from the salary system?

Mr MILLS: Yes.

Ms ROBINSON: We analysed it in response to that written question, and we were able to determine that, as at 31 March 2011, there were two overpayments relating to leave processing that were delayed through payroll delaying the processing.

Mr MILLS: Are there other cases?

Ms ROBINSON: There were two other cases that had happened during the 2010–11 year; there were four cases all up. Two had been recovered and resolved before 31 March, and two more were active at 31 March.

Mr MILLS: Did I get that right? Currently, outstanding there would be two?

Ms ROBINSON: Two, yes.

Mr MILLS: What about underpayments?

Ms ROBINSON: I do not currently have a measure to track that.

Mr MILLS: Have there been claims of underpayment? You would assume that if you have overpaid, you are chasing it and if someone has been underpaid, they are wanting it, so they would make their request known.

Ms ROBINSON: There would not be any underpayments relating to leave processing. I do not know whether you are talking more generally or specifically?

Mr MILLS: Generally.

Ms ROBINSON: Generally. There would be situations when underpayments arise. That would be, as payroll officers calculate transactions, there may be a calculation error or a piece of information missing that they were not aware of at the time. Quite a lot of instances happen where we get advised of changes that happened to that employee post the payment date and we were not aware of it at the time and we have to make adjustments to subsequent pays. That is done through a very regular payroll adjustment process.

Mr MILLS: How many are currently being worked on?

Ms ROBINSON: I do not have a number for that, I am sorry.

Mr MILLS: Many?

Ms ROBINSON: Not a significant number that I am aware of.

Mr MILLS: Thank you. Minister, what is the current number of persons employed in the public service? Two numbers: full-time equivalents and actual people.

Mr SYMONS: As you are probably aware there are a couple of different ways of counting ...

Mr MILLS: Yes, like those statistics we looked at earlier.

Mr SYMONS: In the Northern Territory government, as of the 31 March 2011, there was a total of 21 340 individuals that were being paid. So, that is not full-time employment; that is individual people being paid. The full-time employment count is actually kept by OCPE.

Mr MILLS: Right.

Mr SYMONS: So we record the people being paid but not FTEs. It is actually ...

Mr MILLS: What is that number again?

Mr SYMONS: It is 21 340.

Mr MILLS: Thank you very much. What is the increase in numbers since 2009–10?

Mr SYMONS: The increase over the last 12 months - I will give you the figure for June 2010, which is 9 months - is 21 188.

Mr MILLS: So we are comparing apples with apples there, with 21 340?

Mr SYMONS: Individuals being paid.

Mr MILLS: Okay. Same period? Same point in time?

Mr SYMONS: That is from the end of March to the end of June in 2010. So that is nine months.

Mr MILLS: Right, in nine months. Okay, thank you. How many apprentices are employed in the public service in 2010–11?

Mr KNIGHT: Mr Symons.

Mr SYMONS: Most of the apprenticeships in the NTPS are coordinated through DBE, but not all. In 2010, there were 95 apprentices commenced through the program DBE coordinates.

Mr MILLS: Okay, thank you. Mr Symons, they commenced last financial year?

Mr SYMONS: Yes. Some in the current financial year; there are two intakes a year.

Mr MILLS: Okay.

Ms ROBINSON: It is counted as a calendar year.

Mr MILLS: Right, there are two intakes. Is this 95 in the last calendar year?

Mr SYMONS: 2010.

Mr MILLS: Okay. In the 2010 calendar year, how many commenced full employment in that same year?

Mr SYMONS: We do not have that figure, but it would probably be very few because the apprenticeships would invariably be longer than 12 months.

Mr MILLS: No, not of those 95. You had apprentices you would have started the previous year and the year before that.

Mr SYMONS: Oh, previous intakes. Yes, in 2010, the number of apprentices completing, 56.

Mr MILLS: And the year before that?

Mr SYMONS: The year before that, 65.

Mr MILLS: Right. While you have the figure in front of you, out of interest. In the year that 65 had completed and went into full employment, how many – no, it would be too difficult. I will leave it at that. It is a story for another line of inquiry at another time; it will take too much time to get there.

Minister, how many public servants suffered a work-related injury in 2010-11?

Mr KNIGHT: Mr Symons.

Mr SYMONS: Which year are you looking at?

Mr MILLS: 2010-11.

Mr SYMONS: Okay, 2010-11. As at April, the number of new claims between 1 July 2010 and April 2011 was 375 claims. That is workers' comp claims.

Mr MILLS: They are new claims?

Mr SYMONS: New claims, yes.

Mr MILLS: Would there also be in that frame those existing? How many are there?

Mr SYMONS: The total number of open claims as of April 2011 was 613.

Mr MILLS: How does that compare to the same period year before?

Mr SYMONS: A little higher. The number of open claims as at 30 June 2010 was 522.

Mr MILLS: Thank you. Is there a cost attached to this number? What is the cost related to, say, the 613 – an average cost?

Mr SYMONS: Yes, there is an estimated liability calculated by an actuary. This is done at the end of each financial year. The last calculation was for 30 June 2010, and the total estimated liability at that point was \$55.5m.

Mr MILLS: \$55.5m, thank you. What was the maximum expenditure on a workplace injury case that was finalised last year?

Mr SYMONS: We do not have that information in front of us.

Mr MILLS: Can I have it on notice?

Mr SYMONS: This would be for a settled claim.

Mr MILLS: Yes.

Question on Notice No 9.5

Madam DEPUTY CHAIR: Please repeat the question.

Mr MILLS: What is the maximum expenditure on a workplace injury case finalised in the last year - just a number?

Ms ROBINSON: Could I ask for one point of clarification? Do you mean the expense for this current year, or the total expense of that claim, because it may have been a claim going for 10 years or more?

Mr MILLS: Total.

Ms ROBINSON: Total.

Madam DEPUTY CHAIR: That is question No 9.5.

Mr MILLS: Thank you. What is the longest period of time a case has had to be processed before completion?

Mr SYMONS: We do not have that information in front of us.

Question on Notice No 9.6

Mr MILLS: Can I put it on notice.? I will add another part to it. The longest period of time that a case existing within the system and brought to completion? And the longest case that is still being assessed, but not completed?

Madam DEPUTY CHAIR: That is question on notice No 9.6.

Mr MILLS: Thank you. How many Indigenous recruits are in entry-level positions?

Mr SYMONS: In the department?

Mr MILLS: Yes.

Mr SYMONS: We have the information; it will just take me a moment to find the right page.

Mr MILLS: You would only have it for the department, or would you have that figure for the Territory government?

Mr SYMONS: No, OCPD keep information on that. In DBE, a total of 56 staff identified as Indigenous. As you are probably aware, it is a voluntary identification process.

Mr MILLS: Yes. Are positions identified specifically for the recruitment of Indigenous trainees?

Mr SYMONS: Yes, we target a number of Indigenous apprentices and trainees. It is not that specific positions are reserved for Indigenous people, but we target a number, yes.

Ms ROBINSON: One point worth mentioning is we run an Indigenous employment program that takes intakes designed for base grade entry-level positions. We have done some work with that program to specifically tailor arrangements around our payroll schools, because we take payroll schools in on a regular basis. We ran two intakes through that program specifically to get people to become payroll officers.

Mr MILLS: Thank you. What is the average retention rate?

Mr SYMONS: For Indigenous employees? We do not have that specific information. What we do have is the retention for 2010, so we can give you that. Of the 18 Indigenous individuals who commenced in 2010, 15 were still employed at the end of the calendar year.

Mr MILLS: That is good. Thank you. That is all in that category.

Mr WOOD: Minister, in relation to Human Resource Services, how many government positions were recruited in this financial year from interstate and international, and how many were executive and above positions? Is that not something you could answer? Would that be the minister for Employment, or the Public Service Commissioner? You do not have any involvement getting people from interstate or overseas?

Mr SYMONS: We provide a service to agencies, part of which is a recruitment function, so we process the recruitment for agencies.

Mr WOOD: In your annual report - that famous annual report - it said: 'undertake target interstate and international recruitment activity to attract skilled workers'.

Mr SYMONS: Yes, that was the function that was dealt with under Employment. For example, Mary Martin, who was up answering before, her branch is involved with some agencies - Health, Child Welfare, I think we also assisted. We assist agencies with targeted campaigns to particular places, whether it be Ireland or whatever, looking for workers.

Mr WOOD: Thank you.

Madam DEPUTY CHAIR: That concludes Output 3.2.

Output 3.3 - Procurement Policy and Services

Madam DEPUTY CHAIR: We now move to Output 3.3, Procurement Policy and Services.

Mr MILLS: Minister, could you describe how local content is actually measured?

Mr KNIGHT: Local content is 20% of the non-price factor. Non-price is 80%, and it is 20% of 80%.

Mr MILLS: Could you elaborate, please?

Mr KNIGHT: At this stage, the price weighting of the tenders is 20%, which leaves the non-price as being 80%. The local content element is 20% of 80%.

Mr MILLS: Okay, so we will get down to that 20%. What constitutes local content in the 20% of the 80%?

Mr KNIGHT: What defines local development?

Mr MILLS: Just define how you would identify what is local content in that 80%.

Mr KNIGHT: Graham Symons.

Mr SYMONS: The 20% weighting you referred to is commonly known as local development and value adding. The factors taken into account in assessing that, in procurement are: first, whether a business actually is operating in the Northern Territory. In other words, not just a post box, they have a physical presence and are conducting business in the Northern Territory. That is one factor. Another factor is training; whether they are actually contributing to training the local workforce and skilling the labour workforce. There is a range of other factors that may come into it, but they are probably the most important and most common ones in most procurement.

Mr MILLS: Is there a tight definition around what operating in the Northern Territory means? If it is not a post office box, but operating in the Northern Territory, what does that actually mean? Is there a definition that applies across the board?

Mr SYMONS: I do not think there is one precise definition, but it would be taken to mean the business has to be physically present and active in the Northern Territory at that time. You cannot have just done work in the Northern Territory at some point; you have to be physically present and open for business in the Northern Territory at that time.

Mr MILLS: Does it make a difference if you own property in the Territory - own your business premises - or just leasing an office? Is there any differentiation between those two?

Mr SYMONS: There would not normally be a difference taken into account between those two.

Mr MILLS: If their roles were reversed and someone from the Northern Territory was going to Adelaide, would the same requirement applied to the Northern Territory business seeking to go into business in Adelaide, apply to a South Australian business seeking to operate in the Northern Territory?

Mr SYMONS: My understanding is that most of the states and jurisdictions generally apply similar principles. Most states and jurisdictions have some kind of advantage that is applied in procurement to businesses that are operating in that jurisdiction. I am not aware of any of them that apply a local ownership or local origin criteria.

Mr MILLS: If a business was to seek to contest an opportunity interstate and they find some difficulty in doing so, do they get support from the Department of Business and Employment to contest something across borders?

Mr SYMONS: I am not aware of us ever being contacted for that kind of assistance. I will consult. Doug Phillips, are you aware of any? No. Within Australia, we are governed by the competition rules, and the rules say that we are borderless within the country in business operations.

Mr MILLS: I think I know the answer. I hear from time to time - sadly, too often - if someone from another state comes into the Northern Territory they appear to be at some advantage by establishing a presence here and then contesting, as opposed to being permanently here.

Mr SYMONS: I will comment on that. The statistics and the table we tabled earlier would not support that. Generally, by volume in the Northern Territory - certainly consistently in the last four or five years - around 80% by volume of NT government procurement actually goes to NT-based businesses - businesses that are based in the Territory and operating at that time - with around 72% in value. The value figure is lower because of some very large individual procurements that are only available from interstate or overseas suppliers, such as large Power and Water generators and that kind of thing.

I am fairly confident in saying those figures are probably the highest in the country. Other figures I have seen from interstate regarding government procurement that goes to locally-based businesses are all less than that.

Mr MILLS: It comes back to the issue, though, of what is meant by being 'locally-based'. That is really the nub of this. You have indicated there is no tight definition to describe what it means to be locally-based. It gives you a certain advantage, but there is no definition as to what is meant by locally-based?

Mr KNIGHT: The Chief Executive gave an explanation: you have to be active and working here in the Territory.

Mr MILLS: But that could mean a number of things.

Mr SYMONS: I understand the point you make. The Northern Territory is a growing economy and many of the people who have been born in Darwin or have been here a long time in business have grown with the economy and have done very well. In a growing economy, particularly when the economy is growing in new areas, circumstances arise when there are not local businesses or players that can fill all the needs. That is just part of a growing economy. The percentage of NT government business that goes to locally-based business is, as far as I am aware, the highest in the country.

Mr MILLS: Yes, but it still goes back to - we will not have the debate any further - what it means to be active in the Territory and what it means to be present locally.

The reason I have an interest in this is the Ombudsman highlighted, during her interview, that there has been an increase in concern over the procurement process. That leads me to the question: is there a review under way of government's procurement policy?

