

**In committee in continuation:**

**MINISTER TOYNE'S PORTFOLIOS**

**Mr CHAIRMAN:** I welcome the Minister for Justice and Attorney-General and the officials accompanying him. If he wishes, he may make an opening statement on behalf of the Department of Justice.

**Dr TOYNE:** Thank you, Mr Chairman. Sitting with me in the front here is Richard Coates, our Chief Executive Officer, and Terry Dreier the Executive Director, Corporate and Strategic Services. In addition to Richard and Terry, we have available Donna Dreier, the Executive Director of Legal Services; Greg Shanahan, the Executive Director of Court Support Services; Chris Manners, the Commissioner for Correctional Services; Richard O'Sullivan, the Executive Director, Consumer and Business Affairs; Teresa Robson, the Executive Director of the Office of Crime Prevention; Stephen Jackson, the Director of the Office of Crime Prevention; and Anita Kneebone, Director of Aboriginal Lands Division.

I would like to make some introductory comments. I have received a number of written questions from the member for Araluen. She made some comments in parliament last week indicating she expected answers to those questions to be tabled. The member would be aware, however, that it is contrary to the procedure determined by the Standing Orders Committee and to the resolution of the Legislative Assembly passed on 18 May 2004. That procedure is the one I intend to follow today; that is, the members will ask questions in this hearing and responses will be made by myself and my departmental officials. I can assure the member for Araluen, though, that we have certainly taken note of the areas of concern that she indicated in her letter, and will do our best to provide information as she asks those questions.

It is also open for members to lodge written questions on notice pursuant to standing orders. In answering the questions put by the opposition or independent members, I will certainly also be considering the relevance of each question to the budget. It is up to you how you divide your time between my two portfolios, but I would suggest confining your questions to those relevant to the budget is in your own interest.

Turning to the budget itself, the opposition seems to be under the misunderstanding that an increase in output costs equates to a budget blow-out. Nothing could be further from the truth. I would like to spend a couple of minutes explaining how the budget actually works in relation to the Department of Justice.

Output cost: last year's Budget Paper No 3 reported an output cost budget of \$104.94m for the Department of Justice. In this year's Budget Paper No 3, the output cost estimate 2003-04 is reported to be \$113.363m; the difference between the two amounts being \$8.423m. This figure is the difference between the budget amount provided for at the commencement of 2003-04 and the budget position recorded around the budget preparation time in 2004. In other words, the figure of \$113.363m is Treasury's statement of the Department of Justice's budgetary position at the time of preparation of the 2004-05 budget. The major variations which make up this \$8.4m are:

- the allocations of DCIS charges for 2003-04 at \$5.9m. The Treasurer has already given an explanation of this charge;
- additional remuneration from the Remuneration Tribunal at \$0.9m;
- carry forwards from 2002-03 budget of \$0.5m;
- parameters and minor adjustments of \$0.5m; and
- additional amounts approved by Cabinet throughout 2003-04 of \$0.6m.

This gives the total of \$8.4m.

Mr Chairman, I make clear that running a budget through a government agency is not like running a domestic budget out of a cookie jar. It is a dynamic system which will receive unplanned for receipts and unplanned for costs. Therefore, it is very important to understand that that dynamism in the budget. The appropriations are simply the predicted or preferred outcome on what is known at the time the budget is put together. It is impossible for any government or agency to predict absolutely everything that will happen during the course of the financial year.

Performance measures: as the Treasurer has already informed the committee, agencies are continuing to refine their output groupings and associated performance information. It is expected this process will continue for several years. Both my departments have made significant progress in this endeavour, and some changes are recorded in this year's papers, because there is absolutely no effect on the outputs operational budget through a change in the performance measures. I am happy to take questions from the committee relating to my responsibilities under the Justice portfolio.

**Mr CHAIRMAN:** Thank you, minister. The time is now 8.35 am and, for the *Hansard* record, I wish to advise that the pursuant to section 5 of the Terms of Reference of the Estimates Committee, Madam Speaker has nominated the member for Brennan to replace the member for Drysdale.

**DEPARTMENT OF JUSTICE**

**OUTPUT GROUP 1.0 – Legal Services**

**Output 1.1 – Solicitor for the Northern Territory**

**Mr CHAIRMAN:** Minister, the committee will now proceed to consider the estimates and proposed expenditure contained in the Appropriation Bill 2004-05 as they relate to Justice and Attorney-General. I now call for questions on Output Group 1.0, Legal Services, Output 1.1, Solicitor for Northern Territory. Are there any questions?

**Ms CARNEY:** Thanks, Mr Chairman. If I may, a couple of housekeeping matters, which is something of a reply to your statement, minister. You are here today for 4½ hours. Two-and-a-bit hours is not enough time to ask questions about a \$118m budget for Justice. It is not enough to ask questions about the even larger Health budget.

I have been asked by the member for Port Darwin to provide her with additional time related to the Health portfolio, which is not unreasonable, given the extremely serious and pressing issues involved in that area at present; and I doubt that this will come as a surprise to you. I have acceded to her request, which is appropriate in the circumstances. Accordingly, minister, my questions will be significantly limited - probably about an hour. One hour is not enough, but neither is two.

**Dr TOYNE:** We will try our best.

**Ms CARNEY:** I advise you of it now, really as a matter of courtesy, so that you may wish to take the opportunity to perhaps alert you Health Department and staff to be here, possibly a little earlier than they thought they would need to be.

You referred to my provision to you of 71 written questions some time ago. Minister, it is appropriate that I read from the *Daily Hansard* because you have contradicted yourself. In parliament, on the 15 June, I said and I quote:

*I should say, for the sake of the record, and no doubt the minister will hear about this at length next week, but it is appropriate, and I say this very sincerely, that last week or the week before, I prepared about 70 or 80 written questions ...*

*Dr TOYNE: Seventy-one, yes.*

*Ms CARNEY: Seventy-one, and I provided them to the minister. I hope he accepts the questions and my letter covering those questions in the spirit in which they were intended. That is ...*

*Dr TOYNE: Yes, we are preparing all the answers, so do not worry; it is being sorted.*

*Ms CARNEY: Thank you, great. I look forward to the answers being tabled. I am sure the minister will agree that my questions were pretty reasonable, nothing out of the ordinary. They are just information that the opposition, on behalf of Territorians, should have, and I certainly thank him for his indication today in relation to those answers*

*Minister, you do yourself a grave disservice by changing your position. Did you deliberately lie in parliament, or did the Chief Minister speak to you last night?*

**Mr CHAIRMAN:** No, hang on. Now, let us just stop it there, right?

**Ms LAWRIE:** A point of order. It is out of order.

**Mr CHAIRMAN:** It is right out of order ...

**Ms CARNEY:** I will rephrase the question ...

**Mr CHAIRMAN:** No, you should withdraw it.

**Ms Lawrie:** Absolutely!

**Ms CARNEY:** ... a question like that.

**Mr CHAIRMAN:** Yes you did, you said he lied in parliament and I ask you to withdraw it.

**Ms CARNEY:** I will rephrase the question ...

**Mr CHAIRMAN:** Will you withdraw it?

**Ms CARNEY:** I withdraw the reference to a lie. Yes, I will.

**Mr CHAIRMAN:** Good, and I remind you that you just spent five minutes telling us how quick you were going to be. You could of asked a number of questions in that time.

**Ms CARNEY:** Minister, I wrote the questions, you have the answers. Why wouldn't you provide them?

**Dr TOYNE:** We have the information together around your questions. We are prepared to provide that information. I suggest we get on with it.

**Mr Burke:** Table them.

**Ms CARNEY:** Minister, I do ask you to table them. I know that you have them. Many of those questions were written on behalf of constituents, and many on behalf of the legal profession, who, like me, had an expectation based on your advice in parliament on the 15 June that the answers would be provided.

**Dr TOYNE:** I am telling you very clearly, I am not going to be tabling the answers. I will be providing the information in response to the questions. A number of those questions that you provided were

actually not relevant to the estimates process, so it would be quite outside the terms of this committee's work to provide that information where it is not relevant. You can put those questions on through the normal Question on Notice process within the parliament itself. So, let us get on with it. I am dying to give you all this information and you want to muck around.

**Mr Burke:** You are dying not to be ready.

**Ms CARNEY:** You are dying not to give me the answers, that is the messages coming ...

**Dr TOYNE:** But I am going to do it through due process, as determined by the two sides, so you are wasting your time.

**Ms CARNEY:** It is appropriate that this ...

**Mr CHAIRMAN:** It is 10 minutes, minister. Member for Araluen, it is 10 minutes and you have not asked a question.

**Ms CARNEY:** Well, I have, actually; I have asked a couple of questions. Minister, you are aware that the Leader of Government Business issued a press release on Monday saying that the Estimates Committee:

*Enhances the openness and accountability of government by bringing budget scrutiny into the public arena.*

I would have thought - indeed, I had an expectation - that out of all of your colleagues, you would have had at least a passing regard for this concept of openness, accountability and transparency ...

**Dr Toyne:** I certainly have.

**Mr CHAIRMAN:** Five minutes, member for Araluen.

**Ms CARNEY:** ... a quality I would have thought was essential for the first law officer of any state or territory. You come here this morning, not having had the decency or courtesy to alert me to this prior to now, and you are in a position of saying: 'Yes, you wrote the questions, we have the answers, we will not give them to you'. Well, Attorney-General, I am terribly disappointed with that and others will judge you for it.

**Mr CHAIRMAN:** Member for Araluen, if you are not going to get on with the questions, I will open it up for the committee to ask.

**Ms CARNEY:** Having said that, minister, I have a couple of general questions for the purposes of this exercise. In light of your opening statement - unless you are going to be difficult in this area also - can I ask a couple of general questions in relation to the Department of Justice exceeding its budget. In the interests of being open, accountable and transparent, why was it not the case that reasons for the blow-out were not listed under the key variations at Budget Paper No 3, page 115?

**Dr TOYNE:** I do not accept for a moment that there has been a blow-out in the Department of Justice. In fact, the difference between the two figures has been fully explained in the notes I incorporated into my opening statement. It is quite common for an agency, if they are picking up additional activity, to spend additional funds. We have consistently said that our courts and our Corrections have been heavily utilised. There are quite clear signs that there is additional activity. However, to deal with the rest of that question, I will pass that on to my CEO and he can get some information on that for you.

**Mr COATES:** What was the question?

**Dr TOYNE:** Just the second half of the question.

**Mr Burke:** Stop the clock, will you, Chairman?

**Mr CHAIRMAN:** I am watching it.

**Ms CARNEY:** Why were not the key variations for the Department of Justice listed under 'Key Variations' in Budget Paper No 3?

**Mr COATES:** I will pass that to Terry Dreier who can answer that.

**Ms CARNEY:** It is a short table. There is no one next to you.

**Dr DREIER:** The key variations were - sorry, I should just go back and say that what we are talking about here is, we are comparing estimates and estimates; there are no actual outcome figures there. The 2004-05 budget figure which appears on page 115 is Treasury's budget position in terms of the department; that is, that just follows their audit trail. So, it is the ons and offs that appear throughout the year. In relation to the changes for 2003-04, the variation of \$5.529m, they are explained in 'Key Variations' below.

**Ms CARNEY:** Well, there are estimates, obviously, but what about actuals? Surely, people expect actual spend in budgets. Is it the case that the information contained in Budget Paper No 3 is just an estimate - nothing more, nothing less?

**Mr Burke:** So, it will actually be more?

**Dr DREIER:** In the information contained in Budget Paper No 3 on page 115, both of the columns - the estimate for 2003-04 and the budget for 2004-05 - are Treasury budget figures. There is no relationship there to actual spend figures. In fact, we have not finished the financial year as yet, so ...

**Dr TOYNE:** Yes, I would have thought that that was fairly obvious.

**Ms CARNEY:** Sure. But if they are Treasury budget figures, surely the Department of Justice provides to Treasury, for the purposes of this budget, actual spend to date, and then those figures are extrapolated out to 30 June?

**Dr DREIER:** As the minister said in his opening speech, the figures in 2003-04 budget represent - I am talking here about the \$113m - the difference between that and the 2003-04 estimate in Budget Paper 2003-04. They are the ons and offs which come from Treasury throughout the year. The difference between 2003-04 estimate and 2004-05 budget on page 115 is a result of the budget process which occurred in May. You can see the variations there are \$5.529m and they are explained in the variations underneath.

**Ms CARNEY:** Thank you. We could choose any one of the four output groups. For Legal Services, the estimate is \$25.4m ...

**Ms LAWRIE:** A point of order, Mr Chairman. Questions are meant to be asked of the minister.

**Ms CARNEY:** ... so the estimate is \$25.4m, is it the case that that could go up significantly as at 30 June? Could it be said that these figures are remotely accurate?

**Dr TOYNE:** You are talking about the outcome of a fairly exhaustive process by Treasury. I am aware that quite extensive discussions occurred between the Department of Justice and the Treasury about the actual activity levels within the agency divisions which were clearly leading to expenditure levels above the initial budget appropriation. That was tested very strongly, and the estimate that Treasury

has made as to our likely outcome for the current financial year is based on that analysis; it is not a guesstimate. It is an estimate based on the best possible information as to our current and expected expenditure.

**Ms CARNEY:** Attorney-General, notwithstanding some of the comments made in your opening remarks - which were not included, I note with interest, under the heading 'Key variations' on page 115 - is it not the case that, at very least, the Department of Justice has overrun its budget by about \$2.5m?

**Dr TOYNE:** Well, it has overrun its activity levels as well. The question you should be asking is not whether additional expenditure is accrued to an agency, but whether that expenditure was justified by one of a number of things. One is the new programs that might come out as a result of Cabinet decisions. Governments do make lots of decisions through a financial year on programs, often new initiatives that they want to put in place. There are unexpected things that can happen; for instance, if we had a facility blown down in a cyclone, obviously we would have to respond to that in some way. You cannot just simply say: 'Whoops, we did not budget for that, we will have to wait for the next financial year to do something about it'. There will be things like that that will happen. Thirdly, given the nature of this agency's work, the activity level can only be predicted. The actual activity levels of things like prisoner numbers in jails, number of cases coming before the courts, number of prosecutions being carried through by the public prosecutions, will accrue as they accrue. It is an open-ended system.

**Ms CARNEY:** That further suggests that, really, what is in the budget papers are just estimates. Anything can happen, things do, and the fact that there is a budget overrun on the papers, and there is ...

**Dr TOYNE:** We do not pay the Under Treasurer and her staff very good wages to give us rough guesstimates on what is happening in our budget. Government budgeting processes are well known, and are followed absolutely to best practice in our jurisdiction.

**Ms CARNEY:** Well, I am sure they are and I am sure that the people in Treasury are paid well. However, the bottom line - is it not? - from what you have said and from what appears in the budget paper, that little confidence can be had in those figures because of the very words you have uttered.

**Dr TOYNE:** No I am sorry, you are trying this on. You are really trying this on. You would see that same format in every budget around Australia, including the federal budget. It is standard format for a budget presentation. It is based on the commonsense proposition that, when a budget is brought down before the end of the current financial year, you cannot be exactly certain of the actual outcome of that agency for the financial year. That is common sense. It is not something any human being can do anything about. We cannot predict with absolute accuracy what is going to happen in the final quarter of the year.

**Ms CARNEY:** Do I take it then that you are comfortable with the department's overrun of just over \$2m?

**Dr TOYNE:** Both comfortable and relaxed.

**Ms CARNEY:** Comfortable and relaxed. Right. Well, there are plenty more questions which, no doubt I will write to you by letter. I look forward to your replies.

**Dr TOYNE:** Yes, we will certainly round that up for you.

**Ms CARNEY:** That is some general issues. Perhaps we can now properly move to where we are technically, Output 1.1 Solicitor for the Northern Territory.

**Mr CHAIRMAN:** We are on Output 1.1, if you can keep it relevant to that particular output.

**Ms CARNEY:** Minister, again on page 115 under the heading of 'Key Variations', it states, and I quote:

*Costs for the Legal Services output group are expected to be contained due to implementation of the review of the Crimes Victims Assistance Scheme ....*

Changes to the scheme were made on 22 August 2002 and came into operation, as you know, on 1 November 2002. In Budget Paper No 3 for 2002-03, it was estimated that assistance to victims of crime would be \$6.37m and that that would reduce to \$4m in 2003-04. In this year's Budget Paper No 3, it is estimated that those costs will further reduce from \$4m to \$3.5m. On the basis of those figures, you would accept, wouldn't you, that it has gone down? The cost of administering that scheme has gone down by over \$3m in a couple of years, in less than a couple of years?

**Ms LAWRIE:** Can I just seek a clarification here; a point of order? I thought we were on Output 1.1. This question sounds like it is more appropriate to Output 1.2.

**Ms Carney:** Rubbish! It is not.

**Ms LAWRIE:** I am allowed to ask the question as a member of the committee, member for Araluen.

**Mr Burke:** You are wasting time.

**Ms Carney:** It is time wasting.

**Mr CHAIRMAN:** Well, questions on the table of merit, member for Araluen.

**Dr TOYNE:** Let us explain how that scheme works, and what the reform process was meant to do in fiscal terms. The Crimes Victims Assistance Scheme is an open-ended scheme. It depends not on the government budgeting decisions but on the number of applications and the outcomes of the hearings that determine the compensation for each of the applicants. In both compensation total outlays and the actual cost of the process in terms of legal costs, we can only take an estimate, I guess, of what we should include in the budget. Historically, since the scheme started in 1997 I think; there has been a gradual increase in the total outlays of that scheme, and it is now still running well above the levels that we inherited from when we took government. The reforms ...

**Ms CARNEY:** Sorry, did you say it is running above?

**Dr TOYNE:** It is running well above the historic levels under your last government. That is not because we budgeted additional amounts to expand the scheme. It is because the demand for the compensation under the scheme has continually increased. We were concerned that we were seeing examples where legal costs far outweighed the actual compensation paid to the victim of crime. That was the underlying reason that we wanted to take steps to curtail the actual cost of the process of delivering the compensation. There has certainly been no decision taken by our government at any stage to deliberately curtail the potential level of compensation offered to victims, or the number of applications that we would countenance within the scheme. What we are looking at very carefully is the impact of the changes on the cost of delivery of the scheme and on the amount of uptake of the scheme. I can report in reply to your pronouncements in the media in recent times, that we have had 520 applications for crime victim assistance in the last period ...

**Ms CARNEY:** You mean 2003-04?

**Dr TOYNE:** Yes, compared to – sorry, we will get the exact figures for you. Richard ...

**Ms CARNEY:** Actually, that will be good because that was one of the questions I was going to ask.

**Mr COATES:** The numbers for 2003-04 as at 18 June were 498; the total for 2002-03 was 477; and the total for 2001-02 was 519.

**Dr TOYNE:** You can see that there has been no significant drop in the usage of the scheme. What we are looking very carefully at is the impacts of the changes to the process costs. We will continue to monitor that. I foreshadowed a further reform in that area. We are certainly not going to be moving to that quickly; we just want to see the impact of our reform of the actual legal costs that are associated with the scheme. That will probably take another 12 months to be clarified.

You will be aware that a lot of the cases that were in the system are still climbing through - cases lodged under the old arrangements. We want to see them flushed through and then see what the new pattern is.

**Ms CARNEY:** The estimates for 2002-03 were \$6.7m and you anticipated that would reduce to \$4m. In this year's budget, you anticipated that it will reduce from \$4m to \$3.5m. Am I wrong? If I am wrong, the papers are wrong.

**Dr TOYNE:** You are in the sense, because of the reasons I have just given you. It is an open-ended scheme. I guess Treasury, in conjunction with DOJ, will come to an agreement on what sort of level is put in the budget. However, it is like most of the services that Department of Justice is involved in - they are open-ended services. They are demand driven and so you can only, really, in the Budget Papers, make some sort of target or estimate. In this case, it is purely an estimate that Treasury has put in to the mix of the Department of Justice budget. It is understood that it will respond to demand.

**Ms CARNEY:** It is a pretty significant estimate, though. It is a reduction of one-third out of \$6m anticipated costs down to \$3.5m.

**Dr TOYNE:** Yes. Treasury officials always aspire to lower expenditure; it is in their nature

**Ms CARNEY:** As does government in this area, yes?

**Dr TOYNE:** No, no. I am saying that the Treasury budget forming process is not the same as the government policy determining process.

**Ms CARNEY:** But when you introduced the bill, you said that you wanted to reduce costs in this area, so ...

**Dr TOYNE:** Yes, absolutely, but I am not – that is different from saying ...

**Ms CARNEY:** Okay, you do want to reduce costs in the area, so you would be happy with the budget estimates because that is in accordance with government policy?

**Dr TOYNE:** If we can get the legal costs down and increase the proportion of the total costs of the scheme going to the victims, I would be very happy about that. That is exactly what the reforms aiming at.

**Ms CARNEY:** Minister, you are aware, aren't you, that the profession generally is deeply concerned about access to justice in this area for victims? Indeed, a Law Society spokesman, Tony Whiteman, has said that, in his view, the number of claims has reduced by 50%.

**Dr TOYNE:** Well, it has not. We have just given you the figures.

**Ms CARNEY:** Well, no. You have given me the number of applications, which does not necessarily have any regard to the number of applicants. As you, I hope, would know, some applicants have



multiple claims which require multiple applications. With respect, really, you cannot say there have been more applications, therefore that does not mean ...

**Dr Toyne:** Yes, but that same ...

**Ms CARNEY:** ... that victims of crime are being denied access to justice as a result of the scheme you introduced.

**Dr TOYNE:** What you have just argued for in the current financial year applied to all seven prior to that. There are always multiple claims, so it is comparable. The number of applications, whether they are multiple or singular, are at an equal or higher level than they have been in the last few years and prior to and post the reforms we introduced.

Let me just remind you of a couple more things about the reason for those reforms. We had a case - in the 1996-97 financial year, payments for victims increased by 60%, while the legal costs increased by 513%. Now, what ...

**Ms Carney:** Yes, you said that when you introduced your bill.

**Mr CHAIRMAN:** Let the minister finish.

**Dr TOYNE:** ... government would stand by and watch increasing amounts of money being swallowed up in the actual process costs, while the victims - the people we are actually trying to help with the scheme - are only getting comparatively small gains as a group?

**Ms CARNEY:** Minister, you know that I have spoken in parliament about this on 17 June. It is appropriate, in line with what you have said; namely, your adherence to the fact that applicants are happily engaging lawyers to pursue their claims as victims of crime. You may or may not recall that I quoted a letter from a law firm. I will quote part of it here and obtain your response in relation to it. The letter reads:

*You are correct in your assessment that a significant problem has arisen as a result of the amendments to the Crimes (Victims Assistance) Act in relation to costs. It is simply no longer cost effective for a private firm to take on Crimes Victims Assistance matters. There is simply no way that a private firm can recoup the costs incurred to the firm in running the matter.*

*Accordingly, this firm ...*

And it is not the only one:

*... has indeed made a policy decision not to take on Crimes Victims Assistance matters unless in exceptional circumstances.*

*It is therefore the case that our work in this area has drastically reduced and this decision was based solely on cost effectiveness. It was a decision we did not make lightly, and was with regret because we consider it is important for victims of crime to be properly compensated.*

And so on, and so on. Minister, are the lawyers wrong?

**Dr TOYNE:** Well, on the figures, obviously if there are some 500 applications being put in, in the current financial year, you have a whole lot of lawyers out there who are following a kamikaze business plan, on your argument. I have spoken to lawyers who work in CVA, and they are continuing to work with the scheme. I guess you have done a show and tell. I can equally point you to the lawyers who are still continuing to work ...

**Ms Carney:** Well, the effect of what you are saying is that the lawyers are wrong; they do not know what they are talking about.

**Dr TOYNE:** ... and clearly they are, because 500 applications have gone in. Someone must have processed them. I am sure there are lawyers out there still processing them to get that sort of total together.

**Ms CARNEY:** I will be delighted to send a *Hansard* copy of your comments to the legal profession. I note in passing that members of government have called this budget business-friendly. Well, law firms are businesses as well. Some of them are going to have to lay off staff, as I understand it, because they are no longer doing work in this area. That is unfortunate, minister.

I could go on all day about this output area. I will not, because of time limitations. I repeat that I will write to you independently, by letter, in relation to the questions I sent you.

**Dr TOYNE:** I look forward to it.

**Ms CARNEY:** That was cumbersome, but I take it that there is no government policy not to reply to correspondence by opposition representatives?

**Dr TOYNE:** You have always got replies and you will in the future.

**Ms CARNEY:** Having said that, I have no further questions for Output 1.1, Mr Chairman.

**Mr CHAIRMAN:** Does the committee have any questions on Output 1.1? Member for Nelson.

**Mr WOOD:** Thank you, Mr Chairman. Attorney-General, you have, or had, a mediation process in place in regards to the Lake Bennett land issues. How long has the mediation been going; what was it intended to do; how much did it cost per day to employ a mediator; and was that person paid when there was no mediation?

**Dr TOYNE:** We will take those specifics on notice and we will get them back within the ...

**Mr WOOD:** I have two questions related to that. You might ...

**Dr TOYNE:** I can answer you generally. The mediation produced quite a detailed proposed settlement which has been framed up as a legislative settlement. We are continuing to talk to the proponents. There are two groups, to my knowledge, that are still not prepared to go into the arrangements that have been put forward by the legislation. The government is ready to legislate, to enshrine, I guess, everyone's interests, and then to set up a process where we can work back through any compensation issues that come out of a change to people's rights. However, for the mediation in general terms - I cannot give you the costs or the timing, we will get that for you - I believe, did achieve a fair and equitable result as best could be done given the situation. My CEO can provide you with costs.

**Mr COATES:** The estimated cost of the mediation process last year was \$128 000. That does not include any potential claims for damages against the government, or any compensation.

**Mr WOOD:** Attorney-General, was the mediator paid per day or on a total package basis?

**Mr COATES:** We can take that on notice.

**Dr TOYNE:** We will get that back to you.

**Mr WOOD:** There are two other questions related to this matter.

**Mr CHAIRMAN:** Member for Nelson, I am just ... the first one we are meant to notice and I believe it was answered.

**Mr WOOD:** Well, I am just wondering, if I ask these two questions and they wish to take them on notice, I will put them one question. How is that?

**Mr CHAIRMAN:** All right, if you can flag with me when you are going to go on notice again and we can go through the process.

**Mr WOOD:** Okay. Attorney-General, how much did your department spend over this financial year on matters relating to the Lake Bennett land issues; and is it possible to give a breakdown of what the money was used for? The second part of that question is what legal matters are still current regarding Lake Bennett, and when do you expect these matters to be finally resolved?

**Dr TOYNE:** All right, we will get that back for you.

**Mr CHAIRMAN:** All right, to assist Hansard and to ensure the minister is fully aware of the question, would the member for Nelson please restate the question?