Mr KNIGHT: There has been ongoing work with the Procurement Council, made up of industry, on enhancements. During the global financial crisis and the stimulus package, we looked at making enhancements. We will continue to look at making enhancements. I have just asked the Chief Executive of the Department of Business and Employment, and the Ombudsman has not spoken to him about procurement, which is a bit strange. I wonder whether she has spoken to the Procurement Council; I doubt it. With procurement, there is one winner and many losers.

Mr MILLS: Oh, I know the story.

Mr KNIGHT: In the current environment, when people miss out, they get upset. We have procurement liaison, so we work with businesses that have been unsuccessful to try to improve their tendering process. We are trying to add to business to make them more competitive. We have a very good operating procurement policy, and we are certainly trying to strengthen it. We have more reforms coming through the system.

Mr MILLS: It is all right. In response to a question of what trends in increased inquiries or issues have been brought to her attention, the Ombudsman answered there had been an increase in that area. It is, we speculate, because there is an increased level of competition - possibly - with a tighter financial frame. It was an interesting observation, which leads me to ask you - which I do not think you have actually answered - is there a current review under way of the procurement process? Yes or no?

Mr KNIGHT: We have been reviewing the procurement process, and looking at making some enhancements, yes.

Mr MILLS: What are the terms of reference of that review?

Mr KNIGHT: I am not sure of the terms of reference. We have worked with the industry about how they see the procurement process working and what they would like to see changed, and with the Procurement Council. At this stage, we cannot divulge what that has arrived at. Eventually ...

Mr MILLS: No.

Mr KNIGHT: Our focus is on working with the industry to try to make improvements in transparency.

Mr MILLS: I am sure it is. Everyone would have the same objective. However, if you are going to look for something to seek improvements, you would have to have some frame and some terms of reference. Sure, you would be talking to business and, sure, you would be talking to folk. Before you go on this review, which you say is under way; it must have terms of reference. I am asking you what are the terms of reference?

Mr KNIGHT: The way we have approached it, there are issues floating around, and we have had focus groups to try to tease out those issues and ...

Mr MILLS: What are these issues, minister?

Mr KNIGHT: I will go to Graham Symons to highlight what the focus groups actually came up with.

Mr SYMONS: The department, in 2010, conducted a number of focus groups across the Territory, in each of the regional centres and Darwin. This was an exercise conducted, I think, the first time four years ago. We conducted another one last year, and consulted with groups of local businesses about what their issues and views were about government procurement.

The outcomes were more positive than they were four years previously. Many businesses had seen some improvement in the way government procurement was conducted. Inevitably, there were issues raised. Of the sort of issues raised they would like to see government tackle; one of them can be described broadly as transparency. I suppose some businesses did not fully understand all aspects of the government procurement process and how it happened. Some other businesses wanted better feedback in debriefs; when they were unsuccessful in procurement, they want better feedback so they can do better next time. This would be generally under the heading of transparency.

Another issue was quality involved in the assessment process. This was not universal but, in some cases, we got specific feedback that some businesses felt not all of the individuals involved in the procurement process were as expert in the matter as they could have been.

Another issue had to do with complexity of tender documentation. There is a mix of factors there. When you have fairly high-value procurements, you are going to end up with some complexity in tender documentation. There are things we can do about that, some things we can change. One of the things we are looking at, for example, is improving the actual procurement system itself so there is much less double entry by businesses when they want to participate in it. We are also looking at how some factors are currently taken into account at the procurement assessment stage can actually be moved into the pre-qualification stage, and so simplify procurement.

Mr MILLS: How many focus groups were conducted?

Mr SYMONS: There would have been one of the focus groups in each of the smaller regional centres, two groups in Alice Springs, and three in Darwin and Palmerston.

Mr MILLS: What you have just described, Mr Symons, is some of the feedback you got from the focus groups. First, I understand there is a review in place. I still have not been able to get a description of what the terms of reference are. I know you have been talking to business; you have conducted focus groups and there is some result from those. However, is there a terms of reference to give some direction and shape to the review?

Mr SYMONS: Not a formal terms of reference. However, the reforms we set out to progress were specifically to address the feedback we received in the focus groups. So, if you like, the issues raised in the focus groups provided the reference for our reform effort.

Mr MILLS: I assumed that was the case. Let us just try to put a frame around this, then. When will the review be completed?

Mr SYMONS: Very shortly. I would anticipate by the end of this month. The next stage is, in fact, a communication and further consultation exercise with business in the different centres.

Mr MILLS: You say the report will be completed in a month. Will that report, or that response, be public?

Mr SYMONS: Yes, in the sense that the measures we end up implementing, yes, will be public, will be widely known.

Mr MILLS: Right. Will it be tabled in parliament, minister?

Mr KNIGHT: We will certainly be widely publicising the pages ...

Mr MILLS: I am sure you will.

Mr KNIGHT: ... and working directly with businesses on those. I guess it is about explaining them too.

Mr MILLS: But the question is: will it be coming into parliament, minister?

Mr KNIGHT: Yet to be determined. I might make a statement in the House. I do not know if there are any legislative changes at all. It will be publicly known. Whether it is in parliament, we do it on the front steps of Parliament House, or just through the industry bodies, is yet to be determined.

Mr MILLS: Once it has been made public and the announcement has been made, what steps occur after that, minister?

Mr KNIGHT: The consultation throughout the regions about the changes and, I guess, then we would see what the response has been like. We hope our solution to people's issues actually achieves the result.

Mr MILLS: What is the main problem do you think needs to be fixed, minister?

Mr KNIGHT: Well, I guess it is about understanding. Many businesses only now are starting to chase the public sector work, and it is quite complex. People who understand it - and there are many - are successful. Many businesses miss out because they produce poor tenders and do not understand the system. That is why we have the human liaison and workshops, but many people do not take up that. It is about the transparency of exactly what rules of the game you have.

Mr MILLS: I will give you a tip: you are not going to tell people there is nothing wrong with the system; it is just that they do not understand it.

Mr KNIGHT: Well, it is a complex system ...

Mr MILLS: I understand that, but that would not be the message you would run, because that sounds like the message that would be run: it is a good system; we just need people to understand it better. That is the main problem you have just identified.

Mr KNIGHT: I do not think I did.

Mr MILLS: I asked what is the main issue that needs to be addressed, and you said it is people do not understand it.

Mr KNIGHT: That is one of the main ones, yes, but I would not put it as crudely as that.

Mr MILLS: No, no, I am just pointing out that is what it could sound like. I am providing you with some counsel on that, but that is what it does sound like. I hope there was a recognition in the focus groups, or a number of issues that did come to light, that need to be addressed ...

Mr KNIGHT: Yes, it is not just one single thing.

Mr MILLS: It is not just that people do not understand the system. That will do in that, thank you.

Madam DEPUTY CHAIR: That concludes Output 3.3.

Output 3.4 – Information and Communication Technology Services

Madam DEPUTY CHAIR: We will now consider Output 3.4, Information and Communication Technology Services, noting that the Minister for Business and Employment will take questions on Information and Communication Technology Services, while the minister for ICT Policy took questions on that policy last night. Do you have any questions?

Mr MILLS: Sorry, who took questions on it last night?

Madam DEPUTY CHAIR: Policy, yes, two parts.

Mr MILLS: Okay, okay. Do you have any on this? I have a couple. Minister, can you tell me what the combined value of contracts issued for ICT Services were in 2010?

Mr SYMONS: As at the end of 2009-10 financial year? \$103m.

Mr MILLS: \$103m. Who were the selected suppliers and what is the value of their contracts?

Mr KNIGHT: There is quite a breakdown here. Are you able to table that?

Mr SYMONS: Yes, we can.

Mr KNIGHT: We will table that; a whole page full.

Mr MILLS: That is good. Happy for that to be tabled, thank you. No further questions.

Madam DEPUTY CHAIR: Questions, member for Braitling?

Mr GILES: I have been waiting all night to ask a couple of questions. When did the last contracts expire, before these new ones that you just tabled were awarded?

Mr SYMONS: The contracts had different expiry dates. There were some contracts that I think expired at the end of May 2010. Most expired at the end of June.

Mr GILES: Are you able to provide a list of contracts that expired, what date they expired, and the value of those contracts?

Mr SYMONS: Yes, we have them.

Mr GILES: Are you able to table them? Thanks. They were some conversation last year, minister, about - maybe it was earlier this year - the time frame between when one contract had ended and when a new one came. What was the reason for the delays in that contract period between the old contract and the new contract?

Mr KNIGHT: I will just get Graham Symons to explain the process.

Mr SYMONS: Yes, protracted negotiations with one potential supplier was the reason - Telstra. Negotiations went on longer than expected. What happened in the interim period is we dropped off the old contract price onto what is called the book price, and that continued until contracts with Telstra were finalised, which I think was at the beginning of September last year.

Mr GILES: Thank you very much, Mr Symons. Was that between May and September that you were on the book price?

Mr SYMONS: Yes, between June and September.

Mr GILES: Minister, what was the additional cost during that period for being on the book price, rather the contract price?

Mr SYMONS: I think we provided this information previously. \$529 000.

Mr GILES: \$529 000. So, we spent additional \$529 000 on ...

Mr SYMONS: On the previous contract price.

Mr GILES: Yes. That was on mobile phones? What was that on?

Mr SYMONS: It would have been for all the services we were getting through Telstra, which would have included fixed phones, mobile phones, and data carriage.

Mr GILES: No worries, thanks very much. Minister, how many incidents of alleged hacking of some sort against the departmental computers and mobile phones and so forth?

Mr KNIGHT: We will just get those figures. I will highlight with that last question that the new ICT services model in the first year will have savings of \$8m, and every year after that there will be \$10m savings, year-on-year. The new contracts have reduced our costs quite significantly.

Mr SYMONS: Can I clarify the question? Are you looking at misuse of computers by departmental staff?

Mr GILES: No, that will be my next question. This one is about alleged phishing and attacks on government assets.

Mr SYMONS: From the beginning of the financial year to the end of March, there were six instances of the kind you are referring to. There were three virus infections, two that are known as phishing events, when someone outside acquires identifying information, and one attempted hacking event.

Mr GILES: On those six instances, on the hacking, did the hacker get through and, if they did, what information did they take?

Mr SYMONS: No, the hacking was unsuccessful. The server that was attacked was checked and appropriate security measures taken. There was no damage or loss of NT information.

Mr GILES: Do we know the source of the hacker?

Mr SYMONS: No.

Mr GILES: Not country or anything?

Mr SYMONS: No. I suspect the country may be known, but we certainly do not know who was involved.

Mr GILES: Regarding the phishing attempts, do we know the sources of those, do we know how many staff provided their details, and if there were any breaches as a part of providing those details?

Mr SYMONS: I do not have the figures of the number of staff who would have provided details, but that would have been part of investigation and management of the incident. In each of those cases, the information would have gone back to the agency concerned.

This was a matter for discussion at the NT Information Management Committee about a year ago, and all agencies agreed to take fairly firm action in following up with employees who had not followed appropriate procedure and security measures.

Mr GILES: Can I put a question on notice, minister, about how many employees who were phished in those two instances. Please provide their details and if there were any follow-up investigation that needed to take place to ensure there had been no breaches on the system.

Question on Notice No 9.7

Madam DEPUTY CHAIR: Could you repeat that please, member for Braintree, for the benefit of Hansard?

Mr GILES: Of the two phishing attempts, please provide details of where they came from, location wise in relation to country; the number of employees who provided their details; any investigations that had to take place because of the provision of those details; and what those investigations were.

Madam DEPUTY CHAIR: That is question on notice No 9.7.

Mr GILES: The three viruses - I can ask this broadly or directly. Broadly, what was the extent of the three viruses? What trouble did they cause? Where did they come from?

Mr SYMONS: I have a description here. If you like, I will read you the description, but if you want more details, I will have to call on more technical expertise.

Mr GILES: No, a description is fine.

Mr SYMONS: In the first case, malware was injected onto a remote school computer resulting in an e-mail dictionary attack against another domain. The source was unknown. The infection was cleared up and no significant damage was done. The second one was what is referred to as a Conficker infection in service provider servers resulting in network issues. Again, the source was unknown.

Mr GILES: Did you fix it up pretty quickly?

Mr SYMONS: Yes, it was cleared up.

Mr GILES: That was the three, was it?

Mr SYMONS: Yes.

Mr GILES: Thanks for that very much, Mr Symons. What is the average response time for computer outages for government staff?

Mr SYMONS: Are you talking about desktop computers?

Mr GILES: Yes.

Mr SYMONS: Mr Gary Haigh, who is the Director of IT Services Management.

Mr HAIGH: Gary Haigh, Director of IT Services Management. The response times for incidents in the outsourced environment depends on the type of job it is. There are service levels attached to each job of whether it is Severity 1, a standard response, or Severity 2, for argument sake. They vary depending on the location of the fault. Obviously, remote locations have a longer response time than metropolitan or regional.

Mr GILES: Do you have an average time for each one of those different categories?

Mr HAIGH: On average, the response times are about four hours to fix. Some of them could be several minutes or an hour, but that is the average response.

Mr GILES: Thanks for that. Minister, how many people are on VPN?

Mr HAIGH: I do not have an exact number, but VPN access is within hundreds not thousands.

Mr GILES: Hundreds of satisfied or dissatisfied customers on VPN?