---

#### **Question on Notice**

**Mr WOOD:** Attorney-General, in relation to the Lake Bennett land issues, how much did it cost per day to employ a mediator, and was that person paid when there was no mediation? How much did your department spend over this financial year on matters relating to Lake Bennett land issues, and give a breakdown of what that money was used for? What legal matters are still current regarding Lake Bennett, and when do you expect these matters to be finally resolved?

**Mr CHAIRMAN:** Minister, do you accept that as a question taken on notice?

**Dr TOYNE:** Yes, that is fine, we will get that back.

**Mr CHAIRMAN:** That being the case, I allocate number 4.1 to the question. Please continue, member for Nelson.

---

**Mr WOOD:** I have finished, thank you, Mr Chairman.

**Mr CHAIRMAN:** Are there any further questions on that particular output? That being the case, that concludes consideration of Output 1.1.

#### **Output 1.2 – Agency Legal Services**

**Mr CHAIRMAN:** The committee will now consider Output 1.2, Agency Legal Services. Shadow?

**Ms CARNEY:** Not enough time, Mr Chairman, so, no.

**Mr CHAIRMAN:** By the way, the time 9.08 am and the shadow has indicated that she is dedicating one hour to question this budget. Any members of the committee? That concludes consideration of Output 1.2.

#### **Output 1.3 – Legal Policy**

**Mr CHAIRMAN:** The committee will now consider Output 1.3, Legal Policy. Are there any questions?

**Ms CARNEY:** On the basis of time constraints, no thank you, Mr Chairman.

**Mr CHAIRMAN:** Committee members? Member for Nelson, you have no problems with time?

**Ms Carney:** He normally does not.

**Mr WOOD:** Neither of those comments were required. I am a member of this committee.

**Mr CHAIRMAN:** I am fully supportive of you asking questions, member for Nelson.

**Mr WOOD:** Thank you. Attorney-General, the *Government Gazette* shows that a substantial amount of legal work is still being outsourced. Is the government still trying to rebuild the legal capacity within the Department of Justice following the former government's outsourcing?

**Dr TOYNE:** We brought \$1.3m worth of legal capacity back in-house. We have been monitoring the situation of the continuing use of private sector lawyers either from here or interstate as part of our process. There is no current move on our part to further remove capacity in the outsourced portion of our work; we are just simply monitoring the amount of legal services we buy in as part of the annual activities of the agency.

**Mr CHAIRMAN:** Are there any further questions on that output? That concludes consideration of Output 1.3.

#### **Output 1.4 – Office of the Director of Public Prosecutions**

**Mr CHAIRMAN:** The committee will now consider Output 1.4, Office of the Director of Public Prosecutions. Shadow?

**Ms CARNEY:** Thank you, Mr Chairman. Minister, due to the time constraints I will not ask about the blow-out of \$1m in DPP. I will not ask about whether it was related to the Murdoch case. I will not ask why there was a media manager appointed by the DPP for the Murdoch case. I will not ask what the inquest workload was for this year for the DPP. However, what I will ask is: there is only a very small increase in funding to the DPP, outlined in the key variations and close to \$1m, to appoint another prosecutor. In the last available annual report of the DPP, in 2002-03, Mr Rex Wild QC wrote that government and I quote: '... has not been able to provide funds to enable us to carry out our Victim Support Program as fully as we had hoped'. He went on to write and I quote: 'We had been given to understand that this was a high priority area within government, but umbrella submissions made on behalf of the department, which included our submission, do not seem to have found favour'. Minister, why did not the witness support service receive an increase in funding in light of the obvious dissatisfaction of the DPP?

**Dr TOYNE:** Seeing you did not ask, I will not answer that the DPP did not have a blow-out; it simply had a high level of activity. I will not answer that the Falconio or Murdoch associated costs will be taken to the Treasurer's Advance once known. I will get my CEO to answer the question that you actually did ask, which is the question of the Victims Support Unit.

**Mr COATES:** In relation to the Victim Support Unit, the DPP would like to see that expanded. When you look at it in comparison to the number of staff that are working in our Victim Support Service here compared to elsewhere, ours is very well resourced in comparison. It is not saying that it certainly could not do with more people; that is the call we hear across various other parts of the agency. However, there is only so much money to go around, and we all have to try to do the best we can within the resources that are available.

**Ms CARNEY:** Thank you. So many questions, so little time. I will do that by letter, minister. That concludes Output 1.4 for me, Mr Chairman.

**Mr CHAIRMAN:** Thank you, member for Araluen. Any other questions from the committee?

**Mr WOOD:** No, I do not have any more questions, Mr Chairman.

**Mr CHAIRMAN:** There are other members who might want to ask as well. That concludes consideration of Output 1.4. That also concludes consideration of Output Group 1.0.

**Ms CARNEY:** Oh, I am so sorry! Can I go back to DPP?

**Mr CHAIRMAN:** Well, I am a bit concerned about the time constraints that you are putting on yourself here.

**Ms CARNEY:** Well, aren't we all, but there was something important ...

**Mr CHAIRMAN:** Member for Araluen, I am happy to keep it open as long as ...

**Dr TOYNE:** I am happy to take ...

**Mr CHAIRMAN:** Members of the committee have no problem with it reopening? Just for the *Hansard* record, I will state that we are reopening Output 1.4.

**Ms CARNEY:** Thank you, Mr Chairman. Minister, this does relate to DPP. In the budget papers, it refers to convictions. You know I am terribly interested in the conviction rates for sexual assaults and, indeed, I wrote to you by letter dated 12 March 2004. I have not received a reply to that letter. You will recall that I asked for what percentage of reported unlawful sexual assault cases against adult women resulted in convictions in the calendar years 2001, 2002, 2003. Of the convictions recorded, what percentage were as a result of pleas of guilty, and how many were as a result of guilty verdicts at trial for those calendar years.

There are a number of other questions. I am after the percentage of reported indecent assault cases against women; and how many of those resulted in convictions; how many were pleas; how many were guilty verdicts at trial. I have also asked how many unlawful sexual cases were reduced to a lesser charge such as indecent assault. I have also asked how many convicted persons were sentenced to the rising of the court.

Minister, do you have the answers to those questions? I am assuming that perhaps you do, and you would be happy to table them.

**Dr TOYNE:** I probably do not need to because our records show that replies to all those questions were sent to you.

**Ms CARNEY:** I have not received it.

**Dr TOYNE:** Well, you must have crossed ...

**Ms CARNEY:** Have you got a copy?

**Dr TOYNE:** ... as the carrier pigeon was on its way south, I suppose.

**Ms CARNEY:** Well, it is still flying slowly to Alice Springs. I have not received it.

**Dr TOYNE:** We can round up a copy of the correspondence.

**Ms CARNEY:** If you would provide me with a copy?

**Dr TOYNE:** I am appraised that it was hand-delivered to your parliamentary office during budget sittings.

**Ms CARNEY:** This budget sittings?

**Dr TOYNE:** Yes.

**Ms CARNEY:** It was not received. I have not received any correspondence in relation to this ...

**Dr TOYNE:** We will get a copy for you.

**Ms CARNEY:** Obviously, there has been a difficulty.

**Dr TOYNE:** Sounds like it was the wrong door they shoved it under.

**Ms CARNEY:** Could have been the wrong door. Minister, I take it that you would accept that the conviction rates, generally, for sexual assaults are pretty low?

**Dr TOYNE:** I can comment to the extent that it is taken as a performance measure. We are concerned about the whole chain: the cause of sexual assaults, and the responses we can make out to the actual offences. Obviously, our preferred result is to get the offences themselves down. However, you are aware that we are continuing to work on reforms for witness protection and victim protection in hearings.

We will do what we can to facilitate the process of getting these hearings through to a successful conclusion, assuming the guilt of the alleged offender, of course. However, it is typically a very difficult offence to prosecute, in that range of offences.

All I can say is that we are committed to it. We have a Sexual Offence Task Force working on initiatives right across the spectrum from what will cause an offence through to charging, prosecution and punishment once the offence is committed. We will certainly keep you appraised of that. I could table my media release of 17 December, in case you missed it.

**Ms CARNEY:** I have it.

**Dr TOYNE:** You have that one?

**Ms CARNEY:** No need to table it, thank you.

**Dr TOYNE:** Okay.

**Ms CARNEY:** Thank you for your answer. We all, whether we are politicians or members of the community and the legal profession – given that the rates of convictions for sexual assaults are so low and have always been quite low, I ask whether - and I ask you formally now - you would consider establishing a parliamentary committee to inquire into and report on the reasons for low conviction rates and whether legislative changes might be required to make it more likely that offenders are punished, and to minimise the trauma of the prosecution process for sexual assault victims? Would you consider, minister, establishing a parliamentary inquiry?

**Dr TOYNE:** I do not believe in duplication. We have a Sexual Assault Task Force. Its terms of reference include examining the scope and adequacy of information on the nature and incidence of

sexual assault and police and legal responses; court outcomes including sexual assault offences will form part of this task force's area of interest. There is a forum there; use it.

I accept that you have a very sincere interest in this area, as do I. I welcome any input to this work. It is very important work and it is a high priority for us to make some impact on not only that, but the domestic violence areas, and areas of offences against women and kids. We have been very clear about that and I am very happy to offer a bipartisan situation for that.

**Ms CARNEY:** Thank you. You are right, I do have more than just a passing interest in this area. I am concerned that things like government working parties will fall short. I wonder whether you are aware of the parliament of South Australia establishing a parliamentary committee on sexual assault conviction rates. In March this year, the South Australia parliament commenced an inquiry into sexual assault conviction rates. Given that your government has a propensity to borrow from other Labor states and, in light of this innovation in South Australia, would you be prepared to reconsider, either now or perhaps within the next six months, the establishment of such a committee?

**Dr TOYNE:** I have answered the question. The task force is the forum that we are using to explore potential government initiatives. I absolutely encourage you to have input to the task force.

**Ms CARNEY:** If it were a committee, I would.

**Dr TOYNE:** Well, we will re-name it.

**Ms CARNEY:** If there is an invitation - I cannot just ring up public servants, as you well know. If you wanted to extend a formal invitation for me to participate, I would be very happy to. However, I note that the advantage, of course, with a parliamentary committee is that it can receive evidence from various stakeholders, and I know you are aware there are many. Thank you, in any event, for answering that question, and, Mr Chairman, for allowing me to go back to this very important area. No further questions for Output 1.4, I promise.

**Mr CHAIRMAN:** I point out that the time is now 9.21 am. As this output is re-opened, are there any questions flowing from that from committee members?

**Ms LAWRIE:** No.

**Mr CHAIRMAN:** That concludes consideration of Output 1.4. That also concludes consideration of Output Group 1.0, Legal Services.

**OUTPUT GROUP 2.0 – Court Services**  
**Output 2.1 – Higher Courts**

**Mr CHAIRMAN:** The committee will now move to Output Group 2.0, Output 2.1, Higher Courts. Are there any questions?

**Ms CARNEY:** No.

**Mr CHAIRMAN:** Does the committee have any questions?

**Ms LAWRIE:** No.

**Mr CHAIRMAN:** That concludes consideration Output 2.1.

**Output 2.2 – Lower Courts and Tribunals**

**Mr CHAIRMAN:** The committee will now consider Output 2.2, Lower Courts and Tribunals. Shadow?

**Ms CARNEY:** No questions.

**Mr CHAIRMAN:** Does the committee have any questions?

**Mr WOOD:** Thank you, Mr Chairman. Attorney-General, there is a further one-off funding to extend the pilot Community Justice Centre, which provides an alternative to the courts for dispute resolution. What are the results showing so far, and when will a decision be made on its future?

**Dr TOYNE:** We are just finding it for you. I will get the CEO to answer that.

**Mr COATES:** The centre was originally funded for a 12-month period, and additional funding is being obtained in the forthcoming budget to allow us to keep operating it until October 2004. A comprehensive evaluation is currently being conducted, which will be provided to Cabinet before mid-September 2004, in order for a decision to be made as to the future of the service. However, anecdotal evidence is that it is performing a useful function.

**Mr WOOD:** Attorney-General, the government promised in the 2001-02 mini-budget to build a \$5m Palmerston courthouse, with a capital works allocations of \$3m in this budget. What has happened to that plan? Is it a case that Palmerston does not need a courthouse now?

**Dr TOYNE:** The Palmerston courthouse is still on the design list within our capital works process. Having said that, the Chief Magistrate has certainly indicated that he considers a higher priority should be placed on the upgrading of the Darwin Magistrates Court and the Alice Spring courthouse. I am simply passing on what the Chief Magistrate is indicating to us.

It is fair to say that we have not either excluded or decided to go ahead with it at the moment. Should the Chief Magistrate indicate that he would prefer to keep the Magistrates Court centralised in its current location with an expanded capacity, we would then look at a justice package for Palmerston which would provide the people of Palmerston who have business before the court with the normal support in terms of legal advice - anything to expedite the work that they would need to do in response to a court.

It is work in progress, so I cannot stand here and say, 'Yes, we are going to build it'. I cannot stand here and say, 'No, we are definitely not'. When you have the head of the magistracy saying that there are other priorities, we are certainly listening to them.

**Mr Burke:** It will be a high priority when we get back, Gerry.

**Mr WOOD:** I was going to ask, who made the decision to build a courthouse at Palmerston, and on what basis was that made originally, because it is now not given so much priority.

**Dr TOYNE:** Well, it was certainly talked about, or promised in the election. We are very aware of that commitment. Government is different to opposition.

**Ms Carney:** Answer of the week!

**Mr WOOD:** That is a very honest answer.

**Mr Burke:** You put your career in hand with that policy.

**Mr CHAIRMAN:** Any further questions in regards to that output? That being the case, that concludes the consideration of Output 2.2.

### **Output 2.3 – Fines Recovery Unit**

**Mr CHAIRMAN:** The committee will now consider Output 2.3, Fines Recovery unit. Any committee



member with questions? No. That concludes consideration of Output 2.3 and also concludes consideration Output Group 2.0, Court Services.

**OUTPUT GROUP 3 – Correctional Services**

**Output 3.1 – Custodial Services**

**Mr CHAIRMAN:** The committee will now move to Output Group 3.0, Correctional Services, Output 3.1, Custodial Services. Shadow?

**Ms CARNEY:** I will have to write them, thank you, Mr Chairman. No verbal questions, on account of time.

**Mr CHAIRMAN:** Committee members, any questions on Output 3.1 - Custodial Services?

**Mr WOOD:** No.

**Mr CHAIRMAN:** That concludes consideration of Output 3.1.

**Output 3.2 – Community Corrections**

**Mr CHAIRMAN:** The committee will now consider Output 3.2, Community Corrections. Are there any questions?

**Ms CARNEY:** Same response as before, thanks, Mr Chairman.

**Mr CHAIRMAN:** No questions from the shadow. Committee members?

**A member:** No.

**Mr CHAIRMAN:** That concludes consideration of Output 3.2.

**Output 3.3 – Juvenile Detention**

**Mr CHAIRMAN:** The committee will now consider Output 3.3, Juvenile Detention. Are there any questions, shadow?

**Ms CARNEY:** Same response, thanks, Mr Chairman.

**Mr CHAIRMAN:** No questions from the shadow. Members of the committee?

**Mr WOOD:** Yes. Attorney General, how much money is going to be spent on the Wildman River Detention Centre in the new budget? What will the money be used for? Who will be housed in the detention centre? How many staff will be employed there? What will be the primary role of the Wildman River Detention Centre?

**Dr TOYNE:** Yes, I will answer in the general level, that the Wildman River is a facility that will be looked at as part of the Correctional Services reform process. You will be aware, from our announcements, that there was \$18.5m put to that reform over four years. One of the key recommendations of the KAYA review, was that we look at work camps and community-based work projects as being key elements in the rehabilitation programs that will be built up within the prison. Wildman River fits that tag very much so. From what I am saying, you will probably pick up that this is for adult prisoners, not juveniles. The juvenile prisoners will be able to take advantage of the greatly expanded area in Don Dale, which is going to allow horticulture-type programs to be introduced into the juvenile detention facility. Therefore, we will be refocussing the juvenile programs on that in-house facility at Don Dale. Wildman River will then be looked at as an adult facility, as part of the new programs for the reforms.

**Mr WOOD:** Thank you. To follow on from that question about Don Dale, I was going to ask what is the

latest on the Don Dale Centre; that is, its expansion.

**Dr TOYNE:** Oh, you should go out there and have a look; it is in full swing. The building is well advanced: accommodation is up, there is a new open area for sport and rec, and the areas available for crafts and horticulture, and so on, are taking shape. We are not far off.

**Mr WOOD:** I will write you a letter and ask for permission. Has there been many changes from the original plan - which I did see - and, if so, what were these changes, and how much has that affected the budget?

**Dr TOYNE:** No changes, no effect on the budget.

**Mr WOOD:** Just one other. It is a fairly minor point, I suppose, but I am told that inmates at Don Dale used to cook their own meals and, now, the meals went to the main prison and were delivered. Do you know if the inmates are still allowed to cook their own meals?

**Dr TOYNE:** Well, maybe we will get Commissioner Manners ...

**Ms Lawrie:** Just come up to the table, commissioner and, for the purpose of Hansard ...

**Mr CHAIRMAN:** Identify yourself before you speak.

**Mr MANNERS:** Chris Manners, Commissioner for Correctional Services. It is proposed to reconsider the whole meal arrangement once we open the new facility, or the adjacent area to Don Dale. We will look at how we provision both the adjacent new complex, and also upgrade the existing kitchen as part of that further development, to enable the detainees to again go back to being involved in their own meal preparation as part of life skills programs.

**Mr WOOD:** You still see it as important?

**Mr MANNERS:** Critical, yes - as a development, yes.

**Mr WOOD:** It used to happen at Wildman River and at Don Dale, and I wondered why you had dropped it. But, if it is coming back ...

**Mr MANNERS:** The whole idea of the new development was to capture the best elements of Wildman River and bring them into town so that more of our detainees could access them. Yes, hospitality, food preparation - the whole personal skills program should be part of that.

**Mr CHAIRMAN:** Are there any further questions in regards to that output? That being the case, that concludes consideration of Output 3.3, and that also concludes consideration of Output Group 3.0.

**OUTPUT GROUP 4.0 – Community Services**  
**Output 4.1 – Registrar-General**

**Mr CHAIRMAN:** The committee will now move onto Output Group 4.0, Community Services, Output 4.1, Registrar-General. Are there any questions?

**Ms CARNEY:** Pass.

**Mr CHAIRMAN:** Does the committee have any questions? That concludes consideration Output 4.1.  
**Output 4.2 – Office of Public Trustee**

**Mr CHAIRMAN:** The committee will now consider Output 4.2, Office of Public Trustee. Are there any questions?

**Ms CARNEY:** Pass.

**Mr WOOD:** No.

**Mr CHAIRMAN:** None from the committee. That concludes the consideration of Output 4.2.

**Output 4.3 – Anti-Discrimination Commission**

**Mr CHAIRMAN:** The committee will now consider Output 4.3, Anti-Discrimination Commission. Are there any questions? Shadow?

**Ms CARNEY:** Pass.

**Mr CHAIRMAN:** That concludes consideration of Output 4.3.

**Output 4.4 – Information Commissioner**

**Mr CHAIRMAN:** The committee will now consider Output 4.4, Information Commissioner. Are there any questions, shadow minister?

**Ms CARNEY:** Thank you, Mr Chairman. Minister, as Minister for Justice, you are aware of the information privacy principles which provide safeguards for the release of information held by government, ensuring that access to information does not unreasonably interfere with a person's right to privacy. Why, then, were personnel records of one former public servant and one current public servant released to a private legal practice for the purposes of legal proceedings in April this year ...

**Ms LAWRIE:** Point of order, Mr Chairman!

**Mr CHAIRMAN:** Yes, one moment, please, member for Araluen. A point of order has been raised.

**Ms LAWRIE:** This question was asked of the minister responsible for the Office of the Public Service Commissioner and has been taken on notice with a commitment for a response back. It is outside this portfolio area.

**Ms CARNEY:** If I could speak to that, Mr Chairman?

**Mr CHAIRMAN:** Certainly.

**Ms CARNEY:** It was actually a different question. It was relating to the *Public Sector Employment and Management Act*. This is in relation to the information privacy principles contained in the *Information Act*. It is clearly within this output group and I would ask you to answer this.

**Dr TOYNE:** I would say both questions are outside the estimates process. If you want to ask the question, by all means ask it of me in parliament; by all means put it on notice; and I will follow it up for you. However, I do not think this is a budget question.

**Ms CARNEY:** Minister, the information for ...

**Ms LAWRIE:** A point of order, Mr Chairman!

**Mr CHAIRMAN:** Yes, member for Karama.

**Ms LAWRIE:** The relevance of this question has been challenged by both a member on the committee and the minister. Why are we proceeding with it? It is time wasting.

**Mr CHAIRMAN:** I am not sure whether the member for Araluen has further information to convince the minister that it may be relevant. However, the minister will have the call on relevance.

**Ms CARNEY:** Thank you. Minister, in Budget Paper No 3, page 124, under the heading of 'Information Commissioner' within the Department of Justice budget, the Information Commissioner, it says here:

*Promotes knowledge about freedom of information and privacy rights within government and the community. Deals with complaints about freedom of information and privacy matters and considers related applications and submissions.*

There are line items of 'General inquiries', 'Awareness and training presentations', and 'Guidelines for publications issued ...' and so on. There are various estimates provided and an explanation provided at the bottom of the table. Minister, I suggest that questions on this very important issue are extremely relevant. Would you reconsider answering the question that I have asked?

**Dr TOYNE:** The performance measures are about the broad activities of the Information Commissioner, not about individual cases. I repeat, I am very happy to respond. As to the individual cases you are referring to, I have no knowledge of them sitting right here. I do not believe this is a relevant question to the budget process and I do not like to respond.

**Ms CARNEY:** Minister ...

**Mr CHAIRMAN:** Hang on. The minister has provided his response. Can we move on?

**Ms CARNEY:** Yes, okay. Minister, you are aware that in this Estimates Committee hearing, there is scope for fairly wide-ranging inquiries in relation to - for the purposes of Justice at least - government legislation. I am going to ask you another question, which I suggest is very relevant to you as Minister for Justice in this area. My question is this: the law firm to which I referred in my earlier question was representing government, receiving instructions from the Department of Justice and the Attorney-General or his delegate. The Commissioner for Public Employment, in February 2003, said that it would be totally inconsistent with the contemporary freedom of information and privacy legislation if permission to access public servants' personnel files was sought. Do you know why files were released to lawyers and whether there is an investigation on foot in relation to this matter?

**Mr CHAIRMAN:** Member for Araluen, this question has been taken on notice.

**Ms CARNEY:** Again, it is a different subject.

**Mr CHAIRMAN:** Well it sounded terribly - I would have to get the record out and see whether it was word for word, but it sure sounded like it.

**Ms LAWRIE:** A point of order! The Commissioner for Public Employment holds those files. It is appropriately an OCPE question. Let us get back to relevance.

**Mr BURKE:** Mr Chairman, may I speak to the point of order, Mr Chairman?

**Mr CHAIRMAN:** Certainly, member for Brennan.

**Mr BURKE:** The intent of the shadow minister's question goes to the heart of the legislation and the enactment of that legislation. Part of the enactment of that legislation and its intent was to protect the privacy of individuals. The Attorney-General has carriage of that legislation and the shadow is asking questions in relation to one aspect of the implementation of that legislation. It is certainly the purview of the Attorney-General. Whether he chooses to answer or not is his business.

**Mr CHAIRMAN:** Just in answer to that point, member for Brennan, I understand. My recollection of

the Attorney-General's last response was that he did not see the relevance to this particular output or to this particular portfolio, so we will let it stand at that. Could we move on, please?

**Ms CARNEY:** I would like to ask another couple of questions in relation to this. If you refuse to answer them, I will pursue the matter by other means.

**Dr TOYNE:** I have already said you should.

**Mr CHAIRMAN:** I remind the member for Araluen that it is 9.37 am.

**Ms CARNEY:** Yes, thank you. I can tell the time. Minister, are you aware that, after one of the personnel files of a former public servant was released ...

**Dr TOYNE:** Really, Mr Chairman, I have said that this is not relevant.

**Ms CARNEY:** No, let me ask the question. You may answer this. You may answer this; please hear it so that you at least give yourself the opportunity of deciding whether you are going to answer it.

**Dr TOYNE:** I guess it is your time, yes.

**Ms CARNEY:** Are you aware that after one file was released - a personnel file of a former public servant - another file was released and the lawyers for both public servants wrote - and I have a letter here if you are interested - a letter to the Information Commissioner on 19 April, saying that such a release of the files was, and I quote: 'Both serious and flagrant given that it occurred against the background of an earlier complaint in respect of the first breach.' Minister, do you know why confidential information contained in two public servants' files was released without the consent of either of those public servants? Yes or no.

**Mr CHAIRMAN:** Member for Araluen, the minister has already indicated that he does not believe it relevant to this portfolio. You are the one who spent 13-odd minutes saying how you wanted to be quick and accurate and ask questions and get through this.

This is about the third or fourth time you have been ruled on the question of relevance from the minister and from the Chair. I suggest that you are not keeping to your own premise at the start that you were going to ask questions because of time, and you were going to give the shadow minister for Health a go. Those were your words at the start.

**Ms CARNEY:** Thank you, Mr Chairman. It was always an indication as to time - nothing more. Minister, I will ask this question - please advise whether you are prepared to answer it: lawyers acting for the public servants whose files were obtained ...

**Dr TOYNE:** No, I am not. I am not prepared to answer it, I can tell you up-front. We are not going on with it.

**Ms CARNEY:** ... said in court that the files being released were: 'a breach of the law and a reckless disregard for the law' ...

**Ms LAWRIE:** A point of order!

**Ms CARNEY:** ... are you aware of this and have you called for an investigation as to the release of these personnel files of these public servants as Minister for Justice?

**Dr TOYNE:** Irrelevant.

**Mr CHAIRMAN:** Attorney-General ...

**Ms CARNEY:** 'Irrelevant'. 'Irrelevant', he says. Terrific. Okay, we will move on.

**Mr CHAIRMAN:** ... do not bother answering this haranguing from the shadow.

**Ms CARNEY:** Well, he says 'Irrelevant'. I have another one.

**Mr CHAIRMAN:** These are allegations from you.

**Ms CARNEY:** They are more than that.

**Mr CHAIRMAN:** Let us get that on the record. Now look, this is the last time, okay? We have given you enough latitude on this. There are to be no more questions in this regard or I will rule them out of order.

**Ms CARNEY:** Thank you, Mr Chairman.

**Mr BURKE:** A point of order, Mr Chairman! I ask why the shadow was not permitted to ask a question? It is one thing for the minister to decide not to answer it ...

**Mr CHAIRMAN:** No, no ...

**Mr BURKE:** ... I want to ask you why you rule that she cannot ask a question.

**Mr CHAIRMAN:** I will respond to that, member for Brennan. This is the same question asked over and over again, where the minister has responded. My job ...