Mr HAIGH: Depending on their perception on what they expect, yes.

Mr GILES: No worries. I will not ask any more questions on that. Thanks very much for that answer. I just did not know how many people were in the same boat as some of us who have different opinions.

How many reports of government employees looking up the wrong things on the Internet have there been? How many investigations have taken place?

Mr KNIGHT: Mr Symons.

Mr SYMONS: In 2010–11 up until 31 March, there were 31 investigations of instances of computer misuse by NT government staff.

Mr GILES: Does that include e-mails and Internet, and does it also include mobile phones and iPads?

Mr SYMONS: It would be misuse of computer and Internet. I do not know what devices were involved.

Mr HAIGH: It may well involve a mobile device, but the incident will be reported as misuse of a government asset.

Mr GILES: That would have been included in that 31?

Mr HAIGH: Yes.

Mr GILES: Of those 31 investigations, what action was taken against the staff in question? Is there a stack that are no action?

Mr SYMONS: We do not have that level of detail of information about what happened in each case. The process would be we investigate on the request of agency Chief Executives. An investigation has to be authorised by the agency CE. We would be providing a report back to the agency CE. I do not even have information here as to whether, in fact, there was actually an issue in all 31 cases. They were just 31 investigations. I know from experience that not all investigations result in it being clear that someone has done the wrong thing. It would be up to the agency to take appropriate disciplinary action should that be the case.

Mr GILES: You do not know if there were any suspension, terminations, demotions, or otherwise, of those things?

Mr SYMONS: We would not have that information. It would be a matter dealt with through the disciplinary process of the agency.

Mr GILES: Thanks, Mr Symons. Do you know, of those 31 investigations, in categories, what they were for?

Mr SYMONS: No, I do not have that level of detail.

Mr GILES: Can you break the 31 down into Internet or e-mail?

Mr SYMONS: We could probably get that information for you. I do not have that in front of me.

Mr GILES: I put that question on notice, Madam Deputy Chair.

Question on Notice No 9.8

Madam DEPUTY CHAIR: Please repeat it for Hansard.

Mr GILES: Minister, of the 31 investigations into inappropriate use of government technology - being computers, Internet, telephone, e-mail or otherwise - what were those investigations for? What was the breach of policy? Also, what disciplinary measures were put in place?

Mr KNIGHT: We will not know that. I think your question was: is it broken up by asset? We would not know the detail of the case or the outcome, because it would be back in the agency. I think your original question was, which device is it coming ...

Mr GILES: No, the original question was, of the 31 investigations, what was the breach? That is what I am trying to find out: what the breach was.

Mr SYMONS: We would be able to tell you the outcome of our investigation. In other words, we would be able to tell you whether there was a breach. We would not be able to tell you, if there was a breach, exactly what the subsequent action taken by the agency was.

Madam DEPUTY CHAIR: It could only be contained within the output for which the agency is responsible. That is question No 9.8.

Mr GILES: Do all webpages operated by the Northern Territory government go through the department? Are they all facilitated through your department? Through your equipment, do you host all the webpages and, then, on-charge each government department?

Mr HAIGH: The majority of them will probably be hosted by the department, but on-charging is purely for the hosting service. We do not manage the websites at all or have any input.

Mr GILES: Thank you. No other department or agency has to provide a fee to the Department of Business and Employment?

Mr HAIGH: Sorry, can you repeat that?

Mr GILES: No other agency or department has to provide a fee to the Department of Business and Employment for webpages they operate?

Mr HAIGH: If they are hosted in the Data Centre, that would be a charge to the Department of Business and Employment Business Unit, but the webpage facility itself is normally managed by the agency and updated by the agency.

Mr GILES: Do we know how many webpages the Northern Territory government has?

Mr HAIGH: We do not have that information.

Question on Notice No 9.9

Mr GILES: I will put that question on notice. Do you want to do the question number first, or will I ask the question?

Madam DEPUTY CHAIR: No, ask the question first.

Mr GILES: How many webpages does the Northern Territory government have?

Mr HAIGH: Can I just clarify first that you are after the number of websites or webpages?

Mr GILES: Pages.

Mr HAIGH: One site could be thousands of pages.

Mr GILES: That is what I am after.

Mr HAIGH: Sites?

Mr GILES: The thousands of pages is what I am after. I am sure they have to be administered, so they would have to go through the Department of Business and Employment, would they not? That is what I was trying to get to.

Mr HAIGH: Just to clarify, the Department of Business and Employment Data Centre Services is a hosting service, so we provide the infrastructure to host your website, but the data, the content of that website is managed by agencies, and the content defines the pages.

Mr GILES: Yes, and I appreciate all that; I understand all that. I am trying to find out how many individual pages are operated by the Northern Territory government?

Mr SYMONS: We would not have that information.

Mr GILES: You would not have that?

Mr KNIGHT: Sites?

Mr GILES: Yes, we will go with sites.

Madam DEPUTY CHAIR: That is question on notice No 9.9.

Mr GILES: How many iPads does the Northern Territory government, through the Department of Business and Employment, own or lease?

Mr HAIGH: We do not have that level of information. iPads are considered a mobile device and agencies procure them direct.

Mr GILES: They do not go through the Department of Business and Employment?

Mr HAIGH: They do not go through the Department of Business and Employment. There are contracts.

Mr GILES: No worries, then, I have no more questions.

Mr WOOD: One question; this is more a request for help. I notice in here, 'continue the computers for community initiative' is one of your programs. As you know, we had a parliamentary visit to Dili a couple of years ago, and we met a Sister Lucia. She recently e-mailed, asking whether I could find out if we could source second-hand computers for her school. I wondered whether this Computers for Community initiative is a means of obtaining second-hand computers to send to the school and, if so, how could I work with the department to see what we could arrange?

Mr KNIGHT: I know Timor-Leste is full of donor countries' programs. I wonder if you could source out of one those.

Mr WOOD: We have our representative down the back there; I am sure he will be able to help us get them over there. I have already had an offer from Barry Feldman and Brian Measey that they will provide a container.

Mr KNIGHT: I do not currently know what our demand is within the Northern Territory. If we had a remote school versus a school in Timor-Leste, I think we would opt for the Northern Territory school. I would have to get advice on the current wait list for those computers and ...

Mr WOOD: I am not saying that Timor should take them all, but having been there, it would be good.

Madam DEPUTY CHAIR: I just add to that, minister. Member for Nelson, having introduced you to Sister Lucia from the Diocese of Dili, it was my understanding, through a conversation I had with her, that program had delivered computers to Dili.

Mr WOOD: I got an e-mail about two months ago asking for computers for the school.

Madam DEPUTY CHAIR: I wonder if that is a second request for computers?

Mr WOOD: Sister Lucia is a fairly constant person, but she is also very dedicated in turning things around.

Ms SCRYMGOUR: We need computers in the bush.

Mr WOOD: Oh yes, but there are plenty of computers to go around.

Mr KNIGHT: Member for Nelson, we will take that on board and we will see if we can get you some computers.

Mr WOOD: Neighbours are everywhere. Thank you for that.

Madam DEPUTY CHAIR: That concludes Output 3.4.

Output 3.5 – Office Leasing Management

Madam DEPUTY CHAIR: We will now move to Output 3.5, Office Leasing Management.

Mr MILLS: Thank you. I have just a couple of questions, minister. How much office space leased by the Northern Territory government is currently vacant?

Mr KNIGHT: Mr Symons will have that figure.

Mr SYMONS: I will pass that to Kathleen Robinson. She probably has it at her fingertips quicker than me.

Ms ROBINSON: 190 589 m².

Mr MILLS: Currently vacant?

Ms ROBINSON: Sorry, I thought you said currently leased. Pardon me - 619 m².

Mr MILLS: That is a better number.

Mr CHAIRMAN: That is a block of land, Gerry.

Mr WOOD: Yes, under the new villages ...

Mr MILLS: How much office space will be due for renewal in 2011-12?

Mr KNIGHT: Leases expiring in 2012 - is that what you are saying?

Mr MILLS: Yes, I guess so, leases expiring. You would assume there would be the next process so ...

Mr KNIGHT: There are 33 leases up for renewal in 2011-12.

Mr MILLS: What is the status of the government's attempts to lease sustainable office space - environmental ...

Mr KNIGHT: We have the Green Office Buildings Policy, so we are always trying to source those. Is this the recent expression of interest you were talking about?

Mr MILLS: Yes, where you are at for that?

Mr KNIGHT: The expression of interest?

Mr MILLS: Yes, that is right.

Mr KNIGHT: We are about to go out again; I guess we could get Graham Symons to explain that.

Mr SYMONS: Yes, under the Green Office Buildings Policy we encourage property owners to move towards 4½-star NABERS rating for existing buildings in energy efficiency. In fact, our experience has been, in most cases, for the substantial leases the property owners are already moving and coming to us with propositions along those lines in the process of the lease renewal. Quite a bit of that has happened already.

In relation to the expression of interest, that is about to go out again. We went out with expressions of interest early last year, then select tender. That procurement process was cancelled in February and we are just about to go out again on 30 June.

Mr MILLS: Why was it cancelled?

Mr SYMONS: A couple of reasons. One was the government requirement changed. We went out to expression of interest originally for 4000 m². In the course of developments and after, in fact, we had gone out to select tender as part of that process, the government had a requirement for a further 5000 m², so the requirement increased to 9000 m². In fairness to the range of prospective proponents, we really had to cancel the process and start again.

Mr MILLS: The environmental requirements changed?

Mr SYMONS: The environmental requirements did change somewhat. The original expression of interest and select tender was for 5-star NABERS and 5-star Green Star. We dropped the 5-star Green Star requirement for this next tender, so this next time it will be just 5-star NABERS.

The reason for that is around the state of application of the technology in the Northern Territory. Most developers or property owners who do not have experience with the technology have found that it increases their costs by around 20%. That was the experience, for example, of the green building in town that Evan Lynne put up. More experienced people who have done it before and have an experienced team can probably do it for around 5% increase in cost. At this stage, in the application of the technology in the Northern Territory, we decided we would not pursue it at this point.

Mr MILLS: Was that the reason to stop and start again?

Mr SYMONS: That was one of the reasons. As I say, there were a couple of factors. One was the increased requirement. In the course of assessing the responses we received we found that, in most cases, the costs were somewhat higher than we anticipated.

Mr MILLS: If one of the reasons is that you have moved from a requirement for 4000 m² to 9000 m², do I assume that increased space is being taken from somewhere else?

Mr SYMONS: Yes.

Mr MILLS: They are leases that are not being renewed?

Mr SYMONS: That is right.

Mr MILLS: In that, is there also an increase in the total space allocated?

Mr SYMONS: Not in the additional 5000 m².

Mr MILLS: I thought the initial was 4000 m².

Mr SYMONS: That is right. It has now expanded to 9000 m², so there is an additional 5000 m².

Mr MILLS: The initial 4000 m² increased capacity?

Mr SYMONS: No, sorry, the way I expressed that was probably misleading. No, in fact, the whole 9000 m² is replacing existing leased office space.

Mr MILLS: Right. The reason for going from old to new?

Mr SYMONS: A mix of reasons. The original 4000 m² was office space that had been around for a long time and was certainly in need of some renewal. It did not meet the energy efficiency requirements the government wanted to achieve. With the additional 5000 m², it is a bit of a mix. Some of it is for that reason, some of it is because of significantly changed agency requirements for office space - not increased, but change of a configuration.

Mr MILLS: No further questions.

Mr CHAIRMAN: Member for Nelson, any questions for this output?

Mr WOOD: Yes, please. One in regard to leasing in remote communities. Do you do that on behalf of the government?

Mr SYMONS: Yes, we coordinate that - if you are referring to office space.

Mr WOOD: Yes.

Mr SYMONS: The answer is yes.

Mr WOOD: Is there are fairly large variation in leasing prices, especially if there is limited office space? Are you, basically, stuck with what the price is, and you cannot negotiate?

Mr SYMONS: I believe there is negotiation in practically all cases. You are quite right; there is very little office space available in remote communities. What the government has done, as a matter of principle, is indicated it intends to establish a Government Business Centre in each of the growth towns. That is to cater for office space on remote communities that is not currently available. The presence on remote community at the moment is, basically, police station, school, and clinic. Increasingly, as government wants to base services on communities, new office space needs to be acquired. That is what those centres are for.

Mr WOOD: Are you part of the negotiations in regard to the cost of lease on which those government offices might be built?

Mr SYMONS: The lease of the land?

Mr WOOD: Yes.

Mr SYMONS: No.

Mr WOOD: Do you get held to ransom - if I can put it that way - by simply not having any competition? Do you have to lump it if that is the price, or do you decide you will not do it, or do you ...

Mr SYMONS: No, at the moment, it generally does not happen, or it happens in only very unsatisfactory temporary office accommodation.

Mr KNIGHT: Equally, there are not too many seeking office space out there, as well. There are only us and the Commonwealth looking for office space and prepared to pay for it.

Mr WOOD: Thank you, Mr Chairman.

Mr CHAIRMAN: That concludes consideration of Output 3.5, Office Leasing Management.

DATA CENTRE SERVICES

OUTPUT GROUP 4.0 – DATA CENTRE SERVICES Business Line

Mr CHAIRMAN: We are moving on to Output Group 4.0, Data Centre Services, Business Line. We will start the questions.

Mr MILLS: Minister, in relation to the budget books that you produced this year, how many copies were produced? How did that compare with last year?

Mr CHAIRMAN: You have jumped ahead to Government Printing Office.

Mr KNIGHT: We are on Data Centre Services.

Mr CHAIRMAN: We are at Data Centre Services, then we go to Government Printing Office.

Mr MILLS: Oh, I have them together. All right, no questions in Data Centre Services.

Mr CHAIRMAN: That concludes consideration of Data Centre Services.

GOVERNMENT PRINTING OFFICE

**OUTPUT GROUP 5.0 – GOVERNMENT PRINTING OFFICE
Business Line**

Mr CHAIRMAN: In that case, we will move on to Government Printing Office.

Mr MILLS: How many budget books were produced this year? How does that compare with last year?

Ms HARDING: Katrina Harding, Director of Business Improvement in Reporting. The Government Printing Office is one of my responsibilities. If I could just clarify, please, the specific papers you are talking about?

Mr MILLS: The budget books.

Ms HARDING: All of them?

Mr MILLS: Yes.

Ms HARDING: We will have to take the question on notice. There is an increase in the number that was produced, but we do not have the detail with us.

Mr MILLS: Right. Would you be able to provide ...

Mr CHAIRMAN: We can take that as a ...

Mr MILLS: I anticipate the next one will have to be added to that too. What is the average cost of a set of budget books?

Ms HARDING: The cost?

Mr CHAIRMAN: That is the next question.

Mr MILLS: I will put those together and it will be questions on notice.

Mr CHAIRMAN: Yes.

Question on Notice No 9.10

Mr MILLS: In relation to the budget books produced this year, how many copies were produced? How many were produced in 2010? What is the average cost of a set of budget books?

Mr CHAIRMAN: For both years?

Mr MILLS: Yes, both years.

Mr CHAIRMAN: That is question No 9.10.

Mr MILLS: That will be all from me, but my colleague probably has a question.

Mr WOOD: I know I am spoilt, but I have the only practical copy of the budget, which can be laid flat - and I saw the member for Port Darwin struggling with it. That is hopeless.

Mr MILLS: Before you launch into your prayer book, can you just add to that list the cost of that as a special line item?

Mr WOOD: Could you then add the cost of the power and water? This one is also bound that way. This one, the Chief Minister's, is bound that way. In fact, the department's copy is bound that way.

A member: That is because you have done it yourself.

Mr WOOD: That is a do-it-yourself. This is a far more convenient and practical way to use it, especially people who have to use it. Why can they not all be brought out like this? Is it dearer to bring out a spring bound copy than a stuck-up one?

Mr KNIGHT: I guess, in defence of the GPO ...

Mr WOOD: Oh, I am not knocking them.

Mr KNIGHT: They receive an order for a type of printing from Treasury. That is my advice. I do not know if there is any difference in costs as far as the different ...

Ms HARDING: Minister, I can add to that. That would require some specific technology and a lot more labour-intensive, I imagine. The binding machine we have is specific to the type of binding on the other versions of the budget papers.

Mr WOOD: There must be a machine that does it, because it does it for a lot of ...

Ms HARDING: Sure, but the GPO does not have that particular machine. Sorry, I am informed we do.

Mr WOOD: Is there a big difference between gluing and spring? You have told me it is dearer, at least, and this is a budget consideration ...

Mr KNIGHT: You are the only one who asked for it.

Mr WOOD: That is right.

Mr KNIGHT: See if that holds together.

Mr WOOD: No, I am given it now, because they are used to it. All right, I will move on. It is a good way to deliver documents that have to be used, because you do not have to put bricks on them.

Mr CHAIRMAN: You are asking how much you cost?

Mr WOOD: Do you want me to ask that? I will find out from sources within.

Mr KNIGHT: Do you really want to know how much it costs to produce it just for you?

Mr WOOD: No.

Mr MILLS: Yes, I do.

Mr WOOD: Well, you can ask that question.

Mr MILLS: Yes, I will ask that question; it is going to be interesting.

Mr WOOD: Well go on, put it down.

Mr MILLS: I will add that to the list of the questions on notice.

Mr WOOD: And I can see this coming up as motion in parliament.

Mr MILLS: Big issue; we will refer it to the Council of Territory Cooperation.

Mr WOOD: That is it; there will be an inquiry.

OUTPUT GROUP 6.0 – NT FLEET Business Line

Mr CHAIRMAN: Moving on to NT Fleet.

Mr WOOD: I just got my car back, it just was fixed.

Mr MILLS: No questions.

Mr CHAIRMAN: Member for Nelson, are there any questions for NT Fleet?

Mr WOOD: I am just hoping my new car – no, I am okay.

Mr CHAIRMAN: That concludes consideration of Output Group 6.0, NT Fleet, Business Line.

**DEPARTMENT OF CHIEF MINISTER
ASIAN RELATIONS AND TRADE**

Output 7.1 – Asian Relations and Trade

Mr CHAIRMAN: We are moving on to Asian Relations and Trade.

Mr KNIGHT: No Desert Knowledge?

Mr CHAIRMAN: Minister, is Desert Knowledge within an output, or was it a separate output?

A Witness: It is within the portfolio, but it is not an output.

Mr KNIGHT: Mr Chairman, I table three documents.

Mr CHAIRMAN: Member for Nelson, do you have any questions for Desert Knowledge? I am just making sure before we move off it.

Mr WOOD: No, I did not know it was here.

Mr CHAIRMAN: We are moving on to Asian Relations. Minister, do you have any opening comments to Asian Relations and Trade?

Mr KNIGHT: This evening, I will take questions on Asian Relations and Trade areas of my portfolio. There are four key activities where the Northern Territory government currently deploys its energies and resources to engage the region in ways that are highly focused on real NT interests. These are targeted ministerial and official travel; support for business, education, and community engagement; fostering inbound government and business missions including for major business attraction shows and events; and active promotion of Territory foreign diplomatic and business representatives based in Australia.

I will not be taking questions on the live export-related matters. These should be directed to the minister for Primary Industry.

Mr Chairman, the Northern Territory continues to develop close relations with its near Asian neighbours in many fields including trade and investment, tourism, education, arts and culture, and sport.

In 2010-11 financial year, Northern Territory ministers visited Japan, China, the Philippines, Singapore, Timor-Leste, Vietnam, and the United Kingdom to advance Northern Territory interests in the fields of trade, investment, education, and tourism.

To support the Territory's engagement with China, the Chief Minister and Minister for Asian Relations and Trade travelled to China in August 2010, with a large delegation for the NT Week at the Shanghai World Expo. The minister for Resources was again in China in November 2010, as part of the Northern Territory government's China Minerals Investment Attraction Strategy.

There were also a number of inwards ministerial high-level visits to Darwin during this period including: China's Vice President, Xi Jinping, as part of an official visit to Australia in June 2010; Japan's Senior Vice Minister for Economy, Trade and Industry in December 2010 for visits on the INPEX project; the Minister for Tourism, Commerce and Industry for the start of the Darwin to Dili yacht race in July; the Indonesian Minister for Marine Affairs, Fisheries and the coordinating Minister for the People's Welfare for the start of the Sail Indonesia in July also; the Deputy Prime Minister of Timor-Leste and three other ministers from Timor-Leste at an NT business forum meeting in April; and there were several provincial governors from Indonesia and the Philippines here.

The Northern Territory government, in association with the Chamber of Commerce NT and other business organisations, coordinates a range of trade missions to Asia relating to mining service and supply, tourism, and education industries. The Northern Territory will continue to build on existing links to develop

closer bilateral relations with its neighbours and undertake activities in line with the government's international trade strategy Growing International Trade 2009-2014. This strategy provides the blueprint for future trade growth over the five years to 2013 that will help to diversify and strengthen the Territory's economic base. Our competitive advantage is to combine our abundance of natural resources, our proximity to key international markets, our growing transport and logistics capability, modern infrastructure, and skilled workforce to present a formidable picture of the Northern Territory's secure position as Australia's gateway to Asia.

The Territory's average annual growth for merchandise exports has been revised upwards to 9.3% for the next five years due to strong growth in the Asian economies and continuing strong commodities prices. The Northern Territory's strategic approach to trade complements our strategic approach to bilateral relations generally. Engagement with Asia at the political, business, education, culture, and sporting levels is further positioning the Territory as a reliable, friendly neighbour, a secure and stable location providing certainty for foreign direct investment and underpinning the future for the trade opportunities and prosperity.

Today, I have with me Jeff Stewart, Director of Trade and Investment; Brendan Lawson, the Executive Director of Major Projects; Brendan Doran, Director of Asian Relations; and Phil Vivian, the Chief Financial Officer.

Mr CHAIRMAN: Fantastic. Leader of the Opposition.

Mr MILLS: Questions on the opening statement?

Mr CHAIRMAN: You can just go straight in.

Mr MILLS: I will. Minister, I need your clarification. Did I hear correctly that no questions will be answered on the live trade issue?

Mr KNIGHT: You have had the opportunity ...

Mr MILLS: Yes or no?

Mr KNIGHT: ... to talk to both the Chief Minister and the minister for Primary Industry about this. The aspects I was dealing with in the portfolios of business regarding that particular issue was with the non-direct businesses we have started to engage with. That is our team approach to resolving this very sensitive and very complex problem. We are working with industry to try to resolve it, and we are not going to use it as a political football for political ends. The issues of the problem go to solving supply chain problems, which lie within industry, and the minister for Resources is dealing with that.

Mr CHAIRMAN: Perhaps I can provide some clarification there. Obviously, a test of relevance for us today is any questions going to the operations and financial positions of the departments and agencies which seek funds are relevant questions for the purposes of Estimates hearings. Any questions the Leader of the Opposition has that goes to trade, that you deal with in your output ...

Mr MILLS: Live cattle.

Mr CHAIRMAN: ... if there is a component of that, then that is relevant. However, in what the Primary Industry minister or the Chief Minister is doing, obviously, you cannot answer those questions. Any questions relevant to the budget and on trade are fine.

Mr MILLS: They come together, minister.

Mr KNIGHT: Well, go for it.

Mr MILLS: For example, Asian Relations and Trade. I read from your description of this particular output group, which says: 'to promote international trade and investment opportunities in the Territory and foster relations with countries of strategic interest in the wider Asian region'. To exclude, or attempt to exclude, any line of questioning with regard to how this particular portfolio responsibility applies to this specific issue, is astonishing - with respect.

Mr KNIGHT: I am anticipating your use of it, but please continue with your questions if you like.

Mr CHAIRMAN: Do you have a question, Leader of the Opposition?

Mr MILLS: Absolutely. I am responding to the opening statement. I wanted to make certain that was not the case. Minister, how many staff are employed in the area of Asian Relations and Trade, excluding Major Projects?

Mr KNIGHT: Mr Phil Vivian.

Mr VIVIAN: Phil Vivian, Chief Financial Officer. The FTE for Asian Relations and Trade, including administrative support staff within that output area, is 10.

Mr MILLS: Thank you. Do you employ any native speakers of any language within the agency?

Mr LAWSON: Brendan Lawson, Executive Director, Major Projects, Asian Relations and Trade. We employ a number of people who, as part of their academic skills, have picked up language skills in a range of languages. We have some people who speak, for instance, Filipino dialects. We have Italian speakers, a range of different language speakers who bring those skills to the department.

Mr MILLS: They are in the 10?

Mr LAWSON: They are.

Mr MILLS: If you need specialist skills if travelling overseas, how are they acquired - translation at the appropriate levels?

Mr STEWART: Jeff Stewart, Director of Trade and Investment. Usually, we look at that on a one-on-one, case-by-case basis. Some markets we go into, we do need translators. We have some capacity in delegations, but it is always best to get a qualified or accredited translator when we are talking, either at the political or the business level.

Mr MILLS: Absolutely. Could you please identify the amount that has been spent on that particular resource - the recruitment of the appropriate level linguistic skills in travelling?

Mr KNIGHT: Take it on notice?

Mr STEWART: Yes, we had better. It is normally fairly limited, but there have been occurrences where we normally engage those through Austrade which can provide assurance of their level of accreditation.

Question on Notice No 9.11

Mr CHAIRMAN: Please repeat the question.

Mr MILLS: Details of the number and the cost and the language group where specialist translation skills have been employed.

Mr CHAIRMAN: That is question No 9.11.

Mr MILLS: Could you table documentation or documents that have been produced in other languages to promote the Northern Territory?

Mr LAWSON: As part of the *Territory* magazine, which is produced on a quarterly basis, there is an international version of that. There are also language versions in Chinese ...

Mr STEWART: Mandarin and Japanese.

Mr MILLS: Mandarin and Japanese?

Mr STEWART: Yes. We also produce fact sheets on particular topics from time to time. They also include Bahasa Indonesian.