**Mr BURKE:** So the issue is repetition?

**Mr CHAIRMAN:** It is repetition. My job is to get this committee moving along so that we can answer all the questions possible in the time allocated. There is a severe wasting of time here. My concern is the efficient functioning of this committee, and this is time wasting.

**Ms CARNEY:** But two different questions, noting also the three questions I have asked have, in fact, been different. Minister, can you cast your mind back to 13 August 2002. There was press release issued by you as Minister for Justice in relation to the information bill. You said: 'It introduces important privacy protection over personal information held by government agencies'.

Minister, in this morning's *Northern Territory News* on page 3, there is an advertisement referring to a web site, [www.privacy.nt.gov.au](http://www.privacy.nt.gov.au), and it says: 'Every Territorian has the right to protection of personal information held by the government'. It concludes: 'Freedom of information and privacy'.

Minister, do you stand by what you said on 13 August 2002 about your *Information Act* when it was introduced, and do you assure Territory public servants that their privacy is, and will be, protected under your *Information Act*?

**Dr TOYNE:** I will answer about the legislation. I believe it is very good legislation. I am sure the member for Brennan is very familiar with it too, because the work on that legislation was done in his time ...

**Mr Burke:** A bit worried about this issue, though.

**Dr TOYNE:** Within that legislation, you will be aware that there are complaints mechanisms. Certainly,

within that legislation there are very important national privacy principles, which should be being respected. I am very pleased to see someone has put in an ad to inform the public, because that is one of our performance measures, and that is an estimates question.

**Ms CARNEY:** Of course, there is only a right to complain after 1 July, so there are people affected who cannot. Minister, my final question to you on this point - and there are many, and these will be explored at length in a number of other forums because what has happened is disgraceful.

I refer again to your media release of 13 August, in which you said that your *Information Act*: '... introduces important privacy protection over personal information held by government agencies'. Minister, are you aware that the solicitors acting on your behalf, as Attorney-General representing the Northern Territory government, in the Supreme Court in April, made submissions repeatedly saying: 'We say ...' - this is government lawyers - 'We say the *Information Act* gives no right to privacy'. Attorney-General, do you agree that there are problems with the *Information Act* and that Territory public servants should be very concerned about their personal information being used for court purposes and for a variety of other purposes?

**Dr TOYNE:** I look forward to your question on notice or, if you want to talk about this in parliament, we can. It is irrelevant to an estimates discussion.

**Ms CARNEY:** It is irrelevant to estimates? Well ...

**Dr TOYNE:** Indeed it is.

**Ms CARNEY:** ... minister, this is a disgrace. Territory public servants are listening. You will not answer it. This is a sackable offence, what has happened here.

**Mr Burke:** Does not say much for outcomes.

**Ms CARNEY:** I am very disappointed with your response, and it is a dreadful outcome.

**Dr TOYNE:** Quite finished?

**Mr CHAIRMAN:** Thank you. Any other questions from the committee? That concludes consideration of Output 4.4.

#### **Output 4.5 – Consumer and Business Affairs**

**Mr CHAIRMAN:** The committee will now consider Output 4.5, Consumer and Business Affairs. Are there any questions? Shadow? From the committee?

**Ms LAWRIE:** No.

**Mr CHAIRMAN:** That concludes consideration of Output 4.5.

#### **Output 4.6 – Office of Crime Prevention**

**Mr CHAIRMAN:** The committee will now consider Output 4.6, Office of Crime Prevention. Are there any questions?

**Ms CARNEY:** Pass.

**Mr CHAIRMAN:** Nothing from the shadow. That concludes consideration of Output 4.6, and that concludes consideration of this output group. Are there any other non-output specific budget related questions? Shadow?

**Ms CARNEY:** No.

**Mr CHAIRMAN:** Committee? No.

On behalf of the committee, I would like to thank officers of the Department of Justice and Attorney-General for attending this meeting. Thank you. I will also call a five minute break while the changeover is happening.

---

The committee suspended.

---

## DEPARTMENT OF HEALTH

**Mr CHAIRMAN:** I welcome the Minister for Health, and invite him to introduce the accompanying officers and, then, if he wishes to make an opening statement on behalf of the Department of Health, he may do so.

**Dr TOYNE:** Thank you, Mr Chairman. First of all, I will only introduce Robert Griew, the CEO for Health. I understand the committee has been provided with a list of the other available people but, as you can see, it is going to half the time available to read it out. It is a very big agency, and we wanted to make sure people were available to answer detailed questions if necessary.

Before we start, I would like to make a few introductory comments, if I may. I have received some written questions from the member for Port Darwin. She would be aware that the procedure determined by the Standing Orders Committee, and the resolution of the Legislative Assembly passed on 18 May 2004, is that members will ask questions in this hearing, and responses will be made by myself or my departmental officials. That is the procedure that I intend to follow today. In answering the questions put by the opposition or Independent members, I will, of course, be considering the relevance of each question to the budget.

Turning to the budget itself, as I have already said in relation to the Department of Justice, the opposition seems to be under the misunderstanding that an increase in output is equivalent to a budget blow-out. Much has been made of this in relation to the Department of Health and Community Services, and the opposition has claimed a \$50m blow-out. The truth of the matter is - and for their benefit, I should put this on record in this committee hearing - a blow-out is when costs increase with delivering the same level of service. However, when additional funds are received, either from the Commonwealth or the Territory, to perform new services or more of the same service, it is not a blow-out. It is simply a higher budget with higher service levels. Increased service levels, combined with some accounting changes introduced by Treasury, is why the DHCS budget was \$50m higher over the course of 2003-04.

The department should be congratulated, not criticised, as it has kept its budget for existing levels of service, allowing extra funding to provide new and improved service levels. In last year's Budget Paper No 3 for the Department of Health and Community Services, there was a reported output expenses budget of \$561m. In this year's Budget Paper No 3, the output expenses estimate for 2003-04 is reported to be \$611.7m. The difference is \$50.7m. The major variations which make up this \$50m are:

- the allocation of DCIS charges for 2003-04, at \$21.5m. I understand the Treasurer in his evidence fully explained those DCIS charge-outs;
- new initiatives in mental health and child protection of \$2.1m;
- carry overs from 2002-03 of \$8.1m;
- nurses and doctors enterprise bargaining agreement impact of \$8.3m, and
- variances in the amount of Commonwealth grants of \$8.3m..



Those components add up to the \$50m difference between those two tables in the budget.

That is absolutely in line with the acknowledged budget practices right around this country; that you do not run a major agency out of a cookie barrel. It is not a case of setting up an amount of money at the start of a 12-month period and, no matter what, spending that amount of money. An agency budget is a dynamic entity. That is why we have the Treasury processes. That is why we have Cabinet processes. It is not unusual for agency budgets to differ between the start of a financial year and the estimated outcome that is included in the next budget.

What would be unusual, and was unusual in the previous government, is that the difference in expenditure is not explicable by due process - either Cabinet decisions that have authorised a variations in the expenditure or identifiable changes in Commonwealth revenues or identifiable events in the activities of the agency. For example, a flood in Katherine would be an identifiable event that may justify additional expenditure to be provided through the agency.

I have been very disappointed with the fact that the opposition has chosen to run out their own disparage an agency that has actually brought its fiscal and management practices very much back together and is now providing a very strong base on which to build our activities in the Departmental of Health up to new levels.

Performance measures: as I have already mentioned in relation to the Justice portfolio, and as the Treasurer already informed the committee yesterday, agencies are continuing to refine their output groupings and associated performance information. It is expected that this process will continue for several years. The Department of Health has made significant progress in this endeavour, and some refinements are noted in this year's budget papers.

Finally, I understand the committee and the shadow have received a table which allocates each output group in this portfolio to either myself as the Minister for Health or my colleague, the Minister for Community Services. I am happy to take questions from the committee relating to my responsibilities under the budget.

**Mr CHAIRMAN:** Thank you, minister. Prior to considering the estimates proposal, I would just like to say that, given that the shadow Attorney-General has generously given up her time to allow maximum effort put into interrogation of the Health budget, I will be looking to move questions along. I would ask all committee members not to go into lengthy statements rather than questions; not to interject; and to allow the minister time to fully answer the question. I draw members' attention to the terms of reference, particularly on the orderly conduct of this committee, and I will be watching these rules stringently.

Having said that the committee will not proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2004-05 because they relate to Health and Community Services.

**OUTPUT GROUP 1.0 - Acute Services**  
**Output 1.1 - Admitted Patient Services**

**Mr CHAIRMAN:** I will now call questions on Output Group 1.0, Acute Services, Output 1.1, Admitted Patient Services. Shadow?

**Ms CARTER:** Thank you, Mr Chairman, for your impartial guidance. I would like to ask the minister now with regards to Alice Springs Hospital; in particular, the issue of anaesthetic services at Alice Springs Hospital. Minister, could you advise how many anaesthetists are meant to be on the staff for Alice Springs Hospital?

**Dr TOYNE:** Yes, I can. There are to be four consultant anaesthetists and four anaesthetist registrars. Currently in place are three of each, and we are recruiting to the other two positions.

**Dr LIM:** There are six anaesthetists in Alice Springs at the moment?

**Dr TOYNE:** That is what I said.

**Mr Dunham:** That is what he said. Under oath, mate, you would not tell a lie.

**Ms CARTER:** With regard to the anaesthetists positions that are currently filled at Alice Springs Hospital, how many of those are locum positions - as in people who have been brought in, often from interstate?

**Dr TOYNE:** The answer is two.

**Ms CARTER:** Are those two of the consultants?

**Dr TOYNE:** One of each.

**Ms CARTER:** Where have those two locums come from?

**Dr TOYNE:** Is that really an estimates question? Do you want the brand of shoes that they wear as well? This is very silly.

**Ms CARTER:** No, I do not. There is no need to be facetious. It is interesting to know; it comes as part of their package and the expense borne by government. Which states have they come from? Or have they ...

**Dr TOYNE:** I am advised they were recruited through agencies. We do not have that information for you here.

**Ms CARTER:..** Would you assume that they are, though, from interstate rather than Territory locums?

**Dr TOYNE:** I would assume the probability would be higher that they would be from interstate, yes.

**Ms CARTER:** With regards to the contracts that these two locum interstate anaesthetists are on, how long do the contracts run for?

**Dr TOYNE:** There is no standard length of time that ...

**Ms CARTER:** Would it be like four weeks, or six months - rough idea?

**Dr Lim:** Three days? Some of them have been up to three days only too, I understand.

**Dr TOYNE:** From a week upwards.

**Ms CARTER:** To?

**Dr TOYNE:** To as long as the arrangements are made.

**Ms CARTER:** How long do you think that might be for?

**Dr Lim:** There are only three. There is one locum anaesthetist ...

**Ms LAWRIE:** A point of order, Mr Chairman!

**Dr Lim:** No ...

**Ms LAWRIE:** The shadow ...

**Mr CHAIRMAN:** No, member for Greatorrex, the shadow has asked a question, the minister is answering it, and we will not have any interjections.

**Dr Lim:** Three days. I am just helping the minister make sure that his information is correct. He is wrong! Three days, minister, two weeks ago.

**Dr TOYNE:** What we have said about this is that the locums have been used to provide the service as we try to recruit the ...

**Dr Lim:** Make sure you are right!

**Dr TOYNE:** ... members of it. Well, I would stay off anaesthesia if I were you.

**Dr Lim:** Go on, tell me all about it. Tell everybody about it. What you are talking about?

**Dr TOYNE:** The locums are providing the service ...

**Dr Lim:** You have a problem? Tell me what it is.

**Ms LAWRIE:** A point of order, Mr Chairman! He is being disruptive, repeatedly.

**Mr CHAIRMAN:** Member for Greatorrex, I ..

**Dr Lim:** He threw a barb and I want him to explain it.

**Mr CHAIRMAN:** Member for Greatorrex! I would draw your attention to Standing Order 34, which talks about disorderly or disruptive behaviour ...

**Dr Lim:** I am just trying to make sure that ...

**Mr CHAIRMAN:** Well, if you persist in disorderly or disruptive comments, then I will have to put you on a warning - if you persist.

**Dr Lim:** Right. They will stand on their lies, and it is wrong.

**Dr TOYNE:** To give a generic answer to it, because I honestly cannot see either the relevance or the point of following through, blow by blow, every locum that has gone in or gone out, and how long they stay there for. The strategy that we are following is to provide locum coverage of one or more of those eight positions, should we lack a permanent appointee in those positions. That will continue until we are successful in getting all eight of those positions permanently appointed to Alice Springs Hospital. I can say that the publicity that has been put around about the Alice Springs Hospital is not making that job any easier.

**Ms CARTER:** With regards to the contracts - you cannot tell me exactly for each one of these because they are of a variable length. However, if you took a four-week contract for a locum anaesthetist, what would that be worth for a consultant level?

**Dr TOYNE:** I will get Dr Jean Collie to talk about those more detailed costs. This is Jean Collie, the Director of Medical and Clinical Services at Alice Springs Hospital.

**Dr COLLIE:** Jean Collie, I am the Director of Medical and Clinical Services at Alice Springs Hospital.

**Ms CARTER:** Minister, if we had a four-week period, just as a benchmark, for a locum consultant anaesthetist, how much would that be costing the department?

**Dr COLLIE:** It could be up to \$2000 per day for a five-day week.

**Ms CARTER:** Why do you think it is, minister, that Alice Springs Hospital has had so much trouble in attracting and retaining anaesthetists?

**Dr TOYNE:** It is a regional hospital, and you would find exactly the same picture in regional hospitals all over Australia. The fact of the matter is that there is a shortage of anaesthetists, among many of the specialised professionals that we want in our system.

The other fact of the matter is that, if you compared Alice Springs Hospital to regional hospitals around the rest of the country, you would find that we are trying to build higher service levels there than would apply in a normal regional hospital. The reason for doing that is that Alice Springs is particularly isolated from major hospitals compared to other regional hospitals in other parts of Australia. We have taken on that challenge to try and build a sustainable service at a higher level than you would ever expect to see in a regional hospital in another state.

**Ms CARTER:** With regards to the difficulty of attracting and retaining anaesthetic staff say, over the last 12 months, what sort of impact has that had on elective surgery at Alice Springs Hospital?

**Dr TOYNE:** Dr Collie will answer that.

**Dr COLLIE:** It has led to the deferral of some of the non-urgent elective surgery.

**Ms CARTER:** Approximately how many cases would have been deferred during the last 12 months?

**Dr TOYNE:** We do not have that information here.

**Dr Lim:** Take it on notice.

**Ms CARTER:** Could you take that question on notice.

**Dr TOYNE:** Yes, I am quite happy to.

**Mr CHAIRMAN:** To assist Hansard and to ensure that the minister is aware of the question, would the member please restate the question?

---

#### **Question on Notice**

**Ms CARTER:** Minister, could you advise how many elective surgery cases had to be deferred during the last 12 months, at Alice Springs Hospital.

**Mr CHAIRMAN:** Minister, do you accept that question taken on notice?

**Dr TOYNE:** Yes.

**Mr CHAIRMAN:** That being the case, I allocate number 4.2 to the question. Please proceed.

---

**Ms CARTER:** Thank you Mr Chairman. With regard to anaesthetists at Alice Springs Hospital, I noted with interest your comment on Alice Springs ABC radio on the 4 June of this year, with regard to the

recruitment of anaesthetists and intensivists at Alice Springs Hospital and I quote:

*We have increased the aim here to make our rates and conditions of employment as competitive as possible, including paying market rates for the highly specialised areas like intensivist.*

Minister, why has it taken so long for you and your department to finally acknowledge that, in order to recruit specialist people to Alice Springs, you will have to pay market rates?

**Dr TOYNE:** Well, I am advised that the commitment to paying market rates is in the new enterprise bargaining agreement which was worked out in conjunction with the AMA. I certainly welcome that level of commitment under the EBA. It is very clear that, in order to attract specialists and other health professionals to a regional hospital such as at Alice Springs, it is going to give us the best possible chance of doing that, along with the other positives that we can use, provided that there is not an act of disparagement with the reputation of that hospital.

**Mr Dunham:** An act of disparagement? How dare you criticise.

**Dr TOYNE:** Well, if you want to, I will get Mr Robert Griew to provide some further information then.

**Mr GRIEW:** Just to be clear that, under the new enterprise bargaining agreement, there is provision for a market rate for certain designated specialties which are the hard to recruit ones, which are nationally known particularly for hospitals like that.

**Ms CARTER:** Thank you. Minister, when was the EBA signed off with medical officers, approximately?

**Dr TOYNE:** I will pass that to Mr Griew.

**Mr GRIEW:** It was 16 February.

**Ms CARTER:** Given that it was signed off on 16 February, why was there such a long period of time because, you will remember back that attracting anaesthetists to Alice Springs Hospital preceded February and, obviously, because it has become part of this agreement. Would it not just be basic management skills to offer the going market rate in Australia for a skill like an anaesthetists, in order to get them to a place like Alice Springs which, some would say, would have some things working against it? Would it not be the normal thing to do - to pay the market rate?

**Dr TOYNE:** Well, we indicated to you that that is the decision and that is what has been enshrined in the EBA. That is what we are going to now, and continue to do until we have the recruitment and retention issues of Alice Springs at the new levels we are building - not the levels that existed under the CLP, but the new levels - of service delivery.

We are also very aware of the picture that was presented to us by the Bansemer report, regarding the decisions that were being made within the agency regarding positions being put on, and the conditions under which those positions were filled. We are certainly not going to go back to the good old days where you chuck whatever comes to hand at an individual recruit simply to get them on deck. We have to have some accountability in the management practice and the decisions that are being made within the agency. That has been largely achieved against a history of considerable mayhem, as evidenced by the findings of Bansemer. We are not going back to the old halcyon days of hurling money indiscriminately at positions, but we are going to be working to fair market rates.

The other point I would make is that the EBA we had been operating on, which called for less than market rates, was signed by the CLP government.

**Ms CARTER:** You are being disparaging about the past there, but isn't it the case that ...

**Dr TOYNE:** I am not; Bansemer is.

**Ms CARTER:** Despite that, the fact is that it is now, in this period of time, we have seen the Intensive Care Unit at Alice Springs Hospital shut down due to a lack of anaesthetic staff whereas, prior to this, it was never shut down before ...

**Dr Toyne:** Oh nonsense, nonsense.

**Ms CARTER:** Is it not the case that, over the last 12 to 18 months, this refusal to pay a going market rate in order to attract specialist staff to Alice Springs Hospital has led to the problems that we have seen in the last six weeks?

**Dr TOYNE:** This mythology is getting completely out of control. For anyone to get up and claim that everything was wonderful in the Alice Springs Hospital, and everything functioned perfectly ...

**Dr Lim:** That is not what she said - working.

**Mr Dunham:** You should answer the question she put to you.

**Dr TOYNE:** ... when the CLP were in power and, all of a sudden, there are all ...

**Ms Lawrie:** Let him answer.

**Dr TOYNE:** ... these problems that have appeared. Look, I live in Alice Springs and I know in a lot of detail what has happened with families that have gone to that hospital for care. I can certainly report, along with the bulk of the people in that town, that they are very happy with the level of care that most of the families and patients have got from that ...

**Ms CARTER:** We are not being critical of that.

**Dr TOYNE:** Yes, it is interesting that you might say that, but that is certainly not how it is being interpreted in Alice Springs at the moment.

**Ms CARTER:** Well, it is not how last week's editorial in *The Centralian Advocate* interpreted it.

**Dr TOYNE:** If you want to talk about the level of care in Alice Springs Hospital, go on the numbers ...

**Ms Carter:** No, I am talking about ...

**Dr Lim:** Your management.

**Dr TOYNE:** ... because one opinion is as good as another.

**Ms Carter:** ... your pay to specialist staff.

**Dr TOYNE:** We paid according to an exiting EBA, the one that we inherited when we came to power, which you signed off on as the government on the day ...

**Ms Carter:** You obviously were not moving fast enough.

**Dr TOYNE:** ... which called for less than market rates be paid to specialists. We now have a new EBA

which allows market rates to be paid to specialists, and we are proceeding to recruit those specialists to an enhanced service level at Alice Springs Hospital - a service level that never existed under your government.

**Mr Dunham:** Is that why you shut rehab?

**Ms CARTER:** The situation is though - and I will not labour the point any further. I will just put on the record I am pleased to see that you are paying market rates now ...

**Dr TOYNE:** I appreciate that.

**Ms CARTER:** ... and hopefully, it will see an increase in staff in the Alice Springs Hospital in the specialist area.

**Dr TOYNE:** I would even been happier if you acknowledged that we are actually moving the service delivery levels forward at Alice Springs Hospital ...

**Mr Dunham:** Including rehab? That has got better, has it?

**Dr TOYNE:** ... and I will be more than happy to say that, in your day, you did the best you could. In our day, we are doing the best we can, but our best is going to be at a higher level.

**Ms CARTER:** We look forward to seeing the results, minister. If it is anything like a hospice in Darwin, we will be holding our breath for a fair while.

**Mr Dunham:** Do you still think it is a war zone?

**Ms CARTER:** Minister, we will stick to Alice Springs just for a moment though, and the situation with the Intensive Care Unit. You said on Alice Springs radio on 6 June, and I quote:

*I want to get a balanced opinion here, Bernadette, and not be too much captive to one group who have got themselves politically organised.*

What did you mean by that comment?

**Dr TOYNE:** I meant that our government works on due process. We are not going to cave in to any particular lobby group that is calling for an individual to be appointed to a position within the public service. We are going to follow the *Public Service Employment and Management Act* to the letter so that appointments are done on merit and by due process. What I was referring to in that interview was that I was being called on, by a written submission from the meeting of doctors in Alice Springs under the auspices of the federation and the AMA, to reach in to a recruitment process - completely illegally, according to the provisions of that act - and to lift a person and place them into a particular job that had gone out to tender. I am not going to that. That is an illegal and a corrupt act on the part of a minister. I quite rightly said that I am going to resist that sort of pressure from a lobby group.

**Ms CARTER:** Given that these positions, like the senior person in the emergency department, are such difficult positions to fill - and I am advised that that doctor in particular has had a number of job offers from interstate, which is a shame, given the fact that they are hard to get - why would you not make a position like that permanent? I believe permanency actually keeps staff on board. Why would you not consider making it a permanent position, so we would not have to go through this?

**Dr TOYNE:** Let us step back one step from that one particular individual and talk about the appointments that we are trying to put into Alice Springs Hospital. We are trying to create not one senior clinical position, but three: one in anaesthesia, one in emergency medicine; and the other in intensive care. That is to be a clinical team, which will lead clinical practices and critical care in Alice

Springs. That would be a huge step forward if we can get three people into those positions, of suitable competence, working as a team and with stable appointments.

I agree with you that, if we are going to successfully attract such people, we do not want to put them on an insecure employment position. It would be important to have stability in that clinical leadership.

**Ms CARTER:** Would you consider making those three positions permanent positions in the future?

**Dr TOYNE:** I go back to due process. I imagine that there would be an appointment, and then the work of those people would be assessed. I have said this publicly before regarding the individual who was singled out by the industrial campaign that was waged through the Alice Springs Hospital: I bear no ill-will whatsoever to that individual. I would be perfectly comfortable if she was successful in her application for a position. She has already been offered an ongoing position in the hospital. I am simply saying that ministers have no place in recruitment issues and decisions within the hospital. That is called corruption.

**Ms CARTER:** I understand that there has been talk at the hospital to have an industrial dispute based around this. Do you have any more recent information on that?

**Dr TOYNE:** I cannot see that as an estimates question. Suffice to say we are continuing to work very actively on the situation in Alice Springs. We want to get the situation resolved so people can get on with their work. We also want to see this constant disparagement of that hospital put into the past so we can build on its very positive work, and the positive work of its staff.

I cannot imagine that you want to see an ongoing bleeding wound coming through Alice Springs Hospital. We are trying to build a strong hospital there. Maybe in the cold light of day, you and I might even agree that it needs building up.

**Ms CARTER:** Absolutely, minister, it certainly needs that. With regards to Alice Springs Hospital, I have been advised that, at the end of the current roster, 10 midwives are leaving the Maternity Unit at the hospital, and that very little has been done to replace them. Minister, could you advise us whether or not that unit is in trouble?

**Dr TOYNE:** That is a recruiting issue. I refer the question to Peter Campos.

**Mr CHAIRMAN:** Please identify yourself.

**Mr CAMPOS:** Peter Campos, Assistant Secretary of Acute Care. We checked with the hospital last week. Out of the 29, FTE that they have for midwives, they are only 0.5 of an FTE short. There was no indication, at that stage, that any of them were going to resign.

**Ms CARTER:** That is good news, then. Thank you.

Royal Darwin Hospital. Minister, on Monday 19 May, as reported in the *Northern Territory News*, there were 27 people waiting for admission to Royal Darwin Hospital. This has been a continuing problem for many months, as Mr Denis Blackford, Secretary of the Australian Nursing Federation, stated in the *NT News* on 21 April.

Minister, you have announced extra funding to open more ICU and high dependency beds in the new section of the hospital, but is it not the case that we need more general beds for these people waiting on trolleys? In fact, the Australasian College for Emergency Medicine recently published a report which concluded that the single most important cause of emergency department overcrowding is the lack of beds in our hospital. Minister, why cannot you free up more general beds in the hospital?

**Dr TOYNE:** I will give you the situation as per bed numbers in the Royal Darwin Hospital. The bottom



line on it all is that there are, right now, 52 more beds in that hospital than there were at the time we were elected. I will give you the details of that. The specific types and location of these beds are as follows: 12 palliative care beds, 10 high dependency unit beds, 10 short stay beds, 11 overflow beds, six coronary care beds, and three Intensive Care Unit beds. That, I believe, is a pretty substantial response from our government on bed numbers within the hospital. However, I will get Robert Griew to speak a bit about the actual management of the bed numbers within that hospital.

**Mr GRIEW:** The other point I would make to add to what the minister said about the number of beds, is that the number of beds is, of course, only one of the key determinants of the tendency to bed block in emergency. Therefore, it is as important as the management of throughput of those beds. There has been an intense and fairly successful regime of bed management in place now for at least a year in the hospital, with daily exercises to make sure that beds are as free as possible. Of course, these days in hospital management, we look as much at throughput as we do at bed numbers as a measure of the resource we are using.

**Ms CARTER:** Minister, a couple of questions come from what you have just advised me. The 12 extra palliative care beds - where are they currently located?

**Dr TOYNE:** They are the 12 beds that will be in the hospice. The hospice is about to begin construction. I will get an update for you on that. Construction starts in July, and it will be operational ...

**Ms CARTER:** So those 12 do not actually exist.

**Mr Dunham:** Are there people in them?

**Dr TOYNE:** They are budgeted for, and a commit of two ...

**Mr Dunham:** You have got the cash, but not the patients.

**Dr TOYNE:** Well, I bet you would be up there claiming them if you had put that money against them.

**Mr Dunham:** Do not claim it until you have done it.

**Ms CARTER:** Of the others that you have listed, are all of those currently operational, or are any of those others still waiting to be delivered?