Mr MILLS: South Korea? I think I have one here in Korean from August 2010. To me, it looks like Korean. I thought there were more. I am sure it is Korean. It is the *Minerals Provinces of the Territory* - not that I read Korean.

Mr KNIGHT: It might be something produced by DoR, I suspect.

Mr MILLS: I assume, as coordinating agency, you would be aware of all that exists to promote the Territory within the region. Do you have knowledge of other agencies that are producing material in language to promote the Northern Territory?

Mr STEWART: We do work very closely across the board, specifically with the Department of Resources. We even have joint delegations and efforts overseas. There is a certain level of autonomy in trade magazines and their promotional activities. However, in investment attraction and trade delegations, we are certainly aware of those delegations and those activities.

That could similarly be said of international education where we work closely with the Department of Education and Training and Charles Darwin University to maximise our exposure and coordinate those efforts. We are certainly not trying to duplicate efforts across government.

Mr MILLS: I had understood the agency to have a coordinating role so you would be aware of activities of different agencies which are being supported by this agency. That is the case, is it not?

Mr STEWART: We certainly have a coordinating role underneath the trade strategy, although we are not the lead agency in many of those areas.

Mr MILLS: How many staff of the department, minister, have travelled to the Asian region in the past 12 months?

Mr KNIGHT: Do you want to take that on notice?

Mr VIVIAN: We can take it on notice. We do not have that in one document at this stage.

Mr MILLS: I will put it on notice and there will be another part to it then.

Question on Notice No 9.12

Mr CHAIRMAN: Please repeat the question and add the second part.

Mr MILLS: How many staff of the department have travelled to Asia in the past 12 months and what was the purpose of that travel?

Mr CHAIRMAN: Is that one question?

Mr MILLS: Yes.

Mr CHAIRMAN: Okay, so would you just say it one more time?

Mr MILLS: How many staff in the department have travelled to Asia in the past 12 months and what was the purpose of that travel?

Mr CHAIRMAN: That is question No 9.12.

Mr MILLS: Minister, what permanent presence does the Territory have in any regional jurisdiction?

Mr KNIGHT: We do not have a permanent presence in most places. We tend to use the services of Austrade, which is better value for money. We can buy their services in any location which has an Embassy or High Commission ...

Mr MILLS: No officers work in any other jurisdiction?

Mr KNIGHT: We have chosen a path where we hire services and get advice from people who live in country permanently and across all the diplomatic and economic information of that country. Austrade is probably the best and most reliable.

Mr MILLS: Who have you spoken to there for ...

Mr KNIGHT: I will get Brendan to add a few words.

Mr DORAN: Brendan Doran, Director, Asian Relations. As well as Austrade having its services available, there is certain information you can get through Austrade that is free of charge. Of course, within the diplomatic trade and network context, we do make use of the Embassies and the resources of the Department of Foreign Affairs and Trade, and other Commonwealth agencies that might have a presence overseas and are prepared to work with us. Often, in country, if we are on an official delegation and there is a host agency of the local government, they will provide services to us as well. Of course, sometimes we work directly with companies that have a presence overseas.

Mr MILLS: What you have described would be what I would do as an opposition member travelling overseas, and that is to be expected. If that be the case, minister, what advice have you received, and who have you spoken to, to gain an insight into what is happening in Indonesia with regard to this live cattle issue? Given the resources you have that are available to you in country that you avail yourself of, whom have you spoken to?

Mr KNIGHT: I have spoken locally here to the Acting Consul Bambang Daranindra. I guess the approach we took - and I did highlight it in my commentary after opening statement - is there were different levels for this. At the end of the day, it was a problem for industry to solve a supply chain problem in a foreign country. The Chief Minister, the minister for Resources, and I agreed on a shared role. The role for the Chief Minister was to work with his counterparts at the federal level - the highest level, the Prime Minister. The minister for Primary Industry would work with the industry, whether it be the live cattle exporters or the NT Cattlemen's Association, and his equivalent in Canberra, Joe Ludwig. I would work with indirect businesses here about how they were being affected. Things have been extremely sensitive and, in cooperation with the industry, that was the agreed approach to try to get resolution to this problem.

Mr MILLS: The specific question though, minister, was - given that this is Asian Relations and Trade, and you are the Minister for Asian Relations and Trade, and your description of the resources available to you as a government and as a minister in the region - who have you spoken to in Indonesia?

Mr KNIGHT: This was a strategy we agreed we would not go playing politics with; we would work with the industry, because, at the end of the day, it was an industry supply chain problem. The expectation of the public and of producers was for higher animal welfare standards - and the expectation of the federal government and this government as well. The failure was in the supply chain quality assurance step - the last step from the feedlot to the abattoir. It was for industry to come up with the solution for that.

Obviously, Meat and Livestock Australia (MLA) was in-country working for that solution. It is a complex solution and one they are still trying to work on. The guidance was from the federal government on what their expectations were. It was really for the industry. MLA had been up there for 10 years and the federal government had obviously been ...

Mr MILLS: Can I interrupt. The actual question is: who have you spoken to in the region? Have you spoken to anyone in Indonesia, as the Minister for Asian Relations and Trade, on this issue? Yes or no?

Mr KNIGHT: I want an outcome. I do not want to play politics with it; I want an outcome.

Mr MILLS: What is your job? Asian relations and trade! Who have you spoken to other than the Acting Consul in Indonesia, who is here in Darwin ...

Mr KNIGHT: The industry ...

Mr MILLS: Who have you spoken to in the region? You have told us all the resources you have available to you in Indonesia. Who have you spoken to? Have you spoken to anyone, minister?

Mr CHAIRMAN: The minister has the call.

Mr MILLS: But he is not answering the question.

Mr CHAIRMAN: You have asked the question in the same way, for the last five minutes. The minister has the call now.

Mr KNIGHT: I have told you, we want a solution which is going to work. Playing politics, grandstanding, will not provide that solution ...

Mr MILLS: An answer might assist.

Mr KNIGHT: ... solution with Australian industry about solving a supply chain problem. Did the NTCA, MLA, or livestock exporters say: 'Go up and stir up trouble in Indonesia?' No, they did not. They said: 'Let us sort this out'.

Let us not play politics with it; let us sort the problem out, because we only have one more shot at this. If it fails, if there is a leakage in the supply chain, it will be all over. This industry is too valuable to be playing politics with and ...

Mr MILLS: Who is playing politics with this?

Mr KNIGHT: I believe you are. You should take your lead from industry, which is saying: 'Do not play politics with it'. You should think about the approach that you take. It is not about grandstanding or trying to get a wedge in here; it is about finding a solution. The solution is ...

Mr MILLS: If you have not spoken to anyone, just say that you have not spoken to anyone.

Mr KNIGHT: You are trying to grandstand here. The solution is a challenge for the Australian meat export industry to solve.

Mr MILLS: So, you have not spoken to anyone. Can you then describe what activities have been undertaken by your agency within the region with regard to the promotion of international trade, investment opportunities in the Territory in fostering good relations with our neighbour? What activities has this agency had in the region on this particular issue? What activities, minister? If you have not spoken to anyone, could you describe the activities of your agency with regard to this particular issue?

Mr KNIGHT: There are some indirect arrangements that I will get Brendan to talk about. We are taking very much our lead to leave it up to government-to-government at the federal level to sort this out, because that is what needs to happen. You want to play politics with this, and I think you need to listen to the industry which said: 'Leave it alone, let us sort it out'. Let us take the lead from the industry and work constructively together ...

Mr MILLS: You are dead wrong! You are dead wrong. Sorry, I take offence at that.

Mr KNIGHT: We have a difference of opinion on that.

Mr MILLS: I would like an explanation and some meaning behind your response. How is it playing politics to pick up a telephone in the interests of building a good relationship, talking to your neighbour on this matter? That is not politics, that is doing your job to advance the diplomatic interests surrounding this matter which is the purvey of this particular agency, minister.

Mr KNIGHT: This was a very complex, sensitive, and very important issue to solve...

Mr MILLS: So you exempt yourself from it?

Mr KNIGHT: No, absolutely not. I would dearly love to jump into the fray, to try to hog the limelight, but it is about listening to the industry - not grandstanding, not playing politics with it; finding a solution.

Mr MILLS: Well, tell what you have done? What is your agency doing? I have had ...

Mr KNIGHT: No, listen to me. It is about finding the solution. Today, I talked to you about what small enhancement we are starting to give to industry. Do you know why we gave it to them? Because they asked for it. We are listening to them, trying to work with them about finding a solution. That is the challenge; not trying to score cheap political points. I will just ask Brendan to make a few points.

Mr DORAN: I can provide some clarification on activities of agencies at the moment. As the Chief Minister has indicated during Estimates, and I think during the special session of parliament, the Northern Territory government is taking a 'Team Australia' approach to this. We are working very closely with the federal government.

It is being treated largely as an industry issue, rather than a foreign policy issue, or a major trade issue. The problem is regarded as being very much an industry issue that needs to be solved primarily through

industry channels, but working in close parallel to government, involving, principally, the agricultural portfolios in both countries.

The lead agency at the federal level is the Department of Agriculture, Fisheries and Forestry, and minister Ludwig is the lead Commonwealth minister on it. He is in close contact with minister Vatskalis in this jurisdiction. Minister Vatskalis has set up a government-industry working group. On that working group, there are a number of Northern Territory government agencies including Chief Minister, Treasury, DBE, DoR, of course, and several others. The Indigenous Land Council has also been involved in that body. It has had several meetings. The senior official from DoR also sits on a special Commonwealth body that reports directly to minister Ludwig and involves the governments of Western Australia and Queensland. That has been our principal channel of communication.

The Commonwealth has indicated that it would prefer there be no, or minimal, direct contact by the states and territories with the Indonesian government at the moment, so there are not mixed messages conveyed. Through these working groups, we are being kept informed, and we are briefing our ministers here on what is going on.

The Chief Minister has also gone out of his way to have regular contact with the Acting Indonesian Consul. He takes the position that that is the formal channel through which we should communicate with the government of Indonesia at the moment. Through that channel, he has conveyed the keenness of the Northern Territory government to work with the Commonwealth and, indirectly, with the Indonesian government and industry to find a solution that meets the animal welfare requirements and puts in place the secure supply chain that everyone wants, to get the trade back to normal as soon as possible.

Mr MILLS: Thank you, Mr Doran. Minister, what briefings have you had with DFAT on this matter - Department of Foreign Affairs and Trade?

Mr KNIGHT: As Brendan has highlighted, there are working groups on this. I have had meeting updates with the minister for Resources and the Chief Minister on this. It is an evolving issue and I have had meetings with the Northern Territory Cattlemen's Association and other organisations.

Mr MILLS: What is the role of your agency in this, then?

Mr KNIGHT: As has been highlighted - if you have not picked it up in other forums - this is very much an industry problem, one that is extremely important and sensitive. It does not require multiple people stumbling through this issue; it needs sensitivity and a solution.

Mr MILLS: What is the role of your agency in this, minister ...

Mr KNIGHT: Sorry?

Mr MILLS: What is your role in this? What is the role of the Asian Relations and Trade portfolio in this particular matter? Can you describe that, please?

Mr KNIGHT: Provide advice where required, but this is quite ...

Mr MILLS: What advice have you provided?

Mr KNIGHT: As has been highlighted - and I have said this before - it is very much an industry problem. The solution to this is through industry, and through a set of supply chain arrangements. Auditing of industry steps, I suppose, will be the ultimate solution. As has been highlighted, the lead has been with the federal minister for Agriculture and the local minister for agriculture on this.

Mr MILLS: Can you advise then ...

Mr KNIGHT: I have just one more bit of advice from Jeff Stewart.

Mr STEWART: To put a clear delineation between the departmental roles, the Department of Resources - certainly in the Primary Industry area - has the lead in the pastoral sector. What we attempt to do within the Department of Chief Minister is look at the new market development in areas outside Indonesia, recognising that Indonesia has 90% of the market. We have been operating now under the existing trade strategy for about two-and-a-half years in markets such as Vietnam, the Philippines, and some areas of Malaysia trying to diversify market share.

In the last two weeks, since the current crisis occurred, we have tried to ramp that up with our potential investors in Vietnam. The one we have been working with most closely and we thought was most promising - through our industry sources and exporters, we facilitated a negotiation. Unfortunately, they could not reach an agreement. However, we are also working with a potential second investor and facilitating them actually coming to Darwin on 11 July 2011 to try to work through that. They are an existing feedlotter of cattle.

Mr MILLS: Whereabouts, sorry?

Mr STEWART: From Vietnam. Hopefully, that may be able to take off very quickly.

Mr MILLS: Are you involved in this, minister?

Mr KNIGHT: With all those particular markets we have looked at. I have had meetings with the Governor of Negros Occidental Province in Philippines, both in Manila and here in Darwin. All those markets will be audited by Bill Farmer, who is the former Ambassador for Indonesia. All will have to be approved, because all it will take is someone with a camera in a little abattoir in the Philippines with a AA Co ear tag and we are back to square one again. All those markets will now be audited by Bill Farmer. I guess that comes back to industry again providing solutions, not only in Indonesia, but Vietnam, the Philippines - wherever our cattle go.