**Dr TOYNE:** Mr Griew.

**Mr GRIEW:** The others are operational, other than eight beds which will be kept open behind the rehabilitation ward when it moves back to its original floor.

**Ms CARTER:** So, those eight rehabilitation beds, are they in these numbers that you have given me?

**Mr GRIEW:** No, they are not, but there are eight beds in a general ward, which were opened when the rehabilitation beds moved down. They will not be closed when the rehabilitation beds are moved back, which gives an additional eight beds to the hospital.

**Ms CARTER:** Minister, it is obviously pleasing to hear of those extra beds. It still does not address my point, though, which was that the need is for general beds. These are quite specialised beds. I put it to you that the 27 people waiting in the emergency department for a proper hospital bed only six weeks ago were not people requiring an intensive care bed, a high dependency unit bed or a coronary care bed.

**Dr TOYNE:** It is just not true. Twenty-one of these are general beds and the eight additional beds,

when the rehabilitation moves, will also be general ward beds.

**Ms CARTER:** Well, we will wait to see how you go there because the public are definitely very interested to hear whether or not their friends and relatives are spending an inordinate amount of time stuck in the emergency department.

**Dr TOYNE:** Well, I have to say it is a fantastic emergency department. I have said many times that, if you want to get stuck somewhere, Darwin Hospital's emergency department is a pretty safe place to be if you need some medical attention.

**Ms CARTER:** It is certainly, minister. I have no doubt at all that the medical attention you would get there would almost be second to none. The problem for patients, though, is that after 48 hours stuck in the emergency department, the lights and the noise are not conducive to a sound hospital experience.

**Dr TOYNE:** Well, I actually enjoyed my 48 hours there when I was in the emergency department at Darwin following a little accident.

**Mr Dunham:** They probably gave you a pill, did they?

**Ms CARTER:** Oh, well, to each their own, minister. With regards to ...

**Dr TOYNE:** Sorry, Robert has something to say.

**Mr GRIEW:** One of the things there with the full opening of the Critical Care Wing is the provision of the beds adjacent to the main area of that emergency department, which allows for people to be, if you like, quite less intensively managed and in a more comfortable environment, which just required the flowthrough of the extra resources during the latter part of this budget year - to employ staff - to open those beds up which does help considerably the patients and staff there as well.

**Ms CARTER:** With regards to the emergency departments, generally, in the Northern Territory, minister, can you describe what is meant by Category 2 patients as assessed by the staff in a Territory emergency department?

**Dr TOYNE:** It is better to get a specialist to answer that.

**Mr GRIEW:** I presume you are referring to triage categories? Yes. Triage Category 2 requires treatment within, I believe, 10 minutes. We can get somebody who is medically qualified ...

**Dr TOYNE:** Len Notaras.

**Dr NOTARAS:** Len Notaras, Medical Superintendent, Royal Darwin Hospital. Thank you, minister. Category 2 is an individual - there are five categories - who can wait up to 30 minutes. There is an emergency category and there is an urgent category. The urgent category, if you are working that as a Category 2, is 10 minutes.

**Ms CARTER:** Minister, in last year's annual report on page 70, we learnt that, in our public emergency departments across the Territory, there was significant service shortfall. Instead of 70% of Category 2 patients being attended to within 10 minutes of arriving in the department, only 60% were. Forty percent had to wait to longer than what is considered an acceptable benchmark. Minister, what went wrong?

**Dr TOYNE:** I will get Mr Griew to answer that. This is more of an operational question.

**Mr GRIEW:** Can I just make a comment, by way of background, about both emergency department

and intensive care departments that goes also to your questions about Alice Springs hospital. Nationally, there has been huge pressure on those disciplines, which has intensified since the Campbelltown/Camden hospital coverage in NSW earlier this year. That makes it both a very good thing we now have this EBA where we can go out and more competitively seek those players. It is also of the case that, outside of the few inner city hospitals in the major cities, all outer metropolitan, rural and regional hospitals are competing for inadequate number of those specialist staff in Australia. Therefore, it is the case that it will always hard to fill those jobs in those areas. We are now in a much better position to do that with that EBA. which is credit to both management to the union in that case.

In relation to Category 2, while we under-performed against Category 2 in that year, we also performed above the national average in relation to Category 1 and 3. There is always - it is one of the reasons for having our performance measured, so we can identify process improvements in both the triage and the treatment processes. The new facility in the Royal Darwin Hospital should make it easier to manage the higher urgency category, because we are able to separate people who are being treated and stabilised now to a greater extent.

**Ms CARTER:** Minister, with regards to that answer, a Category 2 has been described as, obviously, a serious category in that you should have attention within 10 minutes of arriving in the emergency department. Yet, in the last period of reporting, across the board the Territory fell short there at its own benchmark of 70%, dropped down to 60%. The report actually tells us, or puts a reason as to why that has happened, and I will quote from the annual report. It says that: 'Patients awaiting admission require the attention of what normally would have been provided within an admitted patient episode ...', which actually means that they were requiring the sort of care that they should have been getting up on a ward in a hospital. '... this reduced the capacity to attend in a more timely manner to emergency department patients'.

This brings me back to my point that we need more general beds in our hospitals. It is all very well to be providing intensive care beds and high dependency beds and palliative care beds eventually; but it is that need for increased general ward beds and the fact that emergency department staff, according to your annual report last year, are being taken offline in order to look after patients who should be going into the wards.

**Dr TOYNE:** Well, these are operational details. I will get the agency, through Robert, to give you an answer.

**Mr GRIEW:** There are two points to make. One is that the greater number of cubicles in the new emergency department does allow us to get to the urgent cases faster. Yes, it is a matter of concern we do not meet our performance objectives. That is a priority, therefore, for management of the hospital, and something that we are continuing to monitor closely. However, the extra resources the government has allocated there will help us in that, because we have significantly more staff, and also it is a much better layout.

The fact that we have those overflow beds in the emergency department, and the move of the rehab ward and the expansion of beds elsewhere will also help. Probably, the most direct relationship is not to number beds in the hospital and the times for Category 2, but the layout and staffing level of the emergency department, which have both improved.

**Ms CARTER:** Thank you. Minister, this next question was one of the ones I submitted a week or two back for you. It is with regard to the extra hours of nursing work being performed at Royal Darwin Hospital. Please advise how many extra hours of work was purchased in the area of nursing by Royal Darwin Hospital during the year from 1 July 2003 to 1 May 2004. These extra hours will be things like overtime for Royal Darwin Hospital staff and hours worked by agency staff.

**Dr TOYNE:** An infallible filing system which I just ...

**Ms CARTER:** That is all right. It is in hours.

**Dr TOYNE:** We have the information; we just have to find the damn stuff. Thank you. Actually, I will just put my hand over my shoulder from now on; I am sure it will be there!

The extra labour hours for 2003-04 were 2655.5 hours per month, or 16.3 FTEs per month.

**Ms CARTER:** Sorry, could you read those numbers out again?

**Dr TOYNE:** Yes, sure. 2655.5 hours per month or 16.3 FTEs per month as an equivalent. The agency itself - in the same time period: 3813.9 hours per month, or 23.42 FTEs...

**Ms CARTER:** That first set of ...

**Dr TOYNE:** That equates to 6% of total staffing. Sick leave runs to 6.8%, and we have had overflow beds open in the emergency department.

**Ms CARTER:** That first set of figures you gave me, that 2655. Was that hours of overtime, was it?

**Dr TOYNE:** Yes, that is right.

**Ms CARTER:** Minister, given that the Royal Darwin Hospital only staffs its nursing work force to 85% of staffing levels, and given this large number of hours of overtime and agency work, why don't you just employ more nurses?

**Dr TOYNE:** I will refer that to Robert Griew.

**Mr GRIEW:** I will get Vicki Geytenbeek to say more but, basically, we do not staff at 85% of occupancy. We assume a greater level of occupancy in the staffing levels for nurses. One of the points the minister made about the overflow beds in the emergency department is that, for the period before we opened those extra beds, when we had significant extra patients building up in emergency, we would bring extra nurses in, which is one of the reasons for the size of that pool. With the extra beds open, then we will staff those on a more permanent basis. So there was a period, if you like, of anticipated upwards confluxion that was, in fact, amounting to pretty much a stable base of staff. However, it is not the case that we staff on the basis of 85%, and I will get Ms Geytenbeek to say a bit more about that.

**Ms GEYTENBEEK:** Vicki Geytenbeek, General Manager, Royal Darwin Hospital. Our staffing numbers are running at over 96%, fully staffed in the nursing division. We do staff to 100% because we assume 100% occupancy. If it is less than that, then on the shift, we move staff around to where the occupancy is needed. We have had the overflow beds in the emergency department that have required staffing that we have not been able to plan for, because it depends what is coming through the door. We have had hospital beds that we will overflow in to when we need. The only area that we are short of staff is in intensive care, and we will use those staff, either part-timers moving up to more than part-time, or staff who are will to do overtime, doing overtime.

**Ms CARTER:** Thank you. Minister, the next question goes to bed occupancy rate. Again, it was one of the questions I submitted earlier.

**Dr TOYNE:** Yes, No 9. Is that right? We are getting the hang of this.

**Ms CARTER:** Minister, what was the average bed occupancy rate at Royal Darwin Hospital during the month of May 2004?

**Dr TOYNE:** The bed occupancy for May 2004 was 93.1%.

**Ms CARTER:** Minister, it has already been explained to me about the staffing levels and what level

you employ to - which was the second part of the question I submitted. I was advised in early May by nurses working at the hospital that they had been told that the bed occupancy rate was 110%, and that nursing staff levels were being kept at 85%. Is that the sort of thing that pushes them to consider industrial action, which was being considered a month or so back?

**Dr TOYNE:** Look, it does not accord with the facts. We will get Vicki to answer that.

**Ms GEYTENBEEK:** We have never said to the staff they are staffed at 85%. I do not know where that has come from. In individual wards, if we are discharging people during the day and we have someone coming in to the bed and we have overflowed by four beds - depending on the complexity and the way we can move beds up - then, if we have a 30-bed ward and we go up to 34 beds in a day, that ward goes over 100% occupancy. Therefore, that may be where the 110 has come from. However, we have not gone to the staff to say the beds are 110% occupied and you are staffed at 85%. I did all of the budgets last year and I know what the nursing division was staffed at, and it was staffed at 100%.

**Ms CARTER:** Minister, another question that I submitted with regards to Royal Darwin Hospital was about the incinerator. In the 2002-03 budget, Labor made a commitment to build a new incinerator at Royal Darwin Hospital. What has happened?

**Dr TOYNE:** We did even better. Instead of building an incinerator, which would have just continued the problems of smoke and other materials showering down on the northern suburbs, we built a high temperature autoclave. That is now installed and functioning. The wastes that cannot be autoclaved are being sent to Adelaide, but all other medical wastes are going to the autoclave for disposal.

**Ms CARTER:** With regards to the waste that has to be sent to Adelaide, does that include body parts?

**Dr TOYNE:** It includes all - I will give you - let me see, I have this here somewhere. It includes human tissue, cytotoxic waste - which are cancer treating drugs - and pharmaceutical waste.

**Ms CARTER:** How long is the situation going to last that body parts from the Northern Territory are going to be sent to Adelaide?

**Dr TOYNE:** They are not just stuck in a hessian bag. They are sent down in a refrigerated container. It is a common practice elsewhere around the country. The department is currently in negotiation with the Darwin Port Authority to, potentially, make use of the incinerator facility that has been installed at the port.

**Mr GRIEW:** In the infrastructure paper, there is a \$2m commitment under the Port Corporation for establishing a high temperature incinerator there, which would include quarantine waste and this waste from the Royal Darwin Hospital, which makes much more sense.

**Dr TOYNE:** When is the incinerator being decommissioned? The current one?

**Mr GRIEW:** Over the next couple of months, June or July.

**Dr TOYNE:** Yes, so you will see the incinerator in operation, which will be welcome news for the northern suburbs.

**Ms CARTER:** With regards to the autoclave that is now being installed at Royal Darwin Hospital, there will still be product after the autoclaving process. What happens to that refuse? Is it stuck in landfill?

**Dr TOYNE:** I will get Robert to indicate someone to give that answer.

**Ms GEYTENBEEK:** It goes to Darwin landfill.

**Ms CARTER:** Right, thank you.

**Mr GRIEW:** This is not human matter.

**Ms GEYTENBEEK:** It is not any human matter, and it is completely munched down.

**Mr GRIEW:** So the sharps are taken out of it; it is crunched and then ...

**Ms Carter:** Macerated.

**Ms Geytenbeek:** Macerated.

**Mr GRIEW:** Macerated, yes, and steamed.

**Dr Toyne:** Chewed up.

**Ms CARTER:** The next question is with regard to the laboratory at Royal Darwin Hospital. Minister, some time ago, I wrote to you raising concerns that Darwin no longer has a sealed pathology room able to deal with entities such as Anthrax. What happened is that the Level 3 containment room was found to be leaking from its sealed room into the rest of the lab via the airconditioning. In addition, the door seals were not airtight. It appears that, as a result, the Level 3 containment room has been downgraded to a Level 2 containment room. Minister, what happens if envelopes containing a white powdery substance suspected of being Anthrax turn up in Darwin?

**Dr TOYNE:** I sent you a letter on this, in which I stated the containment laboratory at Royal Darwin Hospital is currently rated at Physical Containment 2 laboratory, PC2, rather than Physical Containment 3, PC3. Currently, the airconditioning and exhaust system configuration prevents the laboratory from being upgraded to a PC3. The complete upgrade of the laboratory to a PC3 is being considered in line with the clinical needs of the hospital, but I will get my CEO to add to that.

**Mr GRIEW:** This is actually a process between bio-terrorism and (inaudible). Most hospitals have had a pretty close look at these sorts of issues, in laboratories as well, especially. My understanding is that these doors have now been sealed and we need to look at the airconditioning configuration, which is a more complicated issue.

**Ms CARTER:** So what would happen if, today, an envelope containing a white powdery substance turned up and there were concerns that it could be Anthrax, because a few years ago we were able to deal with it.

**Ms GEYTENBEEK:** That can be locked away. At the present time, with the way the locks have been changed and the seal on the doors have been locked, that can be locked away.

**Ms CARTER:** And it just sits there?

**Ms GEYTENBEEK:** Well, that would be a Commonwealth issue as well, because it is the Commonwealth that puts the rating on the laboratories.

**Ms CARTER:** You just said that it is going to be considered in the future. How long does 'the future' mean for Territorians? Will this laboratory be upgraded to a Level 3 containment room again?

**Mr GRIEW:** The issues, with the complexity of the air conditioning reconfiguration to be required, I do

not know the answers. Perhaps you can ...

**Ms GEYTENEK:** Again, it is the Commonwealth government that determines our level, it is not us that determines whether we are a Level 2 or a Level 3.

**Ms CARTER:** But we used to be a Level 3, and things were not so ...

**Dr Toyne:** Talk to Dave Tollner, and he will get you an answer.

**Ms CARTER:** Well, who pays for it? Are you saying that the Commonwealth will pay for that upgrade?

**Mr GRIEW:** It sounds from the story that we may not have been Level 3. We may have thought we were a Level 3 and closer examination has shown that the airconditioning system and the seals in the doors were not as good as they could have been. That was the opening comment I made regarding Anthrax and SARS. A lot of hospitals and laboratories around Australia have had to look more closely at these sorts of these issues. There has been considerable effort made between the Commonwealth and state governments in this area. Therefore, the comment that we would work with the Commonwealth on this is not made lightly, in that they have some program activity in this area now, and we will obviously be looking at it. However, it does not sound to me that it was all okay, and then the level fell. It is more that the level was clarified, by the sound of it.

**Ms GEYTENEK:** And we are very well equipped for Level 2.

**Mr GRIEW:** Yes, and for Level 2, apparently, we are very well equipped.

**Ms CARTER:** Are there any active efforts being made at the moment to address this issue; to make the changes to the airconditioning in order to become a Level 3, given the isolated nature of Darwin.

**Mr GRIEW:** One of the things that we are about to do with the Royal Darwin Hospital and the Alice Springs Hospital is to refresh the master site plan for the development of those hospitals; post the substantial work that has been done with the new critical care wing. This year, we will develop a plan that will guide capital development in that facility, in alignment with service development over the next several years. This is, obviously, one of the issues for that. We will also keep closely in discussion with the Commonwealth about the bio-terrorism package that they are running.

**Ms CARTER:** Thank you. Throwing in an Alice Springs question here with regards to the physical structure of the Mental Health Unit. Minister, the NT Mental Health strategy report commented on page 49 that the Mental Health Unit at Alice Springs Hospital has a design problem, in that the door cannot be locked to keep the non-voluntary patients in. Has that problem been fixed?

**Dr TOYNE:** I am not trying to dodge the question, but it is probably better put to Marion Scrymgour; it is certainly her area. I am more than happy to take it on notice and pass it back to her, but if you could put that to her directly.

**Ms CARTER:** No, that is all right.

**Mr GRIEW:** We do not have the mental health staff here.

**Mr Dunham:** It is an acute hospital, isn't it?

**Ms CARTER:** The situation is that it is a hospital building. My understanding with mental health is that, if it is buildings, I am talking to you.

**Dr TOYNE:** Yes. The staff who will be in her session will have that sort of operational detail.

**Ms CARTER:** All right. Back to Royal Darwin ...

**Mr GRIEW:** In fact, with the National Mental Health Strategy, these days it is more common in jurisdictions to manage acute mental health facilities together with community mental health, which is what we do. It is not that we would expect to separate that mental health program into acute and non-acute; rather it runs as one.

**Ms CARTER:** Back to Royal Darwin Hospital then. Elective surgery. Minister, did any patients with regards to Royal Darwin Hospital have their elective surgery cancelled this year?

**Dr TOYNE:** I will get that answer from the staff ...

**Ms GEYTENBEEK:** We have been really good this year, and the only time we have cancelled any elective surgery is when the patient has cancelled it, or there has been a very good clinical reason for it.

**Ms CARTER:** Thank you. Much easier than last years questioning. No further questions.

**Mr CHAIRMAN:** Do any committee members have any questions to this output group?

**Ms LAWRIE:** No.

**Mr DUNHAM:** Thank you, Mr Chairman. Is it true that before this year all health budgets blew out?

**Dr TOYNE:** I was not responsible for the agency before this year, but I will get Robert Griew to comment on that. I do not accept it, by the way, but I will get Robert to comment.

**Mr GRIEW:** It is a statement commonly made. I am not sure if it is true that all health budgets always blew out before this year.

**Mr DUNHAM:** The issue is the minister has told us that it is not a blow-out; this is merely just what happens normally. We have had previous ministers sit in that chair and tell us the same story. The CEO, in a letter to staff said - and I do not know what the date of this is:

*... before we get into detail next year's budget ... good news ... the organisation ... we're on track to come in on budget this year - the first time this has happened in 10 years ...*

When your predecessor sat there and told us that she had come in on budget, was that accurate?

**Dr TOYNE:** They certainly did a lot better than having an \$8m furphy put into the budget papers ...

**Mr DUNHAM:** No, no. We are talking about the year before this and the year before that when we had someone sit there and give us the same story you have just given us and say: 'Yes, we came in on budget and you have to understand things change around the year, and there has been the Katherine floods'. Now we find that that has all been a furphy for the last however many years that your predecessor sat there.

**Dr TOYNE:** Let us go back to what constitutes a blow-out, because ...

**Mr Dunham:** Yes, that is a good idea.

**Dr TOYNE:** ... you seem to be using the terms as if everyone would completely understand what goes into it.



**Mr Dunham:** An inexplicable rise in your budget ...

**Dr TOYNE:** Perhaps if I explain ...

**Mr CHAIRMAN:** Member for Drysdale, could you let the minister ...

**Mr Dunham:** I am trying to help him.

**Mr CHAIRMAN:** Let him finish and give us the answer.

**Dr TOYNE:** A blow-out is far more to do with the fiscal and management improprieties, if you like, in the way an agency operates, or a government presents the operations of that agency. It is not about proper decisions made by a government responding to needs as the year progresses. I do not think anyone has seriously questioned that a government or a Cabinet is allowed to make decisions and launch new initiatives in the course of a financial year, over and above the existing activity of an agency at the start of that financial year. That is a normal function of government anywhere in the world.

Equally, if a government was offered - as we have, say, in some of the Commonwealth agency grant programs - additional money that we were not aware of at the start of the year, what do we do? Do we say: 'No we are not going to take that money cause we did not budget for it ...

**Mr Dunham:** Yes, well, we can truncate this because no reasonable ...

**Mr CHAIRMAN:** Member for Drysdale ...

**Mr Dunham:** Yes?

**Mr CHAIRMAN:** Let him finish the answer.

**Dr TOYNE:** I am still trying to finish my point here. By far, the major component in the current discrepancy between the appropriation at the start of the financial year and the expected outcome that is reported in the current budget papers, is the DCIS component which is the \$20m on behalf of Health. Essentially, that is a one-off adjustment, for the first time, to acknowledge or attribute out of the total DCIS budget how much has been applied to each agency to support its activities such as recruitment or payment of accounts, and those activities which DCIS performs on behalf of each agency. The decision to place that within each agency budget will, obviously, have a big impact on the overall global figure that is going to accrue by the end of the year. However, it actually gives a much better picture of the total operating expenses of the agency, because you are including those core transactional processes and the cost of them in the total operating accounts of the agencies. When you put all that together, claims that we have a blow-out this year are just simply not sustainable.

**Mr DUNHAM:** Thank you for your comprehensive answer. If an explanation is not given as to the reason, and there are some millions involved, can you understand why the word 'blow-out' would be used? I take you, for instance, to the acute sector. Can you tell me why, for instance, in the acute sector over three years - 2002-03, 2003-04, 2004-05 - the budget has gone from \$272m to \$358m, an increase of 32%, and activity, according to your budget paper, has gone up by about 2%? I can understand if you give me the answers, but you have not given me the answers, have you? It has gone up less than 2% and the budget has gone up over 30%. If that is not a blow-out, you should tell us what the causes are.

**Dr TOYNE:** Are you referring to that increase of payment? Is that from the original budget?

**Mr DUNHAM:** I am referring to the fact that you produced a budget paper in 2002-03 that had the number \$272m written on it. You have now produced a budget paper with the number \$357m in it, and I am assuming that those numbers mean that that money has been appropriated to the acute sector. That is a massive increase. If you go to your descriptors - for instance, the weighted inlier equivalent separations, it shows an increase of barely a couple of percent.

**Dr TOYNE:** You had better tell me which line item you are referring to.

**Mr DUNHAM:** No, you have got to tell us. These are your indicators. Your indicators that Royal Darwin Hospital needs more in your performance measures and its called 'Hospital Activity Model weighted inlier equivalent separations (WIES)'. That is what you are using ...

**Dr TOYNE:** I am simply asking you which part of the budget papers you are referring to, so I can give you a coherent answer.

**Mr DUNHAM:** I am referring to the budget on health, in Budget Paper No 3. You can start at page 131, which is the acute sector item we are dealing with now, and you will see the number written there.

**Dr TOYNE:** Sorry? The Acute Services ...

**Mr DUNHAM:** The number that you have written, yes.

**Dr TOYNE:** ... \$339.247m up to ...

**Mr DUNHAM:** Acute Services, you have \$339m, which, incidentally, is in the last budget papers as \$320, so there is an increase you have not explained. It is now up to \$357m but, if you go back two budget papers, that has come from a base of \$272m.

It is all very well giving us a very comprehensive explanation about what happened with DCIS and floods in Katherine. What I want to know is: how come your budget papers do not tell us why the hospitals needed that amount of growth.

**Mr CHAIRMAN:** Okay, if you let the minister answer that question then.

**Mr Dunham:** He did not last time, mate.

**Mr CHAIRMAN:** Let us leave it to the minister.

**Dr TOYNE:** I have finally worked out what you are referring to. From the sound of it, you are wanting to get an idea of how the figures change from the appropriated amount for Acute Services, which is for 2003-04 ...

**Mr DUNHAM:** That is not what I want to know.

**Dr TOYNE:** Well, you had better make yourself plain.

**Mr DUNHAM:** I want to know why you do not put a descriptor in there to account for those vast tens of millions, because you do have a descriptor in there called Performance Measures, and it tells us why this particular service is increasing. It had nothing to do with the big long explanation you gave me last time, so do not go back there. I want to know why your descriptors are ...

**Mr CHAIRMAN:** Minister, are you ready to respond to that question?

**Dr TOYNE:** I am still trying to work out what the question is. Am I right in saying you want to know the difference between the estimated outcome 2003-04 for Acute Services, which is \$339.247m, and the budgeted amount for the 2004-05 budget of \$357.863m? Why the increase, is that what you are asking?

**Mr DUNHAM:** What I am saying to you is that you have produced three budget papers with Acute Services in them. The first one you produced had \$272m and came in at \$306m, and we could not understand why that amount went up in the current year, and we tried to get it out of your predecessor.

You then produced a budget paper saying it was going to be \$320m and it came in at \$339m. Right? You are now producing a budget paper saying it is \$357m and, on your track record, that is going to be probably \$400m for all we know. What we do not know is why that is going up, because these papers are totally silent on why those millions are there.

**Dr TOYNE:** Okay, I will give you some detail. The 2003-04 appropriated amount, which was \$251.133m for admitted patients and \$69.481m for non-admitted patients. Together they make up the \$320m that you were talking about.

**Mr DUNHAM:** Yes, \$320.614m.

**Dr TOYNE:** The estimated outcome is, respectively, \$267.754m and \$71.493m. They are the admitted and non-admitted. Put them together and you will get the figure of \$339.247m. Why has it gone from \$320m-odd to \$340m-odd?

**Mr DUNHAM:** Yes, and why is that explanation not in here?

**Dr TOYNE:** Okay. Additional funding in 2003-04 for DCIS notional overhead charges, \$9.595m; nurses and other officers EBA, \$4.105m; and one-off externally funded projects for 2003-04 of \$1.894m. That is the reason why you had a difference between the appropriated amount and the expected outcome as per the current budget papers.

I am quite sure that the items like that are across the earlier budgets as well, but none of those changes constitute a blow-out. They are simply additional costs that have accrued during the year and, in one case, with the DCIS notional overhead charges, is a recognition of an input from DCIS that previously had not been acknowledged but ended up in the budget papers. Robert.

**Mr GRIEW:** Regarding the question about a budget blow-out in health, or budget blow-outs in health in the past, with the new program structure, where we have specific programs that deliver these outputs which have been contained in budgets, there are two things that we are trying to make different, and they are particularly measurable in the second half of the year. One is that we do not have to jump a payment from the second half of the year because of the mid-point of the year it is over pro rata, which was the situation that Allan Bansemer pointed to in his review, where the department was then heading for a very large overspend and managed to contain it at about half that amount.