Mr MILLS: Have you visited feedlots in any of our countries we export to?

Mr KNIGHT: I have not visited the feedlots, no. I have a trip to Vietnam later this year, during which I will. Usually, the minister for Primary Industry has been doing most of the live cattle in those areas. We share some of that responsibility in those different areas.

Mr MILLS: You spoke just a while ago that you have spoken to the governor of a province - is that the Philippines or ...

Mr KNIGHT: Negros Occidental.

Mr MILLS: You have not spoken to any provincial leader of any of the places where our feedlot cattle go to in Indonesia?

Mr KNIGHT: As you have heard - it is very clumsy of you, really. This is an extremely sensitive issue ...

Mr MILLS: Let us just say before the last two weeks then.

Mr KNIGHT: It is finding a solution. If you are advocating going in without a solution, this industry will die ...

Mr MILLS: Well ...

Mr KNIGHT: No, let me finish. This industry will die on the weight of public opinion in the southern states. We have a different kind of relationship with the pastoral sector in the Northern Territory than most parts of Australia. Although we abhor the cruelty we saw, we certainly understand where our meat comes from. We want to get a workable solution for the long term - not some quick fix - one that is going to last for a week or two before someone has a camera and runs it on *Four Corners* yet again, and the industry will be gone.

The challenge is not about getting back into those markets or influencing the political opinion in Indonesia. It is about finding a practical solution which suits Australians - not suits the Indonesians, but suits Australians. It is our expectations, our standard of animal welfare care that has to be met, not theirs. We have to find that solution, and that is the biggest challenge. It is a challenge for the industry and it is something I am not going to stomp through for my own political advantage. I am going to work as a team with my colleagues in the Northern Territory, with the industry, and with the federal government.

Mr MILLS: Minister, I know this is a sensitive issue for you and for your government, given it was a decision made by federal Labor to impose a blanket ban. However, put that aside. I just asked you about this relationship component of the portfolio responsibility you bear. Given this decision was made two or three weeks ago, let us accept for a moment your proposition that we should not do anything or say anything now; let others do it. Put that aside too, given what I just said. Prior to that, have you had any

relations with those in the live cattle trade in Indonesia - whether it is Lampung, Jakarta, or any place in Indonesia? Have you visited any facility? Have you had relations with people at the provincial level, on any aspect, prior to this *Four Corners* program? Let us put that other embarrassing thing aside for the moment - your response to that with regard specifically to the relationship component of your portfolio responsibility.

Mr KNIGHT: I visited East Kalimantan in September 2010. We went into Balikpapan. We drove to Samarinda. We met Governor Awang in Samarinda and the Chamber of Commerce. There were members of the Chamber of Commerce who were very interested in the live cattle market; introducing breeder herds up there. We have signed a joint statement of cooperation in which one of the areas was about the importation of cattle and education on developing herds there.

We had a subsequent visit to the Northern Territory by Governor Awang when he donated the statue of Lembushwana to the university when we, again, talked about the live cattle market. That was my involvement.

I met Mari Pangestu, the Trade Minister, on my first trip to Indonesia, I think 18 months to two years ago and, obviously, we were keen to see things move on.

Mr MILLS: Did you visit any feedlots or advertise at any of those places?

Mr KNIGHT: I did not visit those feedlots, no, because it really was not required; it was about trying to secure some markets. That is what we were trying to do. I was in Balikpapan at that time promoting not only live cattle, but education, as well as the supply of the mining industry. Obviously, on the visit to Manila as well, I was trying to secure some markets there. It was about trying to establish some markets.

Now, the benchmark is around the supply chain - the supply chain established, accredited, approved by the federal Agriculture minister. This is where it has changed quite considerably.

Mr MILLS: I am not going to get anywhere with this.

Mr WOOD: I will say straight up that I have only been to Dili; I have not been to Indonesia. However, I do listen to what has been said. What worries me is not so much about the issue of the live cattle ban. What concerns me is whether, as a country - and Brendan will certainly have more knowledge than me - have we been seen to insult Indonesia in the manner in which this ban occurred? Is there room for us simply to not to go over to Indonesia and discuss the live cattle ban but to make an attempt, as friends, to try to work with our neighbours, to mend some relationships?

For instance, I have an invitation to go to the Acting Consul's farewell coming up this weekend or next weekend. I thought in the light of what has happened it would be appropriate for me - not so much as a member of parliament, but just as an Australian - to say we are good neighbours, not so much to get into a political debate. Is there a role for us to act to work towards trying to mend some fences that, from my perspective, seem to have broken or been put up, not because of our fault, but a decision which was made by someone else? Do we have a role as ordinary Australians to try to mend some of that relationship, which I feel has been damaged? It might be very long time before we fix that damage.

Mr KNIGHT: In my conversation with Pak Bambang, I did not get that feeling that there has been an offence created. There was recognition that there are difficulties in controlling many things in Indonesia. In my experience with the mining sector, there are continual problems around equipment and things going missing and all the rest of it. With the live cattle industry, it is very diverse and fluid, I guess.

The comments made by President Yudhoyono indicated they were equally concerned about their animal welfare standards and wanting to do something about it themselves. As Pak Bambang talked about, much of this is under the name of Halal or the Muslim religion. There is a huge spectrum of interpretation - not only about the Muslim religion, but many religions - about what is Halal and what is not Halal.

In the public comments by the President and the discussion with the Acting Consul, I do not know that there has been an offence created. It is an important industry to us, but it is an important industry to them. We are their primary source of protein meat. They have, obviously, been trying to get some sustainability in their cattle industry, but it has had limited success. They are dependent on us for the supply of cattle, so they equally want a solution here - not just Australia.

Mr WOOD: My concern is that the minister for Agriculture went to Indonesia, but I did not get the impression from listening to what debate I could listen to - because I have been in here for most of the time - that we achieved much with that visit. I have the impression ...

Mr KNIGHT: It is not really a relationship problem. How do you ensure a cow that goes from a paddock on the Barkly – well, not the Barkly, but the VRD - is slaughtered the right way?

Mr WOOD: I understand all that, but I am trying to work on a different level as to whether - and Brendan might have far more information than I have - we have a role to play to mend fences; whether some Indonesians feel we have dealt with Indonesia in an arrogant way, or we have not done it in a proper way from their point of view. Are there ways that, as average people, we can try to mend some of those fences? Not talk about highfalutin political stuff, but on a personal relationship can we mend these fences? They are our closest neighbours. We have had good trade relations with them for a long time. It is disappointing if those relationships are starting to break up because of someone else's decision.

Mr KNIGHT: I do not think it is a relationship problem. I believe the decision and what has happened has more confused rather than offended them. Our standards of animal welfare are obviously higher than theirs, and so ...

Mr WOOD: Probably better to say different, in this case.

Mr KNIGHT: Different, yes. Why we want this is about an education process, as well. We cannot compromise. The general public and producers have, basically, said this is the minimum standard of care.

Mr CHAIRMAN: At that point, let us take a quick two-minute break.

Mr WOOD: I do not have any more questions anyway, unless there is more of an answer there.

Mr CHAIRMAN: We will take a short break.

The committee suspended.

Mr CHAIRMAN: We will start again. The member for Katherine has asked ...

Mr WESTRA Van HOLTHE: I defer to the Leader of the Opposition.

Mr CHAIRMAN: Oh, sorry. Leader of the Opposition, you have the call.

Mr MILLS: Minister, are you aware of any developments with regard to this live trade issue between Australia and Indonesia in very recent times?

Mr DORAN: The latest indication of the state of consultation on the issue from minister Ludwig is the media statement that is on his website as of yesterday. That is the latest Commonwealth advice on what is happening.

Mr KNIGHT: The Chief Minister will be back tonight. He has been in Canberra having quite productive conversations there.

Mr MILLS: Are you aware of current developments right now, minister? Did the Chief Minister brief you?

Mr KNIGHT: The Chief Minister is coming back; he has had some productive conversations there. When he gets back, he will get a group back together again - the minister for Primary Industries, me, and the Department of the Chief Minister - and see where we are going, remembering this is something that is being worked through with MLA at the federal level and, obviously ...

Mr MILLS: I am aware of those things, minister. Are you aware of any motions that have been prepared for presentation in the federal parliament tomorrow by the Labor Party?

Mr KNIGHT: I have been preparing for this Estimates today, so I have not been sitting on the Internet, no.

Mr MILLS: Are you able to give me your view, as the Minister for Asian Relations and Trade, what effect this current crisis has on our relations with Indonesia?

Mr KNIGHT: I believe our relationship is very strong. Over the years, we have built up good relationships. Jeff Stewart and all the staff have ongoing relationships with Indonesia on a whole range of levels. Jeff, do you want to add something?

Mr STEWART: Yes, I was in Indonesia last week, in both Jakarta and Balikpapan. The main purpose of that was to support an NT industry delegation to the Balikpapan mining expo. I took an opportunity to talk to one cattle importer in Jakarta, and he actually saw us as an ally to resolve the issue. Generally, the relationship with Indonesia, as the minister has said, is very strong, and it is also broad-based and mature. In my dealings last week in Indonesia, there were no issues of the Northern Territory not being a party, or not wanting to resolve issues that could solve this crisis.

Mr MILLS: Thank you, Mr Stewart. In referring to the view of the industry in Indonesia, I am referring to the diplomatic relations between Australia and Indonesia. What effect do you believe this crisis will have on the relationships between our two countries - we being Northern Territory, closest to Indonesia and the point of contact for the live cattle trade? I thought you might have a view on that.

Mr KNIGHT: I answered the member for Nelson's previous question about it. I do not think it is a relationship problem, it is an industry problem.

Mr MILLS: No further questions.

Mr CHAIRMAN: Member for Katherine?

Mr WESTRA van HOLTHE: No, no further questions.

Mr CHAIRMAN: In that case, we have concluded Asian Relations and Trade. Thank you very much for your time.

DEPARTMENT OF CHILDREN AND FAMILIES YOUNG TERRITORIANS

Mr CHAIRMAN: We now move on to Children and Families. Do you have a statement, minister?

Mr KNIGHT: Just a short note. I start by introducing the senior department officers from the Department of Families and Children and the Youth Services Branch, who join me today as we examine the proposed expenditure of the Office of Youth Affairs. I have Ms Clare Gardiner-Barnes on my direct left, who is Chief Executive of the Department of Children and Families. Next to her is Ms Jo Townsend, who is the Acting Director of Youth Services.

The Office of Youth Affairs is a program area within the Department of Children and Families which provides a whole-of-government approach to policy priorities for young people aged 12 to 25 years old. The office is responsible for developing effective communication links between young people, government, and the wider community. The office supports initiatives that improve the personal wellbeing of young Territorians, promotes positive activities and achievements of young Territorians to help them reach their goals, and supports events and activities that provide positive recreational and development opportunities for young Territorians.

As the Minister for Young Territorians, I am happy to answer budget-related questions to the key responsibilities of the Office of Youth Affairs. These areas of responsibility do not include the review of the *Justice Act* or the Alice Springs Youth Action Plan.

In 2010-11, Youth Affairs had a fantastic year, with a 38% increase in events and activities for National Youth Week. A total of 202 events were held across urban, rural, and remote communities; 41 of which were funded through the Northern Territory government's Youth Engagement Grants Program. The Young Achievers Awards were held on 2 April this year, and doubled as the official launch of the National Youth Week in the Territory. Through the Youth Engagement Grants Program, 128 grants worth \$244 683 were awarded to youth engagement activities held during National Youth Week, and during December-January and June-July holiday periods.

The 2010 Youth Round Table members consulted directly with more than 1000 young Territorians, and their community-based project reports were publicly available on the Office of Youth Affairs website. I am also pleased to announce the launch of the new Office of Youth Affairs website, which has been updated, and is full of information, including an ongoing calendar of youth events and activities planned across the Territory

During 2011-12, the Office of Youth Affairs will continue to consult and finalise the review of the NT Youth Policy Framework, investigate and pilot the use of Web 2.0 technology to increase the engagement and consultation mechanisms available to young Territorians to advise the Northern Territory government and to build an accessible Youth Round Table, National Youth Week and Youth Engagement Grants Program. I thank the committee for the opportunity to make these opening remarks.

Mr CHAIRMAN: Questions to the opening statement?

Output 8.1 – Youth Services

Mr CHAIRMAN: We move on to Output 8.1, Youth Services.

Mr STYLES: Good evening, minister. The cattle ban seems to be a popular subject at the moment. Can you tell me what, if any, risk assessment has been carried out in relation to youth issues in relation to the ban?

Ms SCRYMGOUR: Drawing a long bow – come on!

Mr STYLES: For some people that is a reasonable question.

Mr KNIGHT: A little more mature than you.

Ms SCRYMGOUR: Live cattle ban and youth!

Mr STYLES: Do I take that as a no?

Mr KNIGHT: We take the problem really seriously. We do not play politics with it ...

Mr STYLES: I take that as offensive, minister.

Mr KNIGHT: Excuse me, I am answering the question.

Mr STYLES: Are you insinuating that I do not take it seriously?

Mr KNIGHT: I do.

Mr CHAIRMAN: We need to take a moment. There has been a question asked about the impact of live cattle trade on youth in the Territory, and whether you have done the modelling.

Mr KNIGHT: I will answer the question. It is obscene that you are asking such a question. Let us move on to something about Youth Affairs, which is what this is about, not playing silly little political games.

Mr STYLES: Minister, I was at a rally the other day talking to youth about how this affects them. I thought it was quite a reasonable question, given it is going to affect many young people in the Territory and that the Office of Youth Affairs might actually look at doing something, if they can. My question is simple: have you guys done a risk assessment in relation to youth issues?

Mr KNIGHT: We have not been requested to do one.

Mr STYLES: No one has taken the initiative to look at whether there are any issues that might arise out of this?

Mr KNIGHT: No youth has come forward to us about that, no.

Mr STYLES: What about contingency plans in relation to how this might impact on youth who might have to return from boarding schools and how it might affect school numbers where they are going to school? Has anyone looked at that, in relation to how it is going to affect youth?

Mr KNIGHT: Most kids go to interstate boarding schools so they might need to go to Territory schools. That would be a good outcome.

Mr STYLES: That might be so, but what about accommodation? We have an accommodation crisis; youth accommodation in Darwin is not looking very good. There is a whole range of issues. There are quite a number of kids interstate and, if parents lose their income or are struggling to get by on overdrafts, we are going to have many kids coming back. There are going to be a few youth issues. Do you have any contingency plans in relation to youth accommodation with students returning to the Northern Territory? These are real issues that are facing families and people out there as a result of the flow-on effect.

Mr CHAIRMAN: There may be elements of ...

Ms WALKER: A point of order, Mr Chairman!

Mr CHAIRMAN: I was going to just talk for a second and, if that is your point of order, then we are done.

I was going to suggest there are elements of this that the minister for youth services might be able to answer, but some of the stuff around schooling might be more appropriate for the Education minister. I assume if a child is returning from an interstate boarding school, they have a parent they are returning to in relation to accommodation. In accommodating them within the schools, then that is more of an Education question. There may be elements of the question the minister can answer. Obviously, you have asked the question and it is the minister's call now in answering it.

Was that your point of order, member for Nhulunbuy?

Ms WALKER: Mr Chairman, as a point of order, I was just going to suggest I understand the good intent behind the member for Sanderson's questions. However, given the advocacy that is currently happening between the Northern Territory government, as a bipartisan approach with the Cattlemen's Association in working together to represent the interests of everyone affected by the industry, I am not sure that of all the questions we could be asking about youth affairs here this evening, this is the best use of time.

Ms SCRYMGOUR: Further to that, if the member for Sanderson understood administrative arrangements amongst ministers, supported accommodation and those issues of accommodation should have gone to minister Vatskalis, regarding Families and Children.

Mr CHAIRMAN: They are reasonable points. We are in Output 8.1, Youth Services, where the shadow minister has asked a question about - sorry, shadow minister, I have forgotten the question. I know the general subject. Minister, the call is with you at the moment.

Mr KNIGHT: It was about accommodation rather than just ...

Mr STYLES: Mr Chairman, can I just clarify? The question is about what sort of services have been looked at that may be in place for youth who are coming back. It goes to counselling services and a whole range of things. I was not going to go there, but just ask whether there are any.

Mr CHAIRMAN: There are elements that might be answerable here, in the operations of Youth Services, but large components of that would be under other outputs.

Mr KNIGHT: I will ask Clare Gardiner-Barnes to list the services we provide.

Ms GARDINER-BARNES: Clare Gardiner-Barnes, Department of Children and Families. If there are issues raised with the Office of Youth Affairs - there is a range of mechanisms currently in place for young people across the Northern Territory to raise issues directly with the department through our Facebook website and other websites - we will address those issues, refer them to the correct portfolio, or ensure they are followed up.

In addition, if other peak organisations or other organisations that look after the interests of young people raise issues with us that need to be resolved, including young people returning to the Northern Territory from interstate boarding schools, issues relating to accommodation, then the Office of Youth Affairs is happy to play a coordination role in response to those issues and ensure they are responded to through the correct portfolio.

Mr STYLES: Has any advice been given to any other departments?

Ms GARDINER-BARNES: There are no issues that have been raised directly with our agency at this point in time to be addressed specifically in relation to this issue.

Mr STYLES: Has this issue been put out to the Youth Round Table for their consideration and input?

Mr KNIGHT: The Youth Round Table is meeting again in August. They are working on a number of projects. I know many of the kids and they have not brought any of those issues forward. They are spread out across the Territory, but no, it has not been raised.

Mr STYLES: Thank you. Minister, how many family responsibility agreements have been established since 1 July 2010?

Mr KNIGHT: I think you have missed the function of this particular portfolio.

Mr CHAIRMAN: I think that was actually asked the other day under the correct output.

Mr STYLES: Minister, what facilities currently exist in the Northern Territory for youth who have been expelled from school?

Mr KNIGHT: Say it again, sorry.

Mr STYLES: How many facilities currently exist in the Northern Territory for youth who have been expelled from school - people who have been suspended? Is there any youth support for those people?

Mr KNIGHT: Do you want to go through the opening statement again? It is not covered by this particular portfolio; it is either a Justice issue or an Education issue. It is not covered by this portfolio.

Mr STYLES: What about youth services and youth engagement in relation to places like Brahminy? Is that something that

Mr KNIGHT: Again, another department of Health-funded facility.

Ms GARDINER-BARNES: DCF.

Mr STYLES: Yes, Department of Children and Families.

Mr CHAIRMAN: That is funded under Mr Vatskalis as Minister for Children and Families.

Mr STYLES: Minister, what was the budget for the Office of Youth Affairs for 2010-11?

Mr KNIGHT: Clare Gardiner-Barnes, you have the break-up of the ...

Mr STYLES: Yes, please.

Ms GARDINER-BARNES: The 2010-11 budget - is that the budget you were after?

Mr STYLES: Yes, thank you.

Ms GARDINER-BARNES: It is \$831 000 and that is to cover five staff: the Office of Youth Affairs \$540 000; the Youth Round Table is \$72 000; the National Youth Week operational fund is \$17 000; and the Youth Engagement Grants, \$206 000.

Mr STYLES: Is that list of grants readily available at this point in time?

Ms GARDINER-BARNES: Yes. We could table this.

Mr KNIGHT: For last year?

Mr STYLES: That \$206 000.

Mr KNIGHT: We will table that.

Mr CHAIRMAN: Member for Nelson, do you have any questions in this area?

Mr WOOD: Probably three, depending on whether they can be answered.

Mr CHAIRMAN: When the member for Nelson says one, that is an issue, not a question. One issue has drop-down questions.

Mr WOOD: I did not say that.

Mr CHAIRMAN: No, I said that from experience of one question.

Mr WOOD: You have been here just as long as me, so you can read my mind.

Mr CHAIRMAN: I feel as if I have been in Estimates since January.

Mr WOOD: I have been estimated, haven't I?

Mr STYLES: Minister, how many meetings does the Youth Round Table had during the 2010-11 financial year?

Mr KNIGHT: I have been to two of them at least. Four meetings a year; they are held quarterly.

Mr STYLES: Minister, how many of those meetings did you attend?

Mr KNIGHT: I have attended two so far, and I will be going to the August one as well.

Mr STYLES: Do you take note of the Youth Round Table recommendations?

Mr KNIGHT: Yes, the Youth Round Table and its research projects and recommendations have been evolving. We have been trying to improve what we do. Last year, we got the Youth Round Table to present to chief executives and departments - I think the Chief Executives of Education, Justice, Health, Housing; their projects covered many of those areas - and they found it extremely valuable. The Chief Executive of Education saw there was an opportunity for those kids to get accredited modules for research projects.

What we are trying to do this year is get them some accredited certificates for research through what work they are actually doing. We are changing it so they get to stay on for longer; they get to do a research project and, then, start the implementation phase. Much of it is handing down their reports, then going off the Youth Round Table. Now, they will get a chance to table it and, then, start with the implementation.

It has been evolving. We are, obviously, trying to give the members of the Youth Round Table something a little more valuable actually - some sort of educational qualification.

Mr STYLES: Have they made any recommendations in the last 12 months?

Mr KNIGHT: Last year they did, yes. They are working on ...

Mr STYLES: In the 2010-11 year to date?

Mr KNIGHT: No, they were still working on their research projects.

Mr STYLES: Minister, I have been approached by a number of youth about family planning centres. It comes under, probably, Health; I think the funding comes from there. In relation to Youth Services and your department regarding family planning centres, there has been some talk about wanting to open more and maintain services. Do you or this department have any influence on maintaining or opening up new family planning advisory centres?

Mr KNIGHT: Not really, unless one of the members of the Youth Round Table actually undertook that as a project, which they have not. Clare, do you have anything to add?

Ms GARDINER-BARNES: If a topic like that came up through the extensive consultations that are undertaken or the surveys that the Youth Round Table members undertake each year, then that would be something we would take up with the relevant agency.

Mr STYLES: All right. I might put some people in contact with you, because there is a bit of a concern in that area.

Mr WOOD: You have knocked one of my questions out there.

Mr STYLES: Sorry.

Mr WOOD: That is okay. In relation to the Suicide Prevention Action Plan that comes under the Department of Health, my concern is: how does that work, especially in relation to remote areas? I will give you an example. Daly River in recent times unfortunately has had a number of cases of suicide and attempted suicides. How can people at, say, Daly River access this Suicide Prevention Action Plan? As far as I know, it has been mainly used for, unfortunately, people who have attempted to either take or have taken their lives.

Mr KNIGHT: It probably does not sit under this portfolio, but because Daly River is in my electorate, I will ask Clare to answer it.

Mr WOOD: Thank you.

Ms SCRYMGOUR: That is rich!

Mr WOOD: I suppose one of the problems is in your annual report - and this is all we really have to go on - there is one little paragraph. I think, that is all. I have looked through this and tried to look at areas that I believe are important. If it could be answered, it would be appreciated.

Ms GARDINER-BARNES: That strategy is coordinated through the department of Health in the mental health area, so that is the correct portfolio to ask the question. That said: it has been an issue that Youth Round Table members have been interested in the past in addressing. There is also a very strong interest in looking at broader wellbeing issues around youth. Certainly, the Office of Youth Affairs has a role in coordinating and providing information services to youth across the Territory. Our website should be able to redirect people who want access to information like that.

Mr KNIGHT: The opening and closing ceremonies of National Youth Week are sponsored by Beyond Blue. We, obviously, encourage some of the remote shires to apply for those grants for National Youth Week, and it could well be under some of those particular topics.

Mr WOOD: Thank you.

Mr CHAIRMAN: That concludes youth questions.

DEPARTMENT OF HEALTH SENIOR TERRITORIANS

Output 8.2 - Support for Senior Territorians and Pensioner Concessions

Mr CHAIRMAN: We move on to Output 8.2, Support for Senior Territorians and Pensioner Concessions.

Mr KNIGHT: I just have a brief statement, Mr Chairman. Thank you, Clare and Joe.

I will now take questions on Output 8.2, Support for Senior Territorians and Pensioner Concessions. The output has grown by over \$1.2m to \$19.8m for the 2011-12 financial year, demonstrating this government's commitment to supporting senior Territorians. The output relates to the operations of the Office of Senior Territorians, including Seniors Month, the Seniors Card Scheme, and the Northern Territory Pensioner and Carer Concession Scheme. Note that it does not relate to the frail aged and people with disabilities. Those questions can be directed to the Minister for Health.

I will now introduce from the department, Mr Jeff Moffet, the Chief Executive; Jenny Cleary, the Executive Officer, Health Services; and Samantha Livesley up the back there, Acting Director of Aged and Disability Programs, so we might get an answer to that health question.

Mr STYLES: Minister, have you any idea how many senior Territorians who do not hold a current driver's licence will have to get some form of identification from the Motor Vehicle Registry so they can have a drink?

Mr KNIGHT: We are offering free proof of ID. I will just get Sam ...

Ms LIVESLEY: Samantha Livesley, Acting Director of Aged and Disability Program. We do not have any numbers or estimates of senior Territorians who do not hold a driver's licence. However, from 1 June, they can turn up to the MVR and receive a free evidence-of-age card.

Mr STYLES: There are quite a number of senior Territorians across regional, rural, and remote Australia who do not have a driver's licence. To buy alcohol they are going to have to go to a Motor Vehicle Registry place to get an ID. Is that correct?

Mr KNIGHT: It may be an issue. It is one that Alcohol Policy will have to solve with MVR or another host agency to provide that proof of ID.

Mr STYLES: Particularly in relation to seniors, has your department done anything to educate people? There is a whole range of people who do not read the paper or do not understand it on television. Has there been any form of education campaign in relation to seniors being able to get hold of that sort of ...

Mr KNIGHT: I have written to all seniors.

Mr STYLES: How many seniors have you written to, minister? Do you know how many seniors we have in the Territory?

Mr KNIGHT: We have written to approximately 15 000.