The other issue is that money is able to be kept within outputs, so that it does not move across from Community Services or Community Health outputs across to the Acute Sector, which is the issue you raised before. In both those cases, in this year, that is not happening. We are not having to slow the expenditure in the second half of the year, and we are also able to contain expenditure within the Acute Sector of that which was budgeted for it. It was exactly on line there, allowing for these areas where we had extra funding for extra activity. Therefore, there is not any danger to the Community Health and Community Services ...

**Mr DUNHAM:** Well, we can move on, but I find it amazing you can use the word 'contain expenditure' when it has gone up \$86m over the last three financial years and, on your own budget, you are hardly

treating an extra person ...

**Ms Lawrie:** Is this a question or a statement?

**Mr DUNHAM:** Well, the statement is ...

**Ms Lawrie:** Well, we need a question.

**Dr Lim:** You are not the Chair!

**Mr DUNHAM:** The statement is that that is where we will leave it, because we are totally unsatisfied that, with the extra \$86m ...

**Ms Lawrie:** You are always never satisfied. You will always be unsatisfied.

**Mr DUNHAM:** ... Territorians have hardly got a better service. In fact, components of it are shut. They shut eight rehab beds.

**Mr CHAIRMAN:** If we could direct the questions to the minister ...

**Mr DUNHAM:** I was directing it to the minister.

**Mr CHAIRMAN:** As I mentioned before, time is of the essence. If you want to make statements, fine, it is your time. The shadow minister for Justice did give up her valuable time. She thought you would be asking questions and not making statements.

**Mr DUNHAM:** You have said it before.

**Dr LIM:** I have one question, Mr Chairman, if I may ask? In relation to the question that was taken on notice by the minister relating to deferral of surgical cases as a result of lack of anaesthetist services at the Alice Springs Hospital, I wonder whether the minister would be prepared to expand that provision of information to include both Alice Springs and Royal Darwin Hospital, not only for surgical cases, but for, say, procedures in radiology where general anaesthetics can be provided to ensure that somebody can be CAT scanned, for instance? Also for any cases that have to be evacuated out of the Northern Territory or from Alice Springs as a result of the lack of anaesthetists.

**Dr TOYNE:** In terms of Royal Darwin Hospital, the General Manager has given a pretty clear answer on elective surgery deferrals. She said there were not any, so why are you seeking further ...

**Dr LIM:** I am not asking for only elective surgery; I am saying for elective surgery, radiology services, for any others that need to be evacuated as a result of the lack of anaesthetists.

**Dr TOYNE:** Yes, if you want to formally put it on notice.

**Dr LIM:** I repeat the question. Would the minister consider expanding ...

**Dr TOYNE:** Do it with the Chairman, and then we can get it done.

**Mr CHAIRMAN:** For the record.

**Dr TOYNE:** I can state up-front, though, that the relationship to radiology is not kept as a record, so we can probably deal with the rest of your question, but there is no data on that relationship.

**Dr LIM:** Well, I am surprised about that ...

**Dr Toyne:** You can be surprised, I am just telling you that we cannot answer it.

**Dr LIM:** ... because I would expect that if you have patients who are being transferred from the bush to town for special procedures such CAT scanning or MRI – whatever - and you have to put them off and send them back, it is going to cost the department a lot of money bringing them into town with RFDS, sending them home, and no procedure being done. Surely, you must keep some indication of what IT is costing your department?

**Dr TOYNE:** Well, just put your question on notice and we will get the answer for you.

**Dr LIM:** Thank you.

**Mr CHAIRMAN:** To assist Hansard, and to ensure the minister is fully aware of the question, will the member for Grotorex please restate the question?

---

**Question on Notice**

**Dr LIM:** My question is asking the Minister to extend the list per the question - I cannot remember what the question number was then - to include both the Royal Darwin Hospital and the Alice Springs Hospital in terms of deferred surgical cases because of lack of an anaesthetist; also to advise on the numbers of deferred cases in radiology and any other procedure that requires general anaesthetic, that could not be provided because of lack of anaesthetists; and the numbers of evacuation of patients out of Alice Springs or Darwin because of the lack of anaesthetic services in those areas.

**Mr CHAIRMAN:** Minister, do you accept that question be taken on notice?

**Dr TOYNE:** I do not accept the assumption, but I will accept the question.

**Mr CHAIRMAN:** That being the case, I will allocate number 4.3 to the question.

---

**Mr WOOD:** Minister, could you tell how many abortions were performed in NT hospitals in this financial year 2003-04, and the cost per abortion, please? I have a second stage to that question.

**Dr TOYNE:** Do you want to give us both and then we will get someone forward to ...

**Mr WOOD:** Yes. I make those comments in light of the fact that, yesterday during the Opposition Leader's question to the Treasurer about our loss of population growth, he mentioned what would be the effect of us having 0.3% population growth as compared to the national average of 1.2%. He said that is more or less equivalent to \$60m over three years, which works out that, for every 1000 people, we will get \$10m in GST, or that every person who comes into the Territory is worth \$10 000. Minister, is the government doing anything to reduce the number of abortions by adopting policies which may be proactive in encouraging mothers to reach their full term in their pregnancy?

**Ms Lawrie:** What if it is for economic reasons?

**Mr Dunham:** Do not interject. Just because you ...

**Ms Lawrie:** This is bizarre.

**Dr TOYNE:** I will take the question on notice. I am not aware of any. There has certainly been no discussion by government of a policy regarding abortion that I am aware of - certainly not in our time in government. However, on the issues of what abortions have been performed and the cost of them,

we will get back to you.

**Mr CHAIRMAN:** To assist Hansard and to ensure the minister is fully aware of the question, would the member for Nelson please restate the question.

---

**Question on Notice**

**Mr WOOD:** Could the minister say how many abortions were performed in NT hospitals this year and the cost per abortion, and is the government doing anything to reduce the number of abortions by adopting policies which maybe proactive in encouraging mothers to reach the full term of their pregnancy? I say that in light of that prologue I stated.

**Dr TOYNE:** Can we make that an average cost? It would be easier for us.

**Mr WOOD:** Yes, that is fine. That is the only question, Mr Chairman.

**Mr CHAIRMAN:** Minister, you accept that question to be taken on notice.

**Dr TOYNE:** Yes.

**Mr CHAIRMAN:** That being the case, I allocate number 4.4 to the particular question.

---

**Mr CHAIRMAN:** Are there anymore questions?

**Mr DUNHAM:** Just a quick one. Minister, given that when your predecessor was in control of this department, you described Alice Springs Hospital as a 'war zone' and Mr Bansemer described what you call 'mayhem, no accountability and hurling money indiscriminately at positions'. Do you think that is why she was given the sack?

**Dr TOYNE:** That is not an estimates question, it is trolling around for a political point, and we will leave it at that.

**Mr DUNHAM:** Okay. Do you still think it is a 'war zone' at the Alice Springs Hospital? Is Alice Springs Hospital still a 'war zone'?

**Dr TOYNE:** Of course, it is not.

**Mr DUNHAM:** Of course it is not?

**Dr TOYNE:** Because we have done all this fantastic work on substance abuse and crime prevention. We are not getting the people I was referring to, which were people - particularly women - who were being assaulted, and the antisocial behaviour and crimes against the person. At that point when I made those comments, they were very high in Alice Springs. I was referring to the social situation. The situation now, because of the work we have done, is we have significant decreases in assaults, and the load coming through to the hospital has decreased accordingly.

**Mr DUNHAM:** That is excellent news. Can you explain, then, why the hospital budget is going up and the Alcohol and Other Drugs budget is going down, if this is your policy?

**Dr TOYNE:** The Alcohol and Other Drugs is largely driven by Commonwealth funding and the Commonwealth government has made those decisions. I suggest you go and talk to your colleagues.

**Mr DUNHAM:** Really? Not your problem? Nothing to do with you?

**Mr CHAIRMAN:** Can we have the question, member for Drysdale?

**Mr DUNHAM:** No, that will do.

**Mr CHAIRMAN:** All right. There being no further questions, that concludes consideration of Output 1.1, Admitted Patients Services. The time is 11.10 am, for members of the committee.

**Dr TOYNE:** Mr Chairman, can I table the answer to the first question on notice from the member for Port Darwin, which was: how many elective surgery cases would have been deferred in the last 12 months at Alice Springs Hospital? The answer is it was 128.

#### **Output Group 1.2 – Non-Admitted Patient Services**

**Mr CHAIRMAN:** The committee will now consider Output 1.2, Non-Admitted Patient Services. Shadow minister?

**Ms CARTER:** Thank you, Mr Chairman. Minister, the budget for Community Health has only gone up by less than \$0.5m – oh, sorry, non admitted patients. No questions.

**Mr CHAIRMAN:** Members of the committee, any questions? Member for Drysdale?

**Mr DUNHAM:** There are a number of initiatives the government promised during the last election for cancer sufferers, terminally-ill people, and women wishing to have babies outside the hospital setting. I understand that, with the women wishing to have babies outside the hospital setting, a poor man's option is being put up; and that is the option of tizzying up a couple of wards and calling it a birthing centre. Can you tell me whether this accords with midwives' and other practitioners' description of this service?

**Dr TOYNE:** I was delighted to go out to the hospital and launch the initiative of the birthing centre. It is not a poor man's option; it is a \$2.5m redevelopment of not only ...

**Mr Dunham:** The existing ward.

**Dr TOYNE:** ... the new birthing rooms ...

**Mr Dunham:** In the existing ward.

**Ms Lawrie:** Let him answer.

**Dr TOYNE:** ... which are not tizzied up rooms at all. They are basically rooms that have facilities for birthing mothers such as warm water baths that can relieve pain, and facilities for the woman's family to be around her during the birth. The initiative also includes midwives who will attend the birth, to provide antenatal support to the women so that there is continuity.

It is probably inaccurate to focus on the actual physical development of the maternity floor to include these birthing centres, because what is at the core of the reform is a midwife-led model of birthing support for mothers. We are looking right across the antenatal, the actual birth and postnatal care. We are looking widely at the clientele who are coming into the hospital - for example, indigenous mothers, ethnic mothers, mothers in various states of health – and, therefore, the support that is needed. The obstetricians and midwives have had not only extended discussions about the best model, but we have also sought and received advice from pre-eminent people around the country as to what is the most appropriate model to apply to the needs of the women in the Territory.

It is also inaccurate to talk only of what we are doing in the Royal Darwin Hospital, because there are

women with these needs throughout the Territory. We have also assessed the appropriateness and adequacy of services through the Territory, so I do not want this to be seen as just purely a Darwin facility.

However, probably to help the member along, I could re-table my media release which gives the details of our initiative. I must say that it is a very emotional area; this area of what women themselves are wanting in support during this very powerful part of their life. I have been very surprised at the lack of response from the home birth lobby. That is probably because we have considered everyone's opinion, and we have certainly indicated that we are prepared to work across the whole spectrum of birthing arrangements from home births through to - the problem with home birth is not our capacity to provide support; it is far more about the insurance situation around the country. That has put home birth under pressure right around this country, and will not be very easy to do until the indemnity insurance situation does, hopefully, correct.

**Mr DUNHAM:** I am surprised to find that my child, who is now 18 years old, was born in a CLP-initiated birthing centre in Alice Springs, because the description you gave me is exactly the facility that was in Alice Springs two decades ago. Essentially, what you have is some nice curtains, a bath with nice, hot water, some soft music and some furnishings, and you are trying to pretend it is a birthing centre. Do you believe it is exactly in accord with what you promised the electorate before the election?

**Dr TOYNE:** My task was to make a decision that best met the needs of women in the Territory, and which best accorded with the professional advice that had been brought together by the quite detailed discussions that have been held. I am sleeping very comfortably at night about that decision. We have provided a real advance for the home birth lobbyists in that we have acknowledged a midwife-led delivery team is the appropriate model. They are very happy about that. They have also acknowledged that the areas that are being put in to Royal Darwin Hospital are an advance on the current facilities.

**Mr Dunham:** No doubt about that.

**Dr TOYNE:** At the same time, though, we are refurbishing the general maternity areas so that all women, regardless of whether they are healthy enough to have a relatively unassisted birth ...

**Mr Dunham:** Home birth?

**Dr TOYNE:** ... or a home birth - all women, if they have other medical complications where they need a higher intervention, they will also be favoured by improved facilities within Royal Darwin Hospital. I will get my CEO to add some other points to it.

**Mr GRIEW:** There are a range of views here within the medical and nursing community, but it is the case the advice that the hospital received from a senior member of the College of Obstetrics and Gynaecology would probably reflect the middle ground, which suggested that ...

**Mr Dunham:** Not according to expectant mums.

**Mr CHAIRMAN:** Will you please let the CEO finish his answer?

**Ms Lawrie:** You are not an expectant mum. How can you speak on behalf of them?

**Mr CHAIRMAN:** Member for Karama, please let the CEO finish.

**Mr GRIEW:** ... a birthing centre, as a separate stand-alone to a delivery suite in a hospital, had two problems for us: one of critical mass, that it would be very hard to sustain, especially given issues of safety; and second, that it was a relatively historically-specific response. A much more contemporary response involves the reform of delivery services generally and goes to much more profound issues



than the furnishings, but to the issues of midwife-led and team midwife-led delivery. That is the more significant part of the reform that we are actually making in the hospital, as the minister said.

**Mr DUNHAM:** Okay. I agree that it was probably a foolish promise for them to make but, anyway, let us go to another one of the promises they made about oncology and radiotherapy, which, at the time, was seen as a fairly brave promise to make. We have questioned it several times in parliament. It is only with the advent of Mr Bansemer telling you that it was a stupid promise that you have abandoned it ...

**Dr Toyne:** We have not abandoned it.

**Mr DUNHAM:** Can you tell us why you have made this promise and hung this out and then abandoned it mid-term?

**Dr TOYNE:** The first thing I can say is that we have not abandoned that promise at all. Again, I ...

**Mr Dunham:** You are going to construct an oncology and radio unit?

**Mr CHAIRMAN:** Please let the minister respond.

**Dr TOYNE:** ... I have publicly announced the oncology review, to be done by Professor Michael Barton and Michael Frommer from the South Western Sydney Area Health Service. They have been asked to conduct a review of the radiation oncology needs of cancer patients in the Territory and to advise us of the degree to which we can meet those needs in the Territory, as distinct from sending patients interstate. You learn things when you get into government and see the detail of the service delivery that would be required for things. We have certainly been advised strongly that an oncology unit, as such, would not earn its keep with the patient loads in the Territory. However, there are many things that we can do to support cancer patients here in the Territory, and that is what this review is going to tell us.

**Mr CHAIRMAN:** Are there any further questions from the committee? That concludes consideration of Output 1.2, Non-Admitted Patient Services, so that concludes consideration of Output Group 1.0. The committee will now consider Output Group 2.0, Community Health Services ...

**Dr TOYNE:** Mr Chairman, can I confirm that the Acute Staff can now leave us, because we have dealt with both divisions.

**Mr CHAIRMAN:** We have gone through that output, we will not be revisiting that one.

**Mr GRIEW:** Yes, that is fine, because all the rest are different divisions.

**Dr TOYNE:** They have patients to look after.

**Mr CHAIRMAN:** You can pass on the committee's thanks to those people attending today.

#### **OUTPUT GROUP 2.0 – Community Health Services**

#### **Output 2.1 – Community Health Services**

**Mr CHAIRMAN:** The committee will now consider Output Group 2.0, Community Health Services, Output 2.1, Community Health Services. Shadow, do you have any questions?

**Ms CARTER:** I certainly do. Minister, the new budget for Community Health Services has only gone up by just under \$0.5m for the new year. Given that their budget is more than \$100m all up, the increase for this year is barely going to cover CPI. In an effort to reduce the pressure on our hospitals, wouldn't it be a good thing to increase Community Health Services, such as the hospital in the home

service, and why have you not done this?

**Dr TOYNE:** Well, the first point I would make is, globally, we have taken the whole budget up by absolutely unprecedented levels - \$100m ...

**Mr Dunham:** Not this area.

**Dr TOYNE:** ... and there are many areas of the budget that we have repaired, from a chronic underfunded situation. Regarding Community Health Services in particular, I am presuming your \$0.5m comes from \$108.651m, which is the revised outcome of the current budget, compared to \$109.057m, which is the figure in the budget papers here.

There are many ins and outs when you compare those two figures. I will go through them for you. The additional funding for 2004-05 will be for: CPI and wages, which is \$2.062m; single nurse posts, which is \$1.4m; externally funded projects carried forward from 2003-04, \$2.6m; and oral health, \$600 000. They are the positive new initiatives, if you like, that are concluded in these two figures, or the comparison of them.

Offsetting that, though, is the removal of externally funded projects carried forward from 2003-04, which is minus-\$1.016m, and the removal of one-off externally funded projects from 2003-04, which is minus-\$4.034m. When you nett all that out, you get a \$406 000 difference.

**Ms CARTER:** What are some of the projects that are not going to be carried forward into the next year?

**Dr TOYNE:** We will get some information on that.

**Mr GRIEW:** A general comment. There are something like \$11m-worth of activity that was funded in 2003-04, primarily from Commonwealth grants that are either decreasing or terminating in 2003-04. The global increase in our expenditure for this year, or in our revenue - whichever you decide you choose to look at - is effectively easy to misunderstand because, if you take that \$11m for that activity we do not have to fund this year out, in fact the increase in activity is something like \$36m, not \$25m. That reflects, because people look first at the acute budget, which is increased by \$18m, that then under represents - this is the problem we had and discussed last year in estimates - all of the other outputs. That is, I guess, just an introductory comment to the \$4m and the \$1m.

Therefore, in one-off externally funded projects in 2003-04, the \$4m included a large amount of one-off funding for the Primary Health Care Access Program which is also known as PHCAP, which is an Aboriginal health initiative of the Commonwealth. Similarly, there was \$1.6m in the remote communities initiative; the carry-forward projects included the section 100 funding which is to do with remote provision of pharmaceuticals of \$400 000; a pathology incentive program with \$192 000; and another remote community initiative in the Barkly worth \$69 000 - it is under Sundry Minor Adjustments.

**Ms CARTER:** Thank you. Staying in the area of Community Health and going into the area of oral health, in Budget Book No 3 on page 136, you claim you will increase 'oral health occasions of service' from \$76 000 to \$80 000 across the Territory this year. How are you going to do this, given the serious lack of public dentists in the Northern Territory?

**Dr TOYNE:** I will run through the answer that we have prepared against this area. There is currently a national/international shortage of dentists; we all know that. It is most acutely felt in rural and remote areas such as the Northern Territory. Like anaesthetists and intensivists, it is a changing area of recruitment. At present, both the Darwin and Alice Springs Dental Clinics are operating with two dentists fewer than we would wish. Private dentists are providing full services to public patients in the Nhulunbuy and East Arnhem area and Tennant Creek and surrounds. The Katherine dental position is filled. The Northern Territory put the issue of the national shortage of dentists on to the agenda of

the Australian Health Minister's Conference.

As a result of this, a national working party is now developing strategies to improve the number of dentists graduating in Australia and facilitate the recruitment of dentists from overseas. In the Northern Territory, a new EBA is being made to give us better bargaining power to recruit. Considerable effort has been put into developing a recruitment campaign amongst graduates and experienced dentists; and we hope to see the results of this campaign as we proceed into the next year of operation.

The children's dental service is primarily provided by dental therapists. All but one of the dental therapist positions are filled across the NT, which is 16 in total; we have 15 in place. One of Katherine's two therapist positions is currently vacant. The department is actively recruiting to this position. Both dentists and dental therapists work side by side with the dental assistant. All of the NT dental assistant positions are filled, which is 33 in total. The service relies heavily on both laboratory and engineering technicians and, again, all the Territory's technician support positions are filled; which is six positions.

Finally, the service is supported by a team of administrative staff, who fill functions such as reception, ordering stores, and supporting professional staff. All of the Oral Health Service administrative support positions are currently filled; which are 11 in total. You can see that the system is substantially in place and that is where we believe we can produce the \$80 000. Robert has some information on waiting times for you.

**Ms CARTER:** Yes, that would be good.

**Mr GRIEW:** It is a difference performance measure at the same ... Ms Jenny Cleary, who is the Program Director responsible for this area and health development, told me yesterday that they have actually gone through with the form they have been doing of the administration of the dental service, and looked in detail at the waiting lists which, with the beginning of some success we have had in recruiting and also just looking at systems, have improved substantially to a year ago. If you want me to, I can provide that information which, in some ways, is a measure of the same.

**Ms CARTER:** Is it a lengthy response?

**Mr GRIEW:** No, no, it would just go through the different clinics. Darwin and Palmerston clinics' waiting time for general treatment is now down to 12 months, which is much shorter than the two-and-a-half years it was one year ago when you asked that question.

In Katherine, the waiting time for general treatment is two months which is, again, substantially down. In Gove, there is no waiting time. In Alice Springs, we have not yet made headway; it is still about 18 months. In Tennant Creek, the waiting time for general treatment is two months.

**Dr TOYNE:** So, if you have a toothache, go to Nhulunbuy.

**Ms CARTER:** Minister, I have been approached by a dentist and been advised that, as of 1 June, the Darwin/Palmerston region will only have one permanent public dentist. Apparently, in response to this crisis, there has been an offer made to private sector dentists to contract their services on an hourly basis, at \$115 per hour. This is two to three times the hourly rate most permanent public dentists are being paid, and no similar offer has been made to these people. The end result has been that public dentists - those who were remaining - have either left or are contemplating leaving; some with a view to return to public work as private dentists on the higher rate. Could you comment on that please?

**Dr TOYNE:** My first comment is that, being down a dentist is not a crisis. I really do counsel you to stop using that terminology every time we are dealing with a health problem. If there is a problem in the coverage of some part of the health services, let us talk about it ...

**Ms Carter:** Well, we are.

**Dr TOYNE:** However, to be feeding the word 'crisis' into every single thing that you say about the health system ...

**Mr Dunham:** Oh, like you blokes did. It is not good, is it?

**Dr TOYNE:** ... is not doing anyone any favours, least of all the very good health professionals we have working around the Territory who are producing substantial and good services for Territorians.

All I am saying to you is that - and I could say when we were in opposition it was great, yes there was a crisis here or there was a crisis there. That is why the media is very quick to pick up on the crisis scenario. It is a nice cheap shot for everyone. However, the people who get dishonoured and demoralised by it are the health professionals who know that their service is substantially good ...

**Dr Lim:** Well, when you say something and it is not true, that is when you get demoralised.

**Dr TOYNE:** If you want to criticise the government over a particular issue, let us do it. I am not afraid of that ...

**Mr Dunham:** She is doing it; right now..

**Dr TOYNE:** ... but please think about the rhetoric that you are spreading around the ...

**Mr Dunham:** Yes, like Hendo did, year after year.

**Dr TOYNE:** And your little mate here ...

**Mr Dunham:** Hendo, your Whip, mate.

**Dr Lim:** And your rhetoric is the worst. Your rhetoric is the worst

**Dr TOYNE:** ... who is quite happy to dishonour the community that he is a member of, and has given him a very good run in the time he has lived there ...

**Dr Lim:** Dishonour the community? You have done that by having to tell people one thing and then retract it three days later. That is your problem

**Dr TOYNE:** All I am saying is, please let us focus on the problems we are going to discuss and stop talking about the health system being in crisis. It is not in crisis. There is a huge amount of very high-quality work being done by the Territory health system. Territorians, very largely, get a very good service from our system. Let us acknowledge that, at least, as a background to talking about a problem.

**Mr DUNHAM:** Now, back to dentists.

**Dr TOYNE:** Now, back to the specific you are raising. We will get that answer for you.

**Mr GRIEW:** One of the reasons why we seek some input from private dentists is to reduce waiting lists which, obviously, we are having some success with because you can have a one-off impact there. It is also the case that, in Darwin, we do have two vacancies. While we recruit to those, we will use some private dentists, partly so that we do not build up those sorts of waiting lists again. The aim is to recruit people into the public dental service permanently.

Your question, essentially, went to: is there a danger we will seduce people from the public system to the private in order to contract back to the public. Well, if there was any sign that that was going to happen, we would not go that way. I am advised by Ms Cleary that there does not seem to be any danger of that.

**Ms CLEARY:** I will elaborate, if I may.

**Mr GRIEW:** Yes.

**Ms CLEARY:** Jenny Cleary, Director, Health Development and Oral Health. There is, at this point in time, a misunderstanding around the \$115 per hour remuneration, which is not actually what the dentist ends up earning, but is what the practice which actually provides us with the dental session is remunerated. We do not, as a department, incur costs around that particular service delivery that we do with permanent staff or with contracted staff of our own. Things like superannuation and payroll tax, facilities costs, accountancy fees - the private practice that provides us with that dentist is obliged to retain its own accountancy and legal fees and all the rest of it. Therefore, it is actually a remuneration rate to the practice as opposed to the dentist. There is some misunderstanding, at this point in time, among our own dentists about that, which we are dealing with tomorrow morning in a meeting.

**Mr GRIEW:** Essentially, that cost is an all-in cost. including facilities, which we don't then have to fund, so the comparison would be with the total unit cost of the day cost of our service, which would be more comparable.

**Ms CLEARY:** It is quite comparable, really, when you look at the cost of employing a dentist in the public system and you add on the payroll tax, the superannuation and the EBA requirements, then the corporate costs and so on, there is a very small gap, if any, between those two remuneration levels.

**Ms CARTER:** Thank you for that. Minister, just to put on the record, I do not appreciate being lectured in the tone that you gave me before. I have a valued role as the shadow health minister to raise these issues. I have had a dentist from the community write to me expressing this exact concern; that we are rapidly losing our public dentists and, as far as they were concerned, it was the fact that they were not being paid adequately. This person is contemplating moving into private practice and will do sessional work as a public person. This is a serious situation. We are all very well aware of the problems that face dentistry across the board and, for you to lecture me in that tone, was not appropriate.

**Dr TOYNE:** I was just giving you some good advice because you have already pissed off half of Alice Springs with talks of crisis down there ...

**Mr Dunham:** Patronising.

**Ms Carter:** I do not need patronising advice.

**Mr Dunham:** Why are you having a meeting tomorrow, if it is not a problem?

**Dr TOYNE:** I am just worried about your shrinking support, that is all.

**Ms Carter:** You are not; do not be silly.

**Mr Dunham:** You are worried about a shrinking political support. You should talk to Hendo, mate.

**Mr CHAIRMAN:** Are there any more questions?

**Ms CARTER:** Minister, with regard to the renal unit, I am advised – well, I will ask you: is it true that

the \$250 000 mobile renal unit, which was brought together a year or so back, has never been used because the woman who was meant to use it changed her mind about going back to her remote community and, instead, is living in town and now that unit sits mothballed?

**Dr TOYNE:** I can give some detail, because I was out there launching the training unit and the web site they have put together. It is fantastic. The training unit at Nightcliff is identical to the training unit that was sent out as one of the first remote-based ones. It is true the woman had a carer of long standing who has since had to leave the Territory. However, there are some eight patients, if I can remember rightly - I hope you do not hold me to that, I am just trying to remember a conversation I had a month ago at that launch – who are being considered for being trained up to go to that unit.

Ultimately, the patients themselves have to feel that their interests are going to be fully met by being in an out-posted facility with self-care. A lot of that is to do with their carers and their families, and the support that can be given there. I can certainly say that we would like to see each of these out-posted programs culminated as quickly as possible; not just in Nightcliff, but the ones that are being developed out of Alice Springs and other centres. However, you have to get, first, confidence by the patient, their family and carers, that they are ready to take on that form of care.

We have acted and made our decisions about resourcing on the information that was available to us in the area of need, and the practicality of doing out-posted work of the sort we are moving to. I have no doubt, speaking to a pretty wide range of people, that there is still a strong need, and a call, for having out-posted facilities. Robert.

**Mr GRIEW:** Nothing else, other than that these mobile units are designed so they can be put in a variety of places. The training unit is then identical to the unit that the patient would be cared by in the community where we use that form, so that the carer and the patient can be trained with this unit, which is identical. It does give us far more flexibility. There is, clearly, a very strong community demand out in the bush for people to be able to be dialysed at home - those who are at the self-care end of the spectrum of dialysis.

**Ms CARTER:** Is that mobile dialysis unit being used at the moment at Nightcliff, or is it just sitting there?

**Dr TOYNE:** Nightcliff is being used as a training centre. Yes, that is why we opened it.

**Ms CARTER:** On another topic, the hospice. Does that fit into this area here?

**Dr TOYNE:** We can deal with it here.

**Ms CARTER:** The question is quite simple. When will it be completed?

**Mr GRIEW:** In the first half of next year. The tendering process has happened. We will be starting to build in July/August..

**Dr TOYNE:** We have allowed for staffing to be introduced this financial year against the completion of the facilities. It is on the line. We are at the tendering stage. Tenders are being finalised. Construction is about to start.

**Ms CARTER:** On the same topic, minister, earlier this year in parliament you made a commitment to furnish the hospice. How much money has been allocated for this, and what will it buy?

**Mr GRIEW:** We might have to take that one on notice.

**Ms CARTER:** Take that one on notice. I would like that one answered.

**Dr TOYNE:** It would help if it would at least buy beds.

**Mr CHAIRMAN:** To assist *Hansard*, and to ensure the minister is fully aware of the question, would the shadow minister for Health and Community Services please restate the question?

---

**Question on Notice**

**Ms CARTER:** Minister, could you advise how much money has been allocated in the budget for 2004-05 to furnish the hospice, and what will that purchase?

**Mr CHAIRMAN:** Minister, do you accept that as a question taken on notice?

**Dr TOYNE:** I point out that we are back in Acute Services again, as well.

**Mr CHAIRMAN:** We have a surgical issue here and, if we have gone back - if you feel it is a matter of relevance.

**Ms Carter:** I thought it was palliative care.

**Dr TOYNE:** Let it go, but I am just saying that it is not a good thing to jump around on these things.

**Mr CHAIRMAN:** Members of the committee, just to be aware that we cannot go back, or we should not go back, to an output.

**Mr DUNHAM:** We did not realise it was a hospital service. I thought it was a community service.

**Mr CHAIRMAN:** All right, if the minister is accepting that question, we will go on with it. That being the case, I allocate number 4.5 to the question.

---

**Mr DUNHAM:** Minister, would you be surprised to know that, if you went back two budgets, the budget for Community Health Services was \$110m, and that this year it is \$109m? While the acute sector has gone up 31%, or \$86m, this sector, over the last three years, has seen a reduction.

**Dr TOYNE:** I will get the CEO, there is a very simple answer to that.

**Mr GRIEW:** As we discussed at last year's estimates, the biggest change there is the move of patient travel aero-medical costs from that output to the acute output. If you take that out of the budget when it was included, that takes about \$20m, by memory, from the baseline. They are for the comparisons.

**Mr DUNHAM:** So you are satisfied that the growth in the Community Health Services sector, when compared to the Acute Services sector, is comparative?

**Dr TOYNE:** I believe my CEO has explained the current decrease ...

**Mr Dunham:** Satisfied with it?

**Dr TOYNE:** ... as a transfer of funding to another area of the budget.

**Mr DUNHAM:** It is your priority, and happy for you to accept it.

**Mr GRIEW:** In general, the increase across the department this year is about 5.8%, when you take account of that \$11m of ceasing, or decrease in funding I mentioned. 5.8% is the growth rate in the hospitals, in the Acute Services here. It is 5.8% across the rest of the department as well. That has

not always been the case in the past, and it is no longer the case that the other parts of the department are funding the acute system. The acute system is being run very tightly now.

The other point that is worth making, however, is that, if you look at the cost inflators across different parts of human services, there are some irresistible cost deflator increases in Acute Services which mean that, to run Acute Services and Community Health Services on the same rate of growth, puts more pressure on the acute system. Nonetheless, we are running them both at that 5.8% this year.

**Mr WOOD:** Minister, I am not sure whether this one overlaps a question from the opposition shadow minister. There is extra funding for community-based renal facilities at selected locations across the Territory. Where are the renal services offered now and where are you planning to add them?

**Dr TOYNE:** Mr Griew.

**Mr GRIEW:** We know where they are our now. I am sorry, it is not trying to be difficult, it is just the staff who know this have already left.

**Mr WOOD:** Would you like me to go on to the next question and they might come? Would that be all right, Mr Chairman?

**Mr CHAIRMAN:** If the staff who know this have left, is that ...

**Dr TOYNE:** It is an acute question, and it makes it difficult.

**Mr WOOD:** Could I put it on notice then, minister?

**Mr CHAIRMAN:** Well, I do not want to - if we close off these outputs, and the other one is staff we can keep - if we are really aware that it is a matter of relevance. I do not want to get into the habit; I do not think it is healthy ...

**Mr WOOD:** I would never want to let you into the habit, Mr Chairman.

**Mr CHAIRMAN:** Well good, in that case, we will not allow it.

**Mr WOOD:** Thank you for your advice ...

**Dr TOYNE:** I will make a offer to the member for Nelson that we will organise you a briefing on it ...

**Mr Wood:** Thank you.

**Dr TOYNE:** ... to get you your information. It is just that we want to preserve the committee process.

**Mr WOOD:** That is true. However, in some cases, it is difficult to line up exactly where things go ...

**Ms Carney:** Hear, hear!

**Mr WOOD:** A community-based renal facility, you would have thought, when under Community Health Services ...

**Mr Dunham:** You would think that, Gerry, wouldn't you? You would have that bloody assumption.

**Mr WOOD:** You would think that there would be some leniency from the Chairman, who asked me the question: 'Would I allow the shadow Attorney-General to ...' have something in another category,



which I did. However, that is okay ...

**Mr CHAIRMAN:** Forgive me my inconsistency.

**Mr WOOD:** Thank you for that. But we enjoy life.

**Dr TOYNE:** You will get your information, do not worry.

**Mr WOOD:** Moving right along, minister, there is \$2m for the expansion of the HIV/AIDS treatment and prevention program. How will this money be spent, and will it be spent in line with the Bansemmer Review recommendations?

**Dr TOYNE:** Right.

**Ms Lawrie:** Output 6 – it is under Output 6.

**Mr CHAIRMAN:** Would you care to hold that one off for Output 6, member for Nelson?

**Ms Lawrie:** It is Output 6.

**Mr Wood:** Is it?

**Ms Lawrie:** Yes.

**Dr TOYNE:** I can answer it now, although ...

**Mr CHAIRMAN:** No, we would prefer that you did not.

**Ms Lawrie:** We have a process.

**Dr TOYNE:** ... we are going to get into mayhem here, yes. It is here for your answer, so hold your horses.

**Mr WOOD:** I will wait. Okay, I will pass it onto Output 6. I need some guidance here, Mr Chairman,. Where do ambulance services fit?

**Ms Lawrie:** Acute.

**Mr WOOD:** We just had a little meeting before this meeting and asked where we thought it might have gone. We said Community Health Services.

**Ms Lawrie:** No, I said acute.

**Mr WOOD:** Well, I would like to ask the question, because I held it off until then ...

**Dr Toyne:** We have to provide a list.

**Mr WOOD:** Why would it be acute?

**Ms Lawrie:** Oh, why do you reckon? Where do they turn up to?

**Dr TOYNE:** They go straight to ED.

**Mr Dunham:** Hang on! Day care centres, nursing homes, houses - all sorts of places. Delia, you should have a look some time.

**Mr CHAIRMAN:** Member for Nelson, I appreciate the dilemma facing you. However, we have closed off the output on Acute Services.

**Mr WOOD:** Excuse me, Mr Chairman, where in the Acute Services does it mention ambulances? Because I went on this book and there is nothing to say ambulances.

**Mr CHAIRMAN:** Well, member for Nelson, perhaps you should seek some assistance when trying to identify. I do not know ...

**Mr Dunham:** Your looking for the 'T' in transparency, aren't you, Gerry! It is always a problem, mate.

**Mr CHAIRMAN:** There is no ...

**Mr WOOD:** I am looking for a budget that normal people can read.

**Mr CHAIRMAN:** There is no conspiracy here to try and stop you from asking questions, member for Nelson. However, you are the one who has elected to ask these in this particular spot. We have closed off Acute Services; those people have left. It is not fair, but it goes against process, as I said. That one the shadow minister asked snuck through the keeper, but the minister took it on. However, now we should stick to our process. There is no intention to stop you ...

**Mr WOOD:** I realise that, but I just cannot believe that you would ...

**Dr TOYNE:** Mr Chairman, if I could just say page 134, Services to Inpatients. This is what is in Acute Services: '... non-admitted patients and transported patients provided through the ...' hospitals throughout the Territory. It is easy to miss. I want to give you your answer; if you can put the question on notice.

**Mr WOOD:** It is a simple question ...

**Dr TOYNE:** Stick the question on notice, and we will get you back.

**Mr CHAIRMAN:** No, look, I do not want to be pedantic on this, but we do have the process.

**Mr WOOD:** I will write to you, minister. Moving right along, because we do not want to waste time. Under Community Health Services, page 136, a definite yes here. You estimated that there would be 54 funded government managed rural community health centres last year, and that it will only be 47 this year. You also estimated that there would be 28 funded non-government managed rural community health centres, and it will now be 35. Could you explain what non-government and government managed rural health community centres are, and why is there an increase in the non-government, and a decrease in the government ones? It is under Performance Measures.

**Mr GRIEW:** The reason for the change will be the transfer of some of the community health centres to be run by an organisation - the Sunrise Coordinated Care trial. They will move from the government sector to the non-government sector.

**Mr WOOD:** Will they be funded by the government?

**Mr GRIEW:** Jointly, by the Commonwealth and ourselves.

**Mr Dunham:** Outsourcing, Gerry, a thing they were not going to do.

**Dr TOYNE:** It is part of the primary health care zone roll-out, member for Nelson. The Katherine West is out there operating. We have had Tiwi, and Son of Tiwi, where we had to rebuild it. There are other ones being developed at places like the Warlpiri Lands, Borroloola, and North Barkly. There are 21 zones in all, and it has been an ongoing development process with the Commonwealth government.

The Commonwealth government has announced a diminution of their effort at least in this budget to X plus 10, which is like the current funding levels plus an additional \$10m nationally, which will really will curtail the pace of the development, inasmuch as the Commonwealth funding will be driving it. Our commitment in the five-year framework is to develop on those primary health care zones, under our own resources, as well as whatever the Commonwealth might do. Those figures are really standing across that developing edge of the primary health care zones.

**Mr WOOD:** What role does the department have as regards to non-government managed rural community health centres? Does it have an overriding role to make sure things do not go wrong? We did have problems with the Tiwi Health Centre, and I am not going to get into those problems, but ...

**Dr TOYNE:** Yes, we certainly learnt a lot by the Tiwi collapse. I guess one of the key things was the actual structure of governance that proved to be quite problematic there. We have a working example like Katherine West Health Board, which has been extremely effective, and it seems to be an actual model of how to pursue a community-driven primary health care system.

Like everyone, you have to learn on the experiences. Tiwi is being reconstituted. We stepped in, basically, and made sure the services continued. There has been due process followed in the actual causes of the collapse. As far as the services available to the Tiwi people are concerned, there has been no jeopardy of that. In fairness, the Tiwi Health Board also developed unique and really beneficial initiatives within its health service delivery. We will learn from that. That is the positive to learn from. The negative is that it was a wrong structure of governance. We have to make sure that there is accountability and propriety in the way that they can operate these in the future.

**Mr WOOD:** As the government, which has a duty to look after the health and welfare of the community, you will continue to have a - I will not say pivotal role - but you will have an essential role to play in the management of those non-government managed rural community health services?

**Dr TOYNE:** Yes, I will get Robert to explain technically what that all means.

**Mr GRIEW:** In the past, non-government services of this sort have tended to be almost exclusively Commonwealth government funded or Territory government funded, and the Commonwealth government funded ones operated under Commonwealth supervision via a contract and *vice versa*.

One of the advantages of where we are trying to move now is a more common set of clear accountabilities for those services with closer scrutiny of them. There is also now a more flexible view from the Commonwealth, which we have argued for, to be prepared to fund hybrid models; so not to insist on organisations moving completely into the non-government sector before attracting any Commonwealth support - given this is primary health care with is a Commonwealth government funding area. The advantage of that is, for example, in some of the zones the minister has mentioned, the staff for quite a period will continue to be our staff - part of the Territory service - as the community develops its capacity to run a service and the staff, under the industrial agreements we have negotiated with the unions in those cases, to maintain at least a 12-month right of return to the Territory service.

We are putting in place much more comprehensive safeguards and a much less idealistic and much more pragmatic assumption about how the services will develop which, hopefully, will mean we can avoid the sort of situation like Tiwi in the future.

**Mr WOOD:** Thank you. That is all, Mr Chairman.

**Mr CHAIRMAN:** Are there any more questions from the committee in regard to that output? As there are no more questions, that completes consideration of Output 2.1. It also concludes consideration of Output Group 2.0. For the committee's and the minister's information, questions on Output Groups 3, 4 and 5 will be addressed by minister Scrymgour on Thursday, 24 June 2004.

**OUTPUT GROUP 6.0 – Public Health Services**

**Output 6.1 – Environmental Health Services**

**Mr CHAIRMAN:** The committee will now move to consider Output Group 6.0, Public Health Services, Output 6.1, Environmental Health Services. Shadow?

**Ms CARTER:** My question is with regards to Entomology. I think that will come in under 6.2.

**Dr TOYNE:** That is insects?

**Ms CARTER:** Yes.

**Mr WOOD:** May I ...

**Mr CHAIRMAN:** Certainly. Ask the question, and if it belongs in another ...

**Mr WOOD:** No, I will not ask a question. I just thought ...

**Dr TOYNE:** No, you have one there, the HIV.

**Mr WOOD:** I do have one under Environmental Health, but under Disease Control. Maybe this is a question of demarcation: where do Environmental Health Services now fit within the overall structure as related to the Department of Environment and Heritage? I relate that to a particular pollution order that was given to Litchfield Shire Council recently from your counterpart, minister Scrymgour. Was that not Environmental Health's role at one stage?

**Dr TOYNE:** I think the CEO can tell us how the ...

**Mr GRIEW:** A heritage order?

**Mr WOOD:** No, it was a Pollution Abatement Order.

**Mr GRIEW:** There will be activity in pollution abatement that would always sit within either Local Government or Environment, as there will be activity in which we engage where there is a health concern. For example, in the pollution of water, we might have certain statutory responsibilities for the Chief Health Officer, but without more information I would be hard pressed to go much further.

**Mr WOOD:** It related to the tip at Humpty Doo. There was an abatement order to say they had to do something about the green waste; it was possibly going to cause pollution if there was a fire. Why is that coming out of that department and not your department, Environmental Health? I would have thought Environmental Health would have covered pollution.

**Mr GRIEW:** It depends on whether there is a human health risk, essentially. If it went to food and water supply, then we would get involved, essentially. If there is not a direct risk of that sort, it may be more an environmental management issue.

**Mr WOOD:** Okay. Thanks.

**Mr CHAIRMAN:** Are there any more questions in regard to Output 6.1, Environmental Health Services? That being the case that concludes consideration of Output 6.1.

**Output 6.2 - Disease Control Services.**

**Mr CHAIRMAN:** The committee will now consider Output 6.2, Disease Control Services. Shadow?

**Ms CARTER:** Thank you, Mr Chairman. Minister, on 19 April 2004, your Chief Entomologist said on radio that, unless more was done, people living in Tennant Creek could die from Dengue Fever. Given the serious nature of mosquito-borne diseases in the Territory, why is it that on page 144 of Budget Paper No 3 we have details of an expectation of a fall in the number of mosquito traps to be analysed next year, from 2440 to 2190?

**Dr TOYNE:** The Dengue mosquito outbreak in Tennant Creek is of great concern. We believe the mosquitoes got there, either with plant that came down to do with the railway construction, or with trucks delivering produce onto the railways, because the most likely source of the mosquitoes was far North Queensland. Regardless of how they got there, this is a direct challenge to the Dengue-free status of the rest of northern Australia, with the exception of that far North Queensland area.

I can tell you the immediate actions we took. We had Centre of Disease Control and entomology teams surveying and treating over 1000 premises in Tennant Creek; and an intensive media and public health campaign was implemented to seek public cooperation. I must say that Tennant Creek people, once they are mobilised they are okay, but it takes a while to get them on song, so we had to work at that to get people really to treat it with the seriousness that was needed. The initial programs reduced the Dengue mosquitoes to a low level. Drought resistant eggs in receptacles that can collect rainwater may pose an ongoing problem. There is, currently, an extremely small risk of any Dengue disease in Tennant Creek because the virus is not present in the town. We have not identified any virus in the mosquitoes that have been captured. There is no evidence of any spread of the Dengue mosquitoes to other towns but, obviously, the concern we have had is that they get on board a vehicle that is northbound or going over to the Kimberley.

During a meeting I had with Tony Abbott, I indicated that we felt that, while we put all our resources into this to crackdown on the outbreak, we felt that it was a national problem as well, because it certainly is not going to be in the national interest to have Dengue Fever across the entire north of Australia. The Commonwealth has confirmed that they are putting \$1m into further action to absolutely eradicate the mosquitoes.

**Mr DUHHAM:** Is that in the budget?

**Dr TOYNE:** No ...

**Mr Dunham:** That is new?

**Dr TOYNE:** ... that is as recent as 23 June 2004. We will apply continued fogging, eradication and surveying, and just basically try to get rid of the little buggers.

**Ms CARTER:** Minister, with respect, you have not actually answered my question, which was: why is it that in the budget we see that there is an expected fall in the number of mosquito traps to be analysed next year from 2440 to 2190?

**Dr TOYNE:** Sorry, we will get that answer for you now.

**Mr GRIEW:** Essentially, the Medical Entomology Branch, at the point when the budget papers were put together, advised that they thought that the 2440 target was actually unrealistically high in terms of what could actually be done. They, basically, revised it and set a more realistic target. Of course, the question is, since then, with this latest offer of collaboration from the Commonwealth - which is

actually a three-way thing with Queensland because we have to knock off the *Aedes aegypti* mosquito in North Queensland to make northern Australia safe again - it may actually turn out to have been a more realistic estimate, because we will be putting more effort in. So, their slightly conservative estimate of what was possible may turn out to be too much so, given this new collaboration. We should just stress too, there is not Dengue Fever in Tennant Creek, just the mosquito.

**Ms CARTER:** What you are saying is that when the budget was prepared, the Entomology Branch felt that they would not be able to reach a target of 2440 analyses because, perhaps, of lack of staff and resources. However, now the Commonwealth has, fortunately, come to the rescue with an extra \$1m, we should see that that level of service is maintained.

**Mr GRIEW:** We also transferred a large amount of resource across. There was a lot of effort diverted into Tennant Creek in response to the *Aedes aegypti* outbreak over the last couple of months because of that issue. There has been a lot of boost from both, and we will be maintaining a high level at Health as well. It is a collaborative matched effort.

**Dr TOYNE:** Mr Chairman, I have answers to three of the questions on notice. Do you want me to read them in or simply table them?

**Mr CHAIRMAN:** Table them.

**Dr TOYNE:** Okay.

**Ms CARTER:** Thank you. This topic now of immunisation. Minister, in Budget Paper No 3 on page 140, it shows that next year there will be a reduction in the number of vaccines to be distributed by the department to places like community health centres and GPs, so those they can be give them by them. The fall will be from 110 000 to 100 000 immunisations. Given this drop in supplies, how can you estimate further down the same table that the percentage of two-year-olds to be fully immunised will increase by 5%?

**Dr TOYNE:** Robert will give you that answer.

**Mr GRIEW:** Essentially, we provide the number of vaccines that are on demand. We are meeting that need with that many vaccines. This is partly a rounding issue here, but it is also partly just about how many vaccines are actually being taken up.

**Ms CARTER:** But can't you see my point, that you are saying there is going to be a 10 000 decrease in the number of vaccines that you give out ...

**Mr Dunham:** And more kids immunised.

**Ms CARTER:** ... that is one point. However, further down the table, you claim that you are going to increase the number of two-year-olds who are full immunised by 5%. It does not match up.

**Mr GRIEW:** Yes, but the two things are still reconcilable, depending on what the usage rate of the vaccines that we were distributing, as well. We have become more efficient in some vac equipment. I will get David Ashbridge to answer further.

**Dr ASHBRIDGE:** I am David Ashbridge, Assistant Secretary of Health Services. An important point in the change from 87% to 92% has, in fact, been the abolition of the 18-month DPT vaccine. That automatically changes the uptake rate. People who would have missed out on the 18-month jab no longer, obviously, miss out because it is not required. Therefore, our percentage goes up from 87% to 92%, along with every jurisdiction in Australia. The number of vaccines that are required has no limits on it. The cost of the vaccines are provided by the Commonwealth, and it is our job to just deliver that vaccine. Therefore, for the amount of vaccine there is an estimate of the population who require it, taking into account the change in the national vaccine schedule.

**Ms CARTER:** Thank you. The next question revolves around the chronic disease strategy. Minister, chronic disease like diabetes and heart disease have a major impact on the health system in the Northern Territory. Unfortunately, the Territory continues to be the lowest funder per capita of programs and agencies to address this problem. A few years ago, the NT Preventable Chronic Disease Strategy was endorsed by your department – that is what it looks like on the web. How much money will be put into the implementation of the Preventable Chronic Disease Strategy next year, and how does the amount compare to what was spent this year?

**Dr TOYNE:** As this involves actual individual programs, we will get the agency to deal with that. He is going through his filing system. That is where he has it.

**Dr ASHBRIDGE:** I am sorry. I have to go to go back to the Community Health output; it is not in the Public Health one. I have to go back in the folder and find it.

**Mr CHAIRMAN:** Is that a Community Health question?

**Dr ASHBRIDGE:** Yes.

**Ms CARTER:** Most extraordinary, really.

**Mr CHAIRMAN:** Once again, I have made the ruling that if an output is closed, it is closed; there is no going back.

**Mr GRIEW:** It actually overlaps.

**Dr TOYNE:** It overlaps. I would accept the ...

**Mr Dunham:** I believe so, Mr Chairman.

**Dr TOYNE:** Yes, I very much think it is Community Health.

**Mr Dunham:** One would suspect that this has a little to do with ...

**Mr CHAIRMAN:** Well, if it does overlap, then I am happy for it to be answered.

**Mr Dunham:** Good.

**Dr TOYNE:** As am I, Mr Chairman. Can I just table another of these questions taken on notice; that is No 4.5.

**Ms CARTER:** The question was: how much money will be put in to the implementation of the Preventable Chronic Disease Strategy next year, and how will that compare with what was spent this year?

**Dr ASHBRIDGE:** The important thing about the Preventable Chronic Disease Strategy is that it is more than just a single program. It is, in fact, an activity which has take-up across all program areas, particularly Acute, Community Health, as well as Public Health. It is not a specifically designated cost centre so that, in determining the overall expenditure around preventable chronic disease, we are not able to provide that. We are able to say that it is a key priority across the agency, and that has been focussed in the business plans, etcetera, across all aspects of the department.

Specifically, however, in the program itself there is \$2.127m, of which just a tick under \$900 000 - \$890 000 - is from section 100 Pharmacy Initiative, and there is also \$1.34m in section 101 spent in

the Remote and the Acute Sectors from that source. So, that is \$2.127m. I do not have with me the expenditure in the previous year, but I can almost certainly get that for you.

**Mr GRIEW:** The key point, though, is the first one, isn't it? That activity across the system is guided by this strategy. For example, in working more effectively with pregnant mums to improve birth weights in communities is part of the chronic disease strategy, as is diabetes monitoring.

**Ms CARTER:** That brings me, minister, to my next question which is: how will the money be spent for the coming year in the area of preventable chronic diseases?

**Dr TOYNE:** It is hard to give a complete answer to that. As David Ashbridge has said, there are a whole range of programs evident from preventative things such as exercise programs at school or dietary programs. David is signalling madly to me so, obviously, he has some detail there.

**Dr ASHBRIDGE:** There are some specific initiatives which are being introduced in 2004-05. Specifically, there is preventable chronic disease training for remote area staff who will be given brief intervention training that will be funded out of the Preventable Chronic Disease Strategy. The remote health branch has placed preventable chronic disease as a critical component of their business plan and they have developed an organised system approach taking advantage of new ways of providing services, particularly case conferencing and using specialist services from the acute care than they are currently doing. Of course, in using case conferencing and using the multi-disciplinary team leads to resourcing options around the Medicare system.

There is also an Acute Sector community health collaboration of note, where the Alice Springs Hospital is undertaking a project with Community Health to look at how we can improve the continuity of care with chronic disease, linking Preventable Chronic Disease Program, remote services and the Alice Springs Hospital. They are the three enhancements of preventable chronic disease programming in the upcoming year.

**Dr TOYNE:** Can I just make one very short point, also. During the visit I was talking about to the renal unit at Nightcliff, I was shown data that indicated that the new cases of end-stage renal failure coming on have levelled out. That is a huge achievement from our health professionals. I thank God it is because, on the trajectory of a few years back, we were heading for huge case loads. It is good news for the individual patients as well, and I would like to acknowledge that that has been achieved.

**Ms CARTER:** I would like to acknowledge the success that you have had there. I have been advised of that and it is a great thing to see, that is for sure.

**Dr TOYNE:** Thank you.

**Ms CARTER:** Minister, a number of non-government organisations which should be heavily involved in the implementation of Preventable Chronic Disease Strategy, are currently struggling to maintain their services. The Bansemer Review did not sing their praises. How do you see the future of non-government organisations and the implementation of this strategy? Do they have a role; is it significant; and will they be resourced adequately by your government to enable them to fulfill it?