Mr STYLES: Anyone who suffers a mobility problem is going to have a fair amount of trouble and expense. I have been made aware of a couple of these so far. I must admit that your department was quick to jump on the issue and offer the free licences. However, what they have expressed to me is that there is a considerable cost involved every 12 months when they are going to have to get themselves off to the Motor Vehicle Registry to get their cards renewed. Is that right?

Mr KNIGHT: Five years.

Mr STYLES: Those free cards will last them five years?

Mr KNIGHT: Yes.

Mr STYLES: Minister, what is the total value of concessions to pensioners in the last 12 months please?

Mr KNIGHT: The figure for the Pensioner and Carer Concession Scheme for 2011-12 is \$16.6m; that was an increase on the previous year.

Mr STYLES: Is that \$16.6m for the Pensioner and Carer Concession Scheme the only concessions that have been given out to seniors under that particular scheme?

Mr KNIGHT: Yes, that is the total.

Mr STYLES: What is the total value of grants issued for seniors' advancement in the last 12 months?

Mr KNIGHT: Seniors grants?

Mr STYLES: Yes please - for seniors advancement

Mr KNIGHT: For 2010, it was \$44 538. That was Seniors Month grants.

Mr STYLES: Is that the only grant? Is that split up on a regional basis?

Mr KNIGHT: We do have that. I have the names, not the amounts, though, broken up by region and activity, by organisation who applied. Do you want that tabled?

Mr STYLES: Yes, please. Minister, what is the total value of the budget line for support for Senior Territorians and pensioner concessions?

Mr MOFFET: Jeff Moffet, Chief Executive, Department of Health. The 2010-11 final position was \$18.563m, and the starting budget for 2011-12 is \$19.806m.

Mr STYLES: How much of that is being spent on administration, do you know?

Mr KNIGHT: The departmental costs?

Mr STYLES: Administration costs.

Mr KNIGHT: They would include departmental staff. Is that what you are saying?

Mr STYLES: Out of that \$18.563m, what is the administration cost of administering that amount of money?

Mr KNIGHT: We could provide you with the cost of administering the whole office. That would be the department's costs. That is probably a fair measure of administration. In the administrative component of all the various grants; I think that would be difficult to measure.

Mr STYLES: No, I hear where you are coming from there; just the department's.

Mr KNIGHT: Take it on notice.

Question on Notice No 9.13

Mr CHAIRMAN: If you could repeat the question, member for Sanderson.

Mr STYLES: How much of this is spent on administration? Do you want the previous question as well? Given that the total value of the budget line for support for senior Territorians and pensioner concessions is, for 2010-2011, \$18.563m, how much of this is spent on administration?

Mr CHAIRMAN: That is question No 9.13.

Mr STYLES: Thank you.

Mr STYLES: Minister, will pensioner concessions for electricity increase if the Labor Party's carbon tax is introduced?

Mr KNIGHT: We have the most generous scheme in the country. On an annual basis, we look at, in budget consideration, what we were going to put in. We have raised it by \$1.2m this year. We will look at that at a time when we know the details.

Did you meet Professor Garnaut when he was here?

Mr STYLES: No, I did not.

Mr KNIGHT: Professor Garnaut highlighted that within his scheme there would be a compensation package. Low-income earners and people on fixed pensions would be given high consideration for that. The fortunate thing in the Territory is that, on the downside, our energy costs would receive less costs put against them and we would receive the full benefit of a compensation package at the national rate unlike the higher carbon emitting energies like the Victorian brown coal. We will receive less costs but gain more benefit, so pensioners may actually do better out of this than pensioners interstate.

Mr STYLES: I want to clarify regarding the pensioner concessions for electricity. If the carbon tax is introduced – correct me if I am wrong - what you are saying is they will be given high consideration. I am not quite sure what you mean by that. You say high consideration, which is not a yes or no; it is just high consideration. The energy costs less, so we would get the full benefit of the national rate?

Mr KNIGHT: There is a tax and, then, there is a compensation package. We get less tax, because we have gas, and we get the full rate of compensation for those pensioners. They actually get a windfall from a carbon tax.

Mr STYLES: In relation to the carbon tax, that is the only windfall they will get?

Mr KNIGHT: Sorry?

Mr STYLES: In relation to the increase in electricity prices, that is the only windfall they will get?

Mr KNIGHT: They will get full compensation package across the board. That is my understanding. It is up to the multi-party committee. It is Professor Garnaut's observations and recommendations.

Mr STYLES: Minister, what is the current stock of housing available for seniors within the major towns of the Northern Territory?

Mr KNIGHT: You will have to ask the Housing minister that.

Mr STYLES: Do you have any proposal to go to bat for seniors in the rural area in relation to affordable housing?

Mr KNIGHT: What we are doing at the moment - and this is the Housing minister's portfolio - is building these two new seniors' villages in Palmerston East, and one in Alice Springs ...

Mr WOOD: That is too far for us to go.

Mr KNIGHT: What we are also doing in Alice Springs is testing the private sector market for interest in people downsizing into a seniors' village - where they own a larger property to downsize into something a little more useable, workable, and affordable. That is something that may well be of interest in the rural area. Certainly, in my part of the rural area, there are many elderly people who are on these real rural blocks of 20 acres ...

Mr WOOD: Yeah, yeah, yeah.

Mr KNIGHT: They ...

Mr WOOD: I still have a horse on my block.

Mr KNIGHT: Yes, but you have to feed it hay. They sit on a block which they own, in a little shed. They can sell that and buy a reasonable unit in a rural village, in Berry Springs, where they still live in the same district. They get to see their friends, stay in the area, and also live in a comfortable environment and be cared for as well.

Mr STYLES: Minister, are you aware of the waiting times for seniors for seniors accommodation?

Mr KNIGHT: Yes. The strategy for Housing has been to build more seniors' stock. There are some 300 or 400 over-entitlement properties throughout the Northern Territory suburbs. These are mainly older people who do not have that stock to go to. The strategy of Housing has been to build more seniors accommodation. The seniors' villages at Fannie Bay and Leanyer have been highly successful. They are great little communities. The more of those we build, it frees up the larger homes and gets an accommodation solution which is much more practical for those seniors.

Mr STYLES: Minister, is your department promoting or doing anything to work with the Housing minister to develop and adopt universal design principles for accommodation for seniors?

Mr KNIGHT: The universal design came through the Housing Ministerial Council meetings. We adopted the stimulus houses, especially. It is something we need: promote to the affordable housing units that came up in Bellamack, as well, because they are not only entry-level for young people, but they are exit-level for seniors - smaller, two-bedroom houses they can easily retire back into. Universal design has some cost with it, but if it is incorporated in designs early, it will be reasonable.

Mr STYLES: Thank you. Minister, is your department doing anything to promote and maintain the government's promise to provide a purpose-built ward for seniors at Palmerston to replace Ward 7C at Royal Darwin Hospital?

Mr KNIGHT: It is way out of my portfolio. I could not really answer that question.

Mr STYLES: Seniors have raised it with me as a purely seniors issue, because it is a seniors ward. I know that it is primarily in the Health portfolio. However, (1) I assume you are aware of it but (2) are you actively promoting and going to bat for the seniors? That is what the seniors want to hear.

Mr WOOD: It was asked of the Health Minister.

Mr KNIGHT: It is not a Daly River area, so I ...

Mr CHAIRMAN: The minister and his witnesses come briefed to prepare to talk to the output area which we are sitting in. While that is an important issue, it was asked and answered under the right output.

Mr KNIGHT: Read the *Hansard*, you will find the answer.

Mr STYLES: I will refer them to *Hansard*, thank you. Minister, what is your department doing in relation to following the good example of the Minister for Commerce and Small Business in Western Australia? They are abolishing age-based limits on workers compensation entitlements. This is of grave concern to seniors, because many seniors have to continue working. It is something that is asked of me on a regular basis as the shadow minister. I am assuming you probably get questions on it from time to time. What is your department doing in relation to promoting that outcome?

Ms CLEARY: Jenny Cleary, Executive Director, Health Services. Our department has had discussions with the Department of Justice about that issue, so there are discussions ongoing around that.

Mr STYLES: I take from that you are very well aware of the problem.

Ms CLEARY: Yes.

Mr STYLES: You are probably not going to tell me the answer, so I will not ask the question.

Another major issue in relation to seniors again: what has your department done in relation to advocating safety and security, particularly for existing tenants, where these seniors are living. To help you along a bit, there was a program of putting in security screens and things like that. There are still some to do, from my understanding.

Mr KNIGHT: I assume you mean public housing. You would have to refer to the Housing minister.

Mr STYLES: I simply asked it because, if there is any advocating going on - and I am assuming there is, as in the last case - the seniors want to know whether your department is actually looking after their interests. As in the case of advocating with the Department of Justice, that is great ...

Mr CHAIRMAN: Perhaps I could just comment there briefly. Often in these instances, a senior Territorian living in public housing has a direct relationship with public housing, and they would fix it directly through there rather than go through an advocacy body or the seniors services. In future questions in relation to relevance ...

Mr KNIGHT: If it is raised with us, we will certainly raise it with Housing.

Mr STYLES: Minister, the situation of intrastate travel for seniors, have we got any further on that in relation to where it is going?

Mr KNIGHT: Obviously, we are still considering that. As I said, it is the most generous scheme in the country. For every extra entitlement we put in, we have to take something out because, for a very small jurisdiction, we have a very generous scheme. It is still under consideration.

Mr STYLES: It has been under consideration for quite some time.

Mr KNIGHT: Yes, there is more modelling going on to see what impact it would have on the whole scheme.

Mr STYLES: Thanks, minister. Is your department aware of any legislative issues that need to be addressed to clear the way for any further development of new retirement accommodation in the Territory?

Mr KNIGHT: I am not aware of it, no.

Mr STYLES: We can flick over to Mr Wood now.

Mr CHAIRMAN: Member for Nelson, do you have a question to Output 8.2, Senior Territorians?

Mr WOOD: I do. I want to know whether the issue over insurance for the use of the Woodroffe Primary School for Seniors Week has been sorted out. My understanding is there have been problems with the holding of their Seniors Week because an issue of insurance had been raised.

Mr KNIGHT: We are not aware of that particular situation. Is it Palmerston seniors?

Mr WOOD: No, it is Palmerston/Rural; the normal one they have every year. They have a concert and a do at the beginning, and have one at the end. They go all over the place in between, and they have a great time. It is normally done at Woodroffe Primary School.

Mr KNIGHT: They have made contact through my office, I am advised, and we are endeavouring, through Education, to find a solution for that.

Mr CHAIRMAN: Are you happy with that as an answer?

Mr WOOD: Yes, I am just going to piggyback off one question - the issue of that retirement village at Humpty Doo. It is an issue the minister could put some influence into; seeing whether that actually could get off the ground, because we do not have any retirement villages in the Litchfield shire.

Mr CHAIRMAN: And be careful of the use of the word 'village' in a rural context.

Mr KNIGHT: No, we like villages out there.

Mr WOOD: We just do not like them to cover half the shire.

Mr KNIGHT: A large village. The seniors' villages we have committed to are, obviously, funded. Some of those are funded through the stimulus package and they cost quite a bit of money ...

Mr WOOD: Open it up to the private.

Mr KNIGHT: Exactly. I do not know whether I am allowed to in this portfolio, but I am keen enough to try to look at surveying as well. As I said, you and I know of some seniors in the rural area in dire straits, living in some very poor conditions - very dangerous conditions with gamba grass all over the place and a very unhealthy environment - who want to live in the rural area, who live on a large block they own outright, and it is worth some money. It is something we should certainly look at and work at.

The Alice Springs proposal, where the government has provided land as an incentive and is trying to do some survey to attract developers is a model and could be replicated in the rural area. Maybe you might be the first.

Mr WOOD: Oh, thank you very much. I thought I would turn one question into two, just so you know I keep up the tradition.

Mr CHAIRMAN: I respect you for it, member for Nelson. That concludes the output and it concludes Estimates - five days and 56 hours.

Tomorrow we have the Government Owned Corporations Scrutiny Committee, which is a separate four hours, but all the same people.

Mr WOOD: That is the scrutiny committee.

Mr CHAIRMAN: I take this opportunity to thank the members of the Estimates Committee for the overall manner in which these public hearings have been conducted. We had no cat meow, which is fantastic. I also place on record a vote of appreciation from the committee to all other members who have participated in the public hearing process.

Thank you also to the Legislative Assembly staff who work tirelessly behind the scenes to ensure the whole process ran smoothly - we will see you again tomorrow - particularly Building and Technical Services, Hansard, and committee staff. We probably are the hardest thing to transcribe, so commendation to Hansard.

With the finalisation of the scrutiny and ministerial portfolios, I thank both the ministers appearing before the committee and the many officials who attended the hearings.

I take this opportunity to place on the public record my appreciation of the effort put in by agency officers, especially the ones who have to come in late at night on the last shift who, prior to the public hearings, have worked behind the scenes over many weeks preparing briefing papers to assist their ministers throughout the Estimates Committee questioning. We appreciate that often you do a lot of work on things that do not necessarily get asked, and we appreciate the effort that goes in.

I now formally close the public hearings of the Estimates Committee for 2011. Thank you.

The committee concluded.