**Dr TOYNE:** I will give a general answer, and get Robert to provide a more detailed account. I have indicated to the NGOs of various ilks, both in terms what I have said to them during our meetings and through the membership of our advisory councils - the Health Advisory Council, Disabilities or FACS - that we are certainly wanting to strongly involve the NGOs in our service delivery.

The other thing we had to do in indicating where the government was going with health services, was to release our five-year framework so that it did give a clear picture of the government's priorities. Now that that has been done, we are working into a whole lot of implementation plans of the different priorities that are included in the framework. That is where the NGOs can plug into the different priority areas. That is the general approach to it; that we want to work with them, and we have



indicated that very strongly. Robert might give you some more ...

**Ms CARTER:** Before you do pass it on, just to reinforce the issue that a number of them are struggling financially - and these are very well-known NGOs that work in this area. They are not even getting CPI increases in their grant funding. They put it to me in the last week or so that they are thinking of having to cut services and reduce staffing because they are becoming that financially unviable.

**Dr TOYNE:** What we have indicated to them is what our priorities are for service delivery, so that will tell them one part of the puzzle of how we are likely to respond. They themselves, in many cases that I am aware of, are trying to rationalise their own operations, one to the other, so that they have more viable combinations.

One example, which spans more FACS than Health, are the NGOs in Alice Springs dealing with youth or kids at risk. They are increasingly rationalising their operations so that they support each other rather than all going for freestanding resources. There is going to have to be some of that occurring, but Robert might give you some more detail.

**Mr GRIEW:** Within the area of preventable chronic diseases, there are a couple of different groups of NGOs which are key. There is a collaboration that we have with a group called the Good Health Alliance which, I suspect, include some of the NGOs that you were talking about. We actually placed a project officer within that group. There is a lot of good work that has happened, and we certainly would regard them as being key.

Equally, in the delivery of primary health care services that are an essential part of this strategy as well, both in primary prevention, but also in the management of people with early stage disease. Community-run health services are important as well, and they are funded both by us and by the Commonwealth, as I was explaining earlier.

There are 65 NGOs in the Community Health Service output that we fund to the tune of \$15.5m, so that is clearly an important investment for us. Indexation is a cross-government issue, and it is an issue about which we have had discussions with the NGOs. We index, as does every other NGO funding program, at the inflation rate announced by the Treasurer in the budget.

The issue for some of the NGOs is that they have either critical mass problems or they have demand that is growing fast. We are always looking at that in discussion with them. The minister mentioned the opportunities for some rationalisation within the sector. NTCOSS, which includes some of those important health NGOs we talked about, have a project that we are working on with them to look at the potential for that sort of integration which is, obviously, difficult and challenging for those organisations. However, it is something that both they and we are keen on.

**Mr CHAIRMAN:** Do you any of the committee have any questions?

**Mr WOOD:** I believe this is the right place for the question.

**Dr TOYNE:** If it is HIV, go for it.

**Mr WOOD:** I have to be careful. Minister, there is \$2m for an expansion of the HIV/AIDS Treatment and Prevention Program. How will this money be spent, and will it be spent in line with the recommendations of the Bansemer Review?

**Dr TOYNE:** I will clarify that. In 2004-05 it is \$2m, and increasing to \$2.5m in 2005-06. It is certainly the government's recognition that this is a pretty important area: both the sexually transmitted infections and blood-borne viruses. To deal with them, we will need to deal, in partnership with the non-government sector, but I can get some information on the actual program elements.

**Dr ASHBRIDGE:** HIV/AIDS and STDs are clearly a significant health issue. The report from the Bansemer Review regarding this was:- (1) identifying is a problem, but it also identified the need to use evidence-based interventions and apply them consistently across the Northern Territory. To that end, the Health Services Division has organised for a significant review of the delivery of services regarding management of AIDS/STD in the Northern Territory, and guidance as to how the \$2m and the current program allocation will be instructed by the outcomes of that review. That review is closed for tender, I think today or shortly, and will be looked at. In three months time, we will have the opportunity to take the outcomes of that review and implement them using the additional resources.

**Mr GRIEW:** Can I just add to that and be specific at one area. The risks scenario that Allan Bansemer identified in his report, which is reasonably well known in Northern Australia, is the co-existence of a number of things: high rates of bacterial STDs, which increase risk, both of transmission and of reception of the HIV virus, and also of a number of co-occurring conditions like tuberculosis. Therefore, the issue he was raising was a risk scenario. There have been programs that have worked in Australia to tackle those. The question for us is - with the dispersion of populations and with the programs we have run so far - with this significant injection of resources, we need to make sure that we are actually going to succeed in reducing those background risk rates. That is the key issue, which is about the screening, testing and treatment for those risk factors. That is the key target, and that is where the question of efficacy that Dr Ashbridge is raising as so important, because we do not want to go out there and spend the money doing something that is not then going to make sure we have reduced those STD rates.

**Mr CHAIRMAN:** Can I just ask officers to identify themselves for the purpose of *Hansard* each time.

**Mr GRIEW:** I am sorry. Each time we speak?

**Mr CHAIRMAN:** Well, you might have a different operator, I am not too sure how it goes up there, but they might not know your voice.

**Mr Dunham:** They might call you Ashbridge.

**Dr Toyne:** I will tell them to do what they are told, Mr Chairman.

**Mr CHAIRMAN:** They might call you Toyne, which could be terrible. Any more questions?

**Mr WOOD:** Just one more question, minister. In relation to that, under the disease control performance measures for quality, it talks about 'Male clients with symptoms of gonorrhoea/Chlamydia treated on presentation at Clinic 34 in Darwin', and mentions that, I suppose a 95% something - I always find that sometimes those figures are hard to say what they are. Are the symptoms of gonorrhoea/Chlamydia on the increase, or does that mean it is stable when I see 95%?

**Mr Dunham:** Symptom or disease?

**Mr WOOD:** Sorry, the incidence. I was just reading the line here. I will rephrase that. Has the disease increased?

**Mr GRIEW:** The indicator is not about incidence, the indicator is about the success in treating people who present. Whether there is increased, either incidence or prevalence, of those two diseases, we would have to get some expert input on.

**Mr MARKEY:** Peter Markey, Head of Disease Surveillance and Acting Director of Centre for Disease Control in Darwin. The measured incidence of notifiable diseases - bacterial and sexually transmitted diseases - is going up slowly. It is hard to ascertain whether that is due to improved testing because, certainly, that has happened over the last few years, or actually an increase in the incidence itself, in true infection rates. This is one of the things that, hopefully, the review can help us establish.

**Mr WOOD:** Thank you.

**Mr CHAIRMAN:** Are there any other questions under Output 6.2? That concludes consideration of Output 6.2. Questions on Output 6.3 will be addressed by the minister Scrymgour on Thursday, 24 June 2004. The time is 12.27 pm and I remind the committee and the minister that the committee will cease interrogating this part of the estimates at 1.05 pm.

**OUTPUT GROUP 7.0 – Health Research**

**Output 7.1 – Health Research**

**Mr CHAIRMAN:** The committee will now consider Output 6.3 – 7, my apologies. The committee will consider Output Group 7.0, Health Research, Output 7.1, Health Research. Shadow?

**Ms CARTER:** No, Mr Chairman.

**Mr CHAIRMAN:** From the panel?

**Mr WOOD:** No.

**Mr CHAIRMAN:** That concludes consideration of Output 7.0  
**Non-Output Specific Questions**

**Mr CHAIRMAN:** We will now move to non-specific. Are there any global questions of a non-output nature for the minister?

**Ms CARTER:** Minister, how many consultancies did your department use this year - outside consultants?

**Dr TOYNE:** Are you saying management consultancies or ...

**Mr Dunham:** Numbers and cost.

**Dr TOYNE:** I can give you consultancies excluding medical or EAS.

**Ms CARTER:** Yes, I know what you mean, yes.

**Dr TOYNE:** Is that right?

**Ms CARTER:** Yes, if you will.

**Dr TOYNE:** NT management consultancies, 2003-04, expenditure as of 31 May 2004, is \$344 649. Other management consultants other than the NT is \$435 398, giving a total consultancy level of \$780 047. Do you want a comparison with 2002-03?

**Ms CARTER:** That would be good.

**Dr TOYNE:** In the three categories, the 2002-03 total is: NT management, \$238 659; other management consultants, \$987 269; total consultancies for 2002-03 is \$1 226 028.

**Ms CARTER:** Thank you for that, minister. Your CEO, Mr Robert Griew, has a private company called Robert Griew Pty Ltd. Could you advise the committee the nature of that company?

**Dr TOYNE:** Well, I would like to know what relevance that has to the estimates?

**Ms CARTER:** Well, the relevance is that Mr Griew is the CEO of your department and, as he has a private company, I cannot imagine why we should not be allowed to know what the nature of that company is.

**Mr CHAIRMAN:** If I may ask the question of relevance here, shadow minister? The consideration before us is any other non-output specific budget-related questions. Ownership or otherwise of companies by officers within the department - how is that related to this budget?

**Ms CARTER:** That is what I am trying to explore ...

**Mr Dunham:** That is what she is asking: is there a relationship? That is what she is asking.

**Ms CARTER:** That is what I am trying to explore – what is the nature of the company?

**Dr TOYNE:** A relationship with what, over what?

**Ms CARTER:** I am sure it is quite easily answered, and that there is no problem with it. I would just like to know that for sure.

**Ms LAWRIE:** Is the question is: is there any government expenditure in the budget?

**Ms CARTER:** Well, this is what we are exploring. This is where we are going.

**Mr CHAIRMAN:** It is irrelevant.

**Dr TOYNE:** Well, what you can explore is something that actually impacts on the budget. You have not made a case for that; you are just simply saying: 'Robert Griew has some sort of private company doing something which we are not aware of, and that is going to impact in some unspecified way on budget decisions', I presume. You had better make a case before we decide whether it is relevant or not.

**Ms Carter:** It is unfortunate ...

**Dr TOYNE:** If it is just trolling around and attacking public servants, I am not going to be a part of it.

**Mr Dunham:** It is hardly an attack.

**Ms CARTER:** I am not trawling around attacking a public servant.

**Dr TOYNE:** Well, make your case.

**Ms CARTER:** You are well aware of the issues that have been raised over the last few weeks with regard to certificates of exemptions and Metis and words like that. So, now I am exploring, we have a CEO, Mr Robert Griew, who has a private company. The information available in various sources such as ASIC does not provide the nature of the company; just the fact that there is a company listed as Robert Griew. I just feel that Territorians, as he is the CEO of the Health Department, have a right to know what the nature of that company is.

**Mr CHAIRMAN:** Shadow minister, I do not think you have made a case of making it related to the budget. There are other forums where you can ask these sorts of questions.

**Dr TOYNE:** I spent a whole day in parliament on it.

**Mr Mills:** We are after an assurance there is no relationship.

**Ms CARTER:** All right. Can I get an assurance that there is no relationship ...

**Mr Dunham:** There are no dealings at all, financial or otherwise?

**Ms CARTER:** ... between Mr Robert Griew's company and the budget?

**Mr CHAIRMAN:** Once again, shadow minister, you have not made any linkage between this question and the budget. Therefore ...

**Ms CARTER:** So gagged on that topic.

**Mr CHAIRMAN:** No, you have had ample of opportunity.

**Mr DUNHAM:** A point of order, Mr Chairman! The question is: is there a financial relationship between the natural person in the department? Yes. The next question is: is there a person between the corporate entity and the department? It is up to the minister to confirm whether that is the case or not, because the budget documents do not divulge it. If he is happy to say there is no relationship, I am sure that would satisfy ...

**Mr CHAIRMAN:** I have made my ruling that there is no linkage being demonstrated here between ...

**Mr DUNHAM:** You do not know until he answers the question.

**Mr CHAIRMAN:** I have made my ruling.

**Dr LIM:** How do you know that sort of thing?

**Mr CHAIRMAN:** Because it is not budget related.

**Ms Carter:** We do not know that.

**Mr DUNHAM:** We do not know. That is the question.

**Dr Lim:** You have divine ...

**Dr TOYNE:** Well look, I think ...

**Mr Dunham:** If there is no budget relationship, tell us that.

**Dr TOYNE:** Yes, I will clarify it in one sentence; and that is, there is no fish on the end of your hook. The company concerned was a single-person consultancy two jobs ago. No relevance whatsoever to the decisions that Robert Griew is making as CEO for Health. End of story.

**Mr DUNHAM:** That was easy, wasn't it?

**Ms CARTER:** That was all we wanted. Minister, last week in parliament we explored the issue of Metis Consulting and how they had received a number of certificates of exemption to allow them to work for your government on various projects without the contract having to go to full tender as such. Did Mr Robert Griew, your CEO, put on the record anywhere a declaration of interest explaining his relationship with one of the partners of Metis Consulting, Mr Chris Gration?

**Dr TOYNE:** I honestly believe that we have given full information in parliament regarding the procurement processes and sign-off that was conducted in the case of those three contracts. I do not intend going beyond what was told to the parliament as a whole. The information was freely given to parliament ...

**Mr Dunham:** Page one out of 17.

**Dr TOYNE:** ... and, in each of the three cases, the Procurement Review Board has okayed the steps of procurement that were taken. End of story.

**Ms CARTER:** A couple of years ago now, an employee of the Department of Health, Mr Stephen Moo, went through an uncomfortable process and, in the end, was exonerated with regards to whether or not he had any conflict of interest. As a result of that process, your CEO, Mr Robert Griew, instigated a situation where staff are encouraged and, in fact, required to complete documentation with regards to putting down what their relationships are with various entities and people so that, if they were ever going to be in a position where there could be perceived to be a conflict of interest, records would be there so people could judge that.

I would like to read from this document. It is called *Declaring Private Financial and Other Interests, Northern Territory Public Sector Employees* under the heading 'Other Interests',

*The types of other private interests that you should consider in determining whether a conflict of interest has or may arise includes, but is not limited to, sporting, social ...*

And I emphasise 'social':

*... political or cultural activities, as well as family or other personal relationships.*

Minister, did Mr Griew complete this documentation that staff are expected to complete?

**Dr TOYNE:** Let us look at the base of the case you are, obviously, trying to make out. The issue with Stephen Moo was one of pecuniary interest; that he had a role as a director of a company that was profiting from contracts with the Health Department. I am very pleased that you mentioned that Stephen was fully exonerated. The issue, in that case, was that there was the potential for financial gain from the dual role of being a director in the company and being a public servant involved in making decisions about procurement.

There is no such basis for that in the case you trying to make out with Robert Griew and Metis, in that there is simply no connection of a pecuniary nature between Robert Griew and Metis Consulting. It is purely at a personal level of friendship with one of the principals and, for that reason, unless you are now wanting to allege that there has been some payment offered for some presumed influence on the decision-making in the department, there is simply no parallel between the two situations that you are trying to link.

If you want to propose that every one of our senior public servants has to declare every single association or friendship that they have had in the past or enjoy at present, it would be simply unworkable. Every time this man went out to dinner with someone to discuss an issue, does that go on the list? Are we going to have lists of thousands of people virtually black-listed because they cannot ...

**Mr Dunham:** That is your proposition for public servants.

**Dr TOYNE:** I tell you what: we have procurement mechanisms in place, which pre-date us, exactly against the proposition. Senior public servants that we bring into our agencies often do have very

good strong networks to expert people around their field of expertise. Why wouldn't we want to expedite the use of that network of contacts to get expertise into the Territory as we need it?

That is not the issue. The issue is: was the procurement process followed to the letter?

**Mr Dunham:** Including a declaration of interest.

**Dr TOYNE:** The Procurement Review Board has said in all three of those contracts ...

**Dr Lim:** Did he declare an interest?

**Dr TOYNE:** ... and in the numerous contracts that Metis got across government, that there was no impropriety in the procurement process. All you are alleging is that, because Robert Griew knew Chris Gration in Metis Consulting, somehow that is a basis of impropriety. There is no evidence of it. There is nothing that would lead the Procurement Review Board to say that there was an impropriety in those three contracts. As I said in the parliamentary debate, to progress this paranoia of yours, you would have to also include the Commissioner of Police, the Procurement Review Board members - a huge raft of people who were all getting a sweetheart deal for Metis.

It just does not wash. You have not produce one skerrick of evidence to say that there was any impropriety. This is simply innuendo. If you keep doing this with senior public servants, you are not going to make yourself very popular.

**Ms CARTER:** Minister, did Mr Griew declare his interest to the Procurement Review Board when it cleared the certificate of exemption - his relationship?

**Dr TOYNE:** It is for the Procurement Review Board to decide on what basis it is going to ...

**Mr Dunham:** They do not know whether he has one; it is up to him to divulge.

**Dr TOYNE:** ... sign off on the propriety of a certificate of exemption ...

**Mr Dunham:** You do not know how it works, do you?

**Dr Lim:** What about a declaration of interest – to divulge.

**Dr TOYNE:** Every month, the Procurement Review Board meets and reviews each of the certificates of exemption that has been issued since their last meeting. They can ask whatever they wish to ask; they can factor in whatever factors they want to factor in; and they can choose to confirm the certification of exemption as being properly issued, or not confirm that.

In the case of the three Metis contracts that you have brought into this debate, in each of those three cases, the review board was comfortable with the process that had been followed and they signed off on it.

**Mr Dunham:** We do not know that. You have not divulged that.

**Dr TOYNE:** As far as I am concerned, unless you are prepared to say that the Procurement Review Board is also involved in this conspiracy that you keep on trying to pump air into ...

**Dr Lim:** They did not know; how can they be in conspiracy? They have not been told the information.

**Dr TOYNE:** ... them, you better back off because procurement is the correct entity within government to sign off on these matters. It has signed off on them.

**Dr Lim:** Open and transparent government.

**Ms CARTER:** Minister, with regards to the three Metis consultancies, why is there such a desperate need in the Northern Territory to bring in interstate consultants? My understanding is sometimes these things are done because we need to do this work quickly, and that is why that does not go out to tender when, in fact, at the Menzies School of Health Research, we have significant numbers of people with doctorate and higher levels of qualification. In fact, in the Northern Territory, we have at least 100 health people with doctorate qualifications. Why are we not growing our own community of people who could do this sort of work?

**Dr TOYNE:** The simple answer to that is that we extensively use NT-based consultants where they have the sufficient skills ...

**Mr Dunham:** They were not up to speed, hey?

**Dr TOYNE:** I am sure, as members of parliament, you would probably be aware of the certificate of exemption process. On that certificate of exemption, you have to actually have quite detailed arguments as to why a particular consultant has been put forward exempting consideration of other potentially rival bids. Those details on the C of E sign-off have to be to the satisfaction of the Procurement Review Board.

**Mr Dunham:** Not on Hendo's, they were not!

**Dr TOYNE:** I have not seen the Metis C of E forms because I was not involved in signing them off. I can, certainly, very confidently assume that the Procurement Review Board, when it reviewed those three certificates ...

**Mr Dunham:** You have a 17-page report, but you did not table it.

**Dr TOYNE:** ... would have been satisfied that the reasoning on the certificate was substantial and adequate.

The other point regarding your plea for more NT people is not old. The NT Industry Capability Network is there to assess the availability of these capabilities against your contract. In at least two of three contracts we are talking about, the NT Industry Capability Network said we do not have sufficient expertise for the particular purpose of those consultancies. Therefore, are we going to say also that they are involved in this conspiracy to push the money to - it is just simply ludicrous.

**Ms CARTER:** Thank you for that, minister. On another topic - nursing numbers. A budget media release claims that during the next financial year, 2004-05, you are going to add 65 new nursing positions. Given that it has taken you nearly three years to fill 46 of the 75 initially promised, is this promise of an extra 65 nurses, on board and working by the end of June 2005, realistic?

**Dr TOYNE:** What governments do is to commit resources to the area, initially, that they have chosen to progress. I believe that we will not only reach our 75 hospital-based nurses ...

**Ms Carter:** What about these 65 though?

**Dr TOYNE:** Let me finish. I believe we will actually exceed the 75 of our election promise. There are two things I want to qualify it with, though. We have to recruit nurses. Blind Freddy could see that we will need to be successful in each of those new positions to achieve the intended aim of the government initiative. We are also placing those positions into personnel management practices which allow managers of the particular hospitals that those nurses initially go into, to use those positions flexibly within their global budget.



I do not want you to get the impression that you can go there in 10 years time and do another head count and say: 'Oh yes, well 65 or 70 of them are filled'. It does not work that way. What we have done in our initiative is to add the amount of funding to the Health budget that would equate to those 75 positions, to allow them to be recruited. What the hospital managers do beyond that is for them to prioritise.

**Mr DUNHAM:** I know it is difficult to count nurses, but there must be some managerial device. You have had your CEO of Royal Darwin Hospital tell us how many nurses are on in a ward on a particular shift. Can we have those instruments - whichever way they shape up - to advise us, month by month, of nursing numbers over the last 12 months – by sight - specific to the hospitals? We want to be able to track the 75. I agree with what you are saying, minister. There is money in the budget, therefore, they can employ them.

**Dr TOYNE :** We will take the question on notice.

**Mr DUNHAM:** Okay.

**Mr CHAIRMAN:** To assist Hansard and ensure the minister is fully aware of the question, would the member for Drysdale please restate the question?

---

**Question on Notice**

**Mr DUNHAM:** Could the minister provide us, on the normal advice from management basis that comes through monthly on staffing figures, the details of nursing staffing - particularly for all of our Northern Territory hospitals - on a month-by-month basis, over the last 12 months.

**Mr GRIEW:** The number?

**Mr DUNHAM:** Number and classification and sight.

**Mr CHAIRMAN:** Minister, do you accept this questions taken no notice?

**Dr TOYNE:** Yes.

**Mr CHAIRMAN:** That being the case, I allocate number 4.6 to the particular question.

---

**Mr DUNHAM:** I was interested about deploying effort across the Territory in certain areas. I agree that you have peaks and troughs. My question goes to the diversion of effort for Dengue Fever into the Tennant Creek region. Did that leave the Top End region short? I will say that ...

**Mr GRIEW:** No. It meant diversion of effort from some other aspects of disease control, which was temporary. That is one of the reasons we drew the Commonwealth and Queensland into the issue, so some of our staff working in areas - either entomology or elsewhere in other disease control areas – were temporarily diverted. Whether that will reduce the achievement of what we need to do in those areas – we have obviously causes an interruption, and that is part of management service. However, if it was not long enough, we are in danger in those other areas. But it is not sustainable without some input nationally because this is one of those emergent issues.

**Mr DUNHAM:** Because you had two hot spots, didn't you? You had the emergence of high levels of vector diseases in the northern suburbs, and you had Dengue at the same time. The minister told us that there was effort diverted to Tennant. All I want is an assurance for the northern suburbs that the diseases Kunjin, MVE and Ross River are not escalated here in the Territory as a result of that.

**Mr GRIEW:** There is a wider range of staff with those sort of skills. It was not just within entomology.

**Mr DUNHAM:** Okay. My next question, minister: have you visited the rehab facilities in Alice Springs?

**Dr TOYNE:** In Alice? No, not specifically. I have been in the hospital probably 20 or 30 times now since I became minister, but I have not yet walked through that area of the hospital, if that is what you are asking.

**Mr DUNHAM:** Are you aware there is a purpose-built rehab facility in Alice Springs Hospital?

**Dr TOYNE:** Yes, I am

**Mr DUNHAM:** Are you aware where it is?

**Dr TOYNE:** Yes.

**Mr DUNHAM:** It is worth a visit, because it is not being used for rehab. Have you visited the Nhulunbuy Hospital?

**Dr TOYNE:** I have not been to Nhulunbuy Hospital. We are due to go there in the near future. Can I just ask what this has to do with the estimates?

**Mr DUNHAM:** It has a lot to do with the estimates. It is to do with where the money is spent, minister. Priorities comes through all the time and you are convinced, one way or another, that these priorities have to be met. You have already said you are a resident of Alice Springs; you understand what some of the needs are there. However, at the end of the day, you are the one who carries them into Cabinet. Therefore, all I want to know is whether there is a relative worth of certain priorities in the department. Obviously, East Arnhem is way down the ladder, if you have not even visited the place yet.

**Dr TOYNE:** That is a pretty stupid proposition, quite frankly.

**Mr DUNHAM:** So you have five hospitals - is that right? – under your control?

**Dr TOYNE:** Yes, I would be ...

**Mr DUNHAM:** And how many have you visited?

**Dr TOYNE:** If you want to play that game, how many places did you go to? I think ...

**Mr Dunham:** Pretty much all of them.

**Dr TOYNE:** Yes, well, I probably will over time also, but there are 68 remote clinics, there are five hospitals, and there are numerous community health centres - and on and on and on. I am getting around them and I ...

**Mr DUNHAM:** Okay. Let me rephrase the question: have you visited the East Arnhem region?

**Dr TOYNE:** Yes I have, but the ...

**Mr DUNHAM:** Which areas?

**Dr TOYNE:** ... but I am still waiting to hear what this has to do with estimates.

**Mr DUNHAM:** It has to do with your priorities as a minister, to be quite frank. There are millions of dollars being spent in East Arnhem - certainly at the hospital.

**Dr TOYNE:** Our priorities are very clearly put in the five-year framework, in terms of the health system as a whole. Initially, when I took on the portfolio, that was my top priority; to indicate to everyone, whether they be working within our agency or the NGOs with whom we engage or the general community, as to where we are tackling the priorities. That has gone out in 15 000 copies and ...

**Mr Dunham:** And now we are ascertaining whether they track against the budget.

**Dr TOYNE:** ... and what that might say to you is that we have had a long period of drought in terms of governments putting out, clearly, the priorities they are intending to follow. We have now put out those priorities. The response to that framework has been exceptional and timely. I have no doubt that people now know, at the broadest level, where we are trying to go. I am pretty proud of that. That is the first step in mobilising people around the things the health system has to do; to let them know what you are trying to do.

**Mr DUNHAM:** Except, in my opinion, it is rhetoric unless your budget actually tracks that. And your budget has continued to track increases to the acute to the detriment to the preventable public and community strategies.

**Ms Lawrie:** Is that a question or a statement?

**Mr DUNHAM:** No, no. I am letting him know why it is an important thing that the rhetoric actually replicates what the numbers are in this book here.

**Dr TOYNE:** I am still battling to see the relevance of this.

**Mr DUNHAM:** I will ask you a specific. We talked about \$250 000 for a mobile renal dialysis unit for a client. The previous minister talked about shutting down the 24-hour medical centre at Palmerston because it cost, coincidentally, \$250 000 for the six-month period. Do you think that this is an issue that you should revisit? This is the area in Australia with the highest ratio of GPs to client, and I would have thought that there was a need for government intervention there even if it is in the sense of a GP clinic within your complex.

**Dr TOYNE:** I have very little more to add. If you want to trawl around and say why are you doing this, why aren't you doing that ...

**Mr Dunham:** It is a priority.

**Dr TOYNE:** Well, the priorities are in the budget papers. We have talked about those through the divisions as we have worked through them. We were talking about the community health services. You could have asked those questions there in budgetary terms. I am quite confident that, out there in the big wide world of the Northern Territory, people have ready access to the priorities that we are pursuing. I am quite equally confident that the elements of the five-year framework have been already worked on in many of the initiatives that are in this budget. I believe \$1.4m into single nurse posts; there are 19 of them in the Territory ...

**Mr Dunham:** Good initiative

**Dr TOYNE:** ... that have been there for years ...

**Mr Dunham:** Great initiative.

**Dr TOYNE:** The renal services expansion, the primary health care work, it is all there. We will continue to work over the five-year framework, assuming that Territorians show their confidence in continuing us on for that period. The five-year framework is exactly there to deal with the statement of priorities that you are claiming that I do not have.

**Mr CHAIRMAN:** Before you go on, member for Drysdale, can I just remind you and other members of the committee that this particular output that we are looking at is other than non-output specific budget and that we do not go back. Once an output has been signed-off on and gone through, we do not revisit it. So, keep it to non-specific budget related. I would ask the minister to test all the questions to see that they do fit that category. If it is already in an output that we have signed-off on, then he has every right to check its relevance.

**Mr DUNHAM:** Okay. GP services, I would have thought, would have fitted exactly there. Can you tell us the detail on place, severity and frequency of assault on nurses throughout the department?

**Dr TOYNE:** I cannot; I do not have it to hand. I can talk generally about what we are doing about it. The first thing we are doing about it is getting rid of single nurse posts, which is not a bad measure, both in terms of the hours and burnout issues, but also the safety issues. You would well know, having been in the portfolio, that to tackle staff safety, even in a more controlled environment of a hospital, you have to really work in a multifaceted way to get that. It is not just a matter of sticking a security camera in the foyer or the ED. There has to be work done in skilling the staff to deal with aggression.

There are contexts of the problem throughout the whole system, whether it is a dental receptionist getting a cranky patient who does not want to be told that they cannot be dealt with immediately, or whether it is someone coming half-drunk into a hospital foyer, or whether it is someone who is in the middle of a family feud out bush and wants to take it out on a nurse in a clinic. They are all contexts that ...

**Mr Dunham:** They are all unacceptable.

**Dr TOYNE:** The first thing is that it is a matter of huge concern. I do not think that any of our staff should feel vulnerable to that type of random aggression or violence. However, doing something about it is both tangible and intangible. We are working, for example, with the remote community clinics as much on the issue through justice initiatives as we are through the Health Department. That is probably the only way we are going to increase the security: not just have more secure facilities and things like alarm buttons, but to have a community that is actually supporting the nurses and making sure that their safety is being supported by the community members.

**Mr DUNHAM:** Is the data being captured?

**Dr TOYNE:** Robert has some information on the actual data and I will pass that to him.

**Mr GRIEW:** There are a number of specific strategies within the department. The minister has covered several of those. They are site-specific and across the department. There is also a CEOs task force that has been set up with the main service providers and police, which will ensure a cross-government consistency on this issue, because it is an issue that affects several of us.

I have some data here. It compares 2003-04 incidents that have been compulsorily reported, because we now require reporting partly in keeping with a zero tolerance approach.

**Mr Dunham:** Does that include threats or actual ...

**Mr GRIEW:** Yes it does. That is what I am going to go through. It compares it with the totals from last year. Bear in mind that this is nine-and-a-half months of the year.

Across the department there were 67 physical incidents of aggression this year. In the previous year over the whole year it was 119, so that is an improvement. Verbal incidents of aggression were 51 this year, 29 last year; so that is more verbal incidents being reported, which you expect when you require reporting and say to staff very clearly: 'Being yelled at is not okay, either, and we require that to be reported'. For incidents of aggression characterised as sexual there was one and one last year; and perceived aggression, 17 this year and 21 last year, not much change there.

The pattern here is a decrease in physical assaults and an increase in our staff reporting incidents of verbal aggression. My suspicion is that it is not more verbal aggressions; it is people actually responding to the zero tolerance message, which is part of them tackling the issue.

**Mr DUNHAM:** Yes. Have you done some analysis on clusters? In a censure motion a year ago, it was evident that there were some communities that were much more problematic than others. The minister has indicated that single-nurse stations were worse. I understand that our acute settings are problematic also, particularly Accident and Emergency. Is there some analysis done as to where the hot spots are?

**Dr TOYNE:** Robert.

**Mr GRIEW:** There are some hot spots that are known across the health systems, where pressure mounts at points of entry in the same way that there are across other human service agencies. The only irony here is that, sometimes though, an area will get more talked about - as in that case in East Arnhem - partly because management, locally, has been very proactive and raised consciousness about the issue and, therefore, reporting and dealing with the issues. It is one of those areas where, sometimes, things have to appear to get worse before you actually tackle the issue, because people have to learn to complain about those issues.

But, yes, management in any health service is aware of the areas that constantly come under that sort of pressure and that is, for example, why we have security in some areas.

**Mr DUNHAM:** Do single-nurse stations have a higher incidence?

**Dr TOYNE:** Well, I could answer that, because I have been in half of them in the last six months. It is very much a factor. The main factor is the actual nature of the community. You can get somewhere like Titjakala, where there is very strong community support, and the nurse there would feel much more secure than the nurse at Nyirripi, which has a history of having incidents.

The other factor is to do with the Aboriginal health workers, the presence of them and their effectiveness in dealing with some of the issues which might occur between the nurse and the community. So, it is a bit hard. You see incidents at both multi-nurse and the single-nurse clinics ...

**Mr Dunham:** Except that Darwin would inform you.

**Mr GRIEW:** The single-nurse post issue is probably a bit more complex than that, in that there are other reasons for addressing some of them, that is supposed to do with delivering more than reactive care. A lot of the perceived safety of nurses in that situation relates also to other staff who are present.

**Mr DUNHAM:** Minister, do you expect to see a decline in PATS next year?

**Mr CHAIRMAN:** I would remind the minister that if we go back to a phased output, that ...

**Mr DUNHAM:** No, it is across all areas, because what we are talking about is whether our preventative programs, our level of local speciality, and other initiatives mean that the people have to travel less?

**Mr CHAIRMAN:** It is up to the minister to make the call.

**Dr TOYNE:** You are placing that in the general section of this hearing, so I will give a general answer. Wherever we can, we are looking for ways of avoiding having patients travel, whether it is intra-Territory or interstate. I guess the oncology review is a good example of that, where, if we can maintain the treatment here in the Territory for some patients - not all - then that is going to, obviously, impact on the need for them to travel.

**Mr Dunham:** And the litmus test will be whether you are travelling less.

**Dr TOYNE:** Well, yes, that is probably right, assuming demand stays consistent. We are probably as concerned about moving the patients, say, from Alice Springs up to Darwin, as we would be moving them down to Adelaide. It is still the same effect on the ability to have family support and maintain their presence in their community. Having said that, we would expect that, because of the nature of our jurisdiction being a small health system, we are always going to have a need for a fairly substantial PATS. Robert, do you want to ...

**Mr GRIEW:** As we improve primary health care, we will also increase PATS, because people will access tertiary care more effectively. Therefore, there is a very long lead time in health between effective prevention and early intervention programs and people accessing care less, when you have the level of morbidity that we do in our remote communities. There is a thing called the secondary wave where, once we put more staff out there, we will get a whole lot of people who previously did not have access to hospitals at an earlier enough stage, will actually access hospital services. Hospital service is still relevant to the prevention effort, so there is a danger in expecting that we can deliver a decrease in demand on PATS as we increase primary health care.

**Mr CHAIRMAN:** Minister, that concludes consideration of this output group. On behalf of the committee, I would like to thank officers of the Department of Health and Community Services for your attendance today. Thank you.

---

The committee suspended.

---

#### MINISTER HENDERSON'S PORTFOLIOS

**Madam ACTING CHAIRMAN:** I welcome the minister, and invite him to introduce the officials accompanying him and, if he wishes, to make an opening statement on behalf of his portfolios responsibility of Business and Industry.

**Mr HENDERSON:** Thank you, Madam Deputy Chair. I would like to introduce the committee official from DBIRD, Mr Michael Burgess, to my left, is the new Chief Executive Officer of the department. This is Mike's first appearance before the committee in his new role. I put on public record my thanks to Mike's predecessor, Peter Blake, who did a magnificent job as CEO of DBIRD when the agency came together. Mr Geoff Farnell, to my right in the green shirt, is the General Manager of Business and Trade Development. To the left of me is Ms Marj Morrissey, Executive Director Policy, Development and Coordination, and immediately to my right, Mr Phil Vivian, who is the Chief Financial Officer of the department.

I will answer any of the committee's questions which relate to government policy, but will also call upon relevant officials to respond to operational matters.

I would like to make a brief opening statement, because as minister for DBIRD, in business and industry we are the main driving agency in regard to government's efforts to boost the economy.

As I move around the Territory, meeting the small business operators and business people from larger companies, I am pleased to hear that confidence is returning to our economy after what was a difficult time for some small business, particularly with the world-wide downturn in tourism. The Territory is moving ahead in general; economic indicators for the Northern Territory are on the up; the number of job ads is up; employment is trending up; and we continue to have the second lowest jobless rate in the country. Retail trade and motor vehicle sales show Territorians are spending more, building approvals and housing finance figures are strong, and residential vacancy rates are low.

Importantly, after what has been a slow time world-wide in tourism - and we all know how vitally important this industry is to the Territory - tourists are coming back to the Territory, with 3% growth in visitor numbers in 2003-04 and 9% forecast growth expected in 2004-05.

On the feeling around the place amongst business, a Chamber of Commerce and Industry survey released in May showed a growing return in confidence amongst Territory business. The most recent Sensis Small and Medium Enterprise Survey showed Territory businesses are the most confident in the country about the upcoming quarter. However, it is important to note that this survey was carried out prior to budget 2004-05, which is moving the Territory ahead with record tax cuts and the highest infrastructure spending in the Northern Territory's history.

The infrastructure spend of \$441m will flow through our economy and sustain thousands of jobs for Territorians. The tax cuts, including raising the payroll tax threshold to \$1m and abolishing debit tax on 1 July 2005, make the Territory the most competitive tax environment for small business in Australia. The government is continuing to drive this economic development to create new opportunities for Territory business.

My Department of Business, Industry and Resource Development is one of the key government's agencies driving economic development throughout the Northern Territory. Industry specific strategies, such as the manufacturing strategy, *Making It in the Territory*, and the Business and Skilled Migration Strategy will help grow and develop business capabilities and capacities to build the Territory's work force. Practical assistance for businesses is also available through programs such as the Trade Support Scheme, which is providing financial assistance to businesses to help them develop new trade partnerships. The dedicated Defence Support Division is working to promote and develop the capabilities and capacities of Territory businesses to secure Defence-related contracts.

This is just a brief overview of the work of the department. I will be taking questions in regards of the budget for the department, and Output Group 1.0. My colleague, the Minister for Primary Industry and Fisheries, will deal with the other output groups. I am happy to take questions.

**Madam ACTING CHAIRMAN:** The time is now 1.37 pm and, for the purpose of the *Hansard* record, I wish to advise that pursuant to section 12 of the terms of reference of the Estimates Committee, Madam Speaker has nominated the member for Nightcliff to replace the member for Sanderson and, further, pursuant to section 12 of the terms of reference of the Estimate Committee, Madam Speaker has nominated the member for Brennan to replace the member for Drysdale, who appears in his capacity as shadow minister for Business, Industry and Resource Development.

**DEPARTMENT OF BUSINESS, INDUSTRY AND RESOURCE DEVELOPMENT  
OUTPUT GROUP 1.0 – Business, Trade and Industry Development Services**

**Output 1.1 - Business Trade and Industry Development Services**

**Madam ACTING CHAIRMAN:** I remind all members of the committee that the priority for questions are the shadow first, then other members of the committee, then Independent members. Shadow minister, questions relating to Output Group 1.0, Output 1.1.

**Mr DUNHAM:** Thank you, Madam Deputy Chair. Minister, I take you to Budget Paper No 3 at page 287. In your budget speech you said – in fact it is a slogan on all of these documents here – 'less tax'. I take you to the schedule headed Taxation Revenue, which shows an increase in tax. Can you

describe to me how that is less tax?

**Mr HENDERSON:** It is very simple, member for Drysdale, particularly in relation to payroll tax. The threshold has been lifted for businesses that are paying payroll tax, from \$600 000 to \$800 000 in this budget and to \$1m from 1 July 2005. Those businesses that are paying payroll tax will be paying less payroll tax as a result of that particular move. Some 160 or 170 businesses altogether will vacate that payroll tax in its entirety once it moves to \$1m.

There are other taxation measures in the budget: the ceasing of the HIH levy for all businesses; ceasing debits tax from 1 July, and the payroll tax changes. Therefore, for businesses who are paying those taxes, they will be paying less tax. As I have moved around the Northern Territory and spoken to many businesses, they have really welcomed that move.

**Mr DUNHAM:** Okay. So, do you want to change the words 'less tax' to 'less payroll tax', or do you want to be more - that was part of your answer there, but going to that particular one, you said people paying payroll tax will pay less tax. I point out to you, that it is up to an additional \$5.850m so, patently, businesses paying payroll tax will be paying more of it because you will be collecting more of it. I go back to my fundamental question. When you claim that tax is up, surely your schedule at page 287 of Budget Paper No 3 shows that tax is up by some millions. How can you parade around the business community saying less taxes? I understand you wanted to put some little descriptives in there, but your catch phrase is 'less tax'. In fact, it is more, is it not?

**Mr HENDERSON:** Well, it is not. I will give couple of specific examples without identifying the individual company ...

**Mr Dunham:** Generic would be better than specific?

**Mr HENDERSON:** It is very specific to the individual companies. I was speaking to the owner of one the other day who, as a result of the payroll tax changes, will be some \$40000 better off in regard to his business this year. He said very much so; that his business would save \$40 000-odd as a direct result of the lifting of the threshold - money that had already been budgeted for in his forward business plans. He would be able to put on an additional staff member immediately. Another business operator I was speaking to on the same issue would have savings of pretty close to \$80 000 this financial year.

Trying to explain to those businesses that, somehow, they are paying more tax when they are patently paying less tax and, as a result of that, can reinvest that money that they have already budgeted for within their business - back into their business, back into employing more Territorians - is very hard. As I have said, there has been a significant - the largest ever - move on payroll tax in the tax's history in the Northern Territory. As a result of all of these measures, officially now the Northern Territory is the lowest taxing jurisdiction for small business in Australia. To try to run a line to those businesses who are saving tens of thousands of dollars this year on their tax bill that they are somehow paying more tax, you will not get a bite on it.

**Mr DUNHAM:** You would not run a line to those two particular businesses, would you? How many businesses are there in the Territory?

**Mr HENDERSON:** The latest register of public and private businesses - around 17 000.

**Mr DUNHAM:** 17 000 businesses in the Territory, and you spoke to two who are doing better off.

**Mr HENDERSON:** No, I said I would give you two examples. I have spoken to many businesses since the budget was handed down. I can say, universally, the businesses I have spoken to are very pleased with the changes. Of course, there are always calls that you could have done more. You could always do more, but governments have to raise revenue, and it is very targeted this year. The government, for the first time this year, invited all of the peak industry bodies to a briefing with



Treasury prior to the budget and, essentially, the offer was to those associations: 'What do you want to see in the budget, where would you like the government to go in this budget?' ...

**Mr Dunham:** Yes, I know this, it is in *Hansard*.

**Mr HENDERSON:** ...and the majority of people said: 'Make a move on payroll tax', and we have made a very significant move.

**Mr DUNHAM:** Okay. You are the minister for business. Can I ask you a question? Do you believe the number \$337.7m is greater than the number \$335m? Is it greater or lesser?

**Mr HENDERSON:** Well, obviously, the number is greater, but we have a growing ...

**Mr Dunham:** Aha.

**Mr HENDERSON:** ... economy as well, so the explanation of those numbers - and somehow the opposition is trying to run the line that ...

**Mr Dunham:** It is more tax. We are trying to use your papers.

**Mr HENDERSON:** ... the place is ruins, people are leaving the Territory in their droves, in tens and thousands ...

**Mr Dunham:** No, I did not say that.

**Mr HENDERSON:** We have cut the various rates. Those thresholds show an estimate and an increase. It shows that we have a growing economy here in the Northern Territory, and that is very good and, certainly, something that the government is very pleased to see.

**Mr DUNHAM:** Okay, so there are two legs to your principle. One is that there will be more people here, there will be a more buoyant economy and, therefore, more people paying tax. Can I take you then to Budget Paper No 2 at page 8, which shows how much tax per capita will be paid. I would ask you again: do you believe the number \$1326, which is per capita for next year, is higher than the number \$1319, which is an increase on what you anticipated last year but, nonetheless, that is what you expected last year?

**Mr HENDERSON:** The issue of how much tax individual businesses will pay is very clear: those businesses that are paying payroll tax will pay less tax; those businesses that are employing people as a result of the abolition of the HIH duty will pay less tax; and, as a result of the banking debits charge being eliminated next year at a tune of some \$6m-odd, businesses will be paying less tax. So, individual businesses will be paying ...

**Mr Dunham:** Some of them

**Mr HENDERSON:** Well, the vast majority of businesses. It will be hard to point to a scenario unless a business has put on significant numbers of extra staff than last year. The vast majority of businesses in the Northern Territory will be paying less tax. I would also point, in the very table that you are pointing to, to show in Taxation Revenue Per Capita, General Government, the Territory is the second lowest of all the states. It is a very competitive position and the lowest for small business in Australia.

**Mr DUNHAM:** Okay. So, you refuse to accept that Territorians, per capita, are paying less tax - more tax, sorry? And you refuse to accept that this government is picking up more tax from its taxation initiatives?

**Mr Bonson:** Is that a question or a presumption?

**Mr DUNHAM:** No, I am saying: do you understand that the figure last year, per capita, was less than this year; and do you understand that the money that Treasury will pick up through taxation is less last year than they anticipate next year?

**Mr HENDERSON:** The numbers are greater, but they are an indication of a growing ...

**Mr Dunham:** More? Would you say it is more or less?

**Mr HENDERSON:** They are an indication of a growing economy. As a result of the growing economy - more people in the economy, more people working, businesses employing more people - then those revenues are slightly up. However, for individual businesses that are paying payroll tax, there will be some 170-odd businesses who will not be paying payroll tax at all as a result of 1 July 2005. Every business that is paying payroll tax will pay less payroll tax as a result of these changes. To try and argue that, somehow, those businesses would be paying more tax as individual trading enterprises is patently ridiculous.

**Mr DUNHAM:** No, I am not making that point. You have said there is 17 000 businesses, and 170 - which is in two year's time, I might add - will be paying less. That is 1% will be paying less. I am trying to talk about the bulk of businesses and the bulk of what is happening out there.

You have given us this economic scenario of yours that says: 'We will be getting more revenue next year because the economy will be going gangbusters ...

**Mr Henderson:** No, I did not say that.

**Mr DUNHAM:** The economy will improve ...

**Mr Henderson:** It is growing.

**Mr DUNHAM:** It is growing. So, next year we can expect revenue to grow because the economy will grow?

**Mr HENDERSON:** Well, that is a pretty logical assumption.

**Mr DUNHAM:** Well, let us test it with what happened last year. Last year, for instance, you thought you would collect \$311m in tax, and you collected \$335m - an extra \$24m. Not bad, really - several percent, and the economy grew by 0.3%. Therefore, this hypothesis of yours that the economy will grow and, along with it will go all these tax revenues - last year, you taxed a dwindling economy, well and truly above any of the growth indicators that you predicted. So, the theory does not hold with past practice, does it?

If we go back to your taxing record, we can see that \$280m was your anticipated 2001-02, and you came in some \$10m above that. Last year, you came in \$24m above it. Therefore, on an economy that is doing it tough, the tax man is still going on his several percent, isn't he? It has no nexus at all with the scenario you have given us for next year, has it?

**Mr HENDERSON:** Well, I am sure my colleague, the Treasurer, answered this question in detail, because I know it was answered yesterday. However, in regards to year-on-year taxes - and without the specific Treasury knowledge, but I am certainly aware of - there were a number of individual large property transactions in the last year which would have raised in excess of what was anticipated or estimated in stamp duty. Those were certainly part of the reasons for that increase. I am sure the Treasurer has given you that answer.

The reality is that Territory businesses, individual trading enterprises in the Northern Territory, as a

result of government taxes such as payroll tax, the HIH levy, and general bank accounts debits duty - those individual companies in the Territory which have we focussed on in terms of helping business grow - will pay less tax. They are very pleased about that. Certainly, a number of businesses I have spoken to since the budget - particularly those that are paying payroll taxes - are very pleased with the measure.

**Madam ACTING CHAIRMAN:** Minister, I just draw your attention at this stage - I have obviously allowed a fair amount of latitude in terms of questions asked by the shadow of the minister on the issue of business tax. However, we are on Output 1.1, and the minister has just pointed out that we are dealing with matters of Treasury, so you will start to get into the point of relevance.

**Mr DUNHAM:** Tax is entirely relevant to businesses, and the minute you tell me that businesses are unconcerned about taxes, you have the wrong person sitting there.

**Madam ACTING CHAIRMAN:** Do not put words in my mouth, member for Drysdale, because they are quite ...

**Mr DUNHAM:** Well, do not be patronising me about where the relevance is ...

**Madam ACTING CHAIRMAN:** I am just explaining relevance ...

**Mr DUNHAM:** Can I give you a quote, minister? This out of *Hansard*, 18 May 2004, and it is relevant to business because the word is in there:

*Over 1400 businesses will be better off, the biggest winners being locally-based Territory businesses with an average saving of \$20 500 per year.*

The Treasurer had some difficulty with his maths and I would like you to run through it for us, please. There are 17 000 businesses in the Territory. On this assumption here, 1400 will be better off, and the amount they will be better off by will be averaged at \$20 500. Could you run through the maths of that for me?

**Mr HENDERSON:** The 1400 businesses would be those businesses that are paying payroll tax; that is, those businesses that have a payroll in excess of \$600 000. That is where that number would have come from. Treasury would have costed it out - and I do not have the numbers in front of me - based on the make up of those businesses, how many people they employ, different businesses. All of those businesses that are paying payroll taxes and the threshold goes from \$600 000 to \$800 000 - all of those 1400 businesses - will have a savings on the \$200 000 worth of the payroll that they no longer pay payroll tax on. Then there would be a number of businesses which have a payroll between \$600 000 and \$800 000 that would drop out of the payroll tax net altogether. So, the numbers in terms of the \$20 000 would be calculated by Treasury, based on the amount of tax that those businesses were paying, and averaged out across the 1400. I do not have those numbers in front of me. I am not the Treasurer and I just do not have that detail.

**Mr DUNHAM:** So, it is actually a small number, isn't it?

**Mr HENDERSON:** What is a small number?

**Mr DUNHAM:** Well, you are parading that businesses are better off but, of the 1700 businesses, it is much less than the 1400 would be better off. In any event, the \$20 000 is hardly an average across the businesses in the Northern Territory, is it?

**Mr HENDERSON:** It is an average across the 1400 businesses which are paying payroll tax.

**Mr DUNHAM:** Right. It is \$20 000? The two you spoke to are well and truly not indicative, were they?

**Mr HENDERSON:** I have spoken to more than two. Those are the two examples that I gave. The two business examples that I gave are businesses that are going to drop out of the net altogether and have a substantial saving. Other very large businesses with several hundred employees would have a smaller saving. Those are Treasury numbers, and I am absolutely confident they are accurate.

**Mr DUNHAM:** And you are quite happy to continue with the mantra of less tax in relation to this budget?

**Mr HENDERSON:** There is less tax for businesses ...

**Mr Dunham:** Some

**Mr HENDERSON:** No. All businesses which are employing people would have been paying the HIH levy. All businesses would be paying the bank accounts debits tax. Those businesses will be paying less tax. We would love to do more, but it was certainly targeted. As I said before, the peak industry associations in the Northern Territory said to government: 'If you were to move anywhere in this budget we would like a significant move on payroll tax', because that would directly stimulate investment in those businesses, particularly putting on more staff. The key to the budget was to increase private sector investment in the economy and to grow jobs, and this budget will do that.

**Mr DUNHAM:** But you had already undertaken to do that, anyway, in your promises, so I do not know why they were lobbying you on it.

**Mr HENDERSON:** Well you need to get out more and talk to them because they are very pleased about it.

**Mr DUNHAM:** Oh, no, I get out. I am interested, too, minister; the \$20 500 figure seems to be raw of some of the inputs that have come about as a result of some policy decisions from this government. You would be aware, getting out and about and talking to people and saving money, that there have been some increases as well. What would you believe they might be?

**Mr HENDERSON:** What what may be?

**Mr DUNHAM:** Increases that have come to business. Well, I will give you one: power and water, for instance - electricity.

**Mr HENDERSON:** To some businesses, I think around ...

**Mr Dunham:** ... the cost of registering a car.

**Mr CHAIRMAN:** Allow the minister to answer, please.

**Mr HENDERSON:** ... 200 business in the Northern Territory.

**Mr DUNHAM:** Are what?

**Mr HENDERSON:** My recollection is the number is either 200 or 400 - I think it is 200 - that were affected by the electricity price increases that you are referring to.

**Mr DUNHAM:** And how many by water, do you think, which has gone up 7% in the last couple of years?

**Mr HENDERSON:** I do not have the numbers in front of me, but the cost of providing those services

by Power and Water would have gone up. If we were to go back to the last four years of the previous government's administration, I would expect that you would see similar increases in water charges and rego charges across the Northern Territory. You just cannot hold the line on those things forever.

**Mr DUNHAM:** So you, as the business minister, would be reluctant to be going out parading to business that they are \$20 500 better off, because you would know better, wouldn't you?

**Mr Henderson:** I have certainly never said ...

**Mr DUNHAM:** You know that there are a number of other things ...

**Mr HENDERSON:** No, no. You are putting words in to my mouth. The 1400 businesses in the Northern Territory that are paying payroll tax are certainly, on average, \$20 000 better off. Some are better off than that, some will be worse but, on average, they are better off to the tune of around \$20 000. Not all businesses in the Northern Territory pay payroll tax, as you pointed out.

**Mr DUNHAM:** Okay, so if 1400 ...

**Madam ACTING CHAIRMAN:** Just a moment, please. I have to do this, shadow minister. The time is now 1.57 pm and, for the purposes of the *Hansard* record, I wish to advise that pursuant to section 12 of the terms of reference of the Estimates Committee, Madam Speaker has nominated the Leader of the Opposition to replace the Deputy Leader of the Opposition. Please continue.

**Mr DUNHAM:** Okay. You have told us that 1400 are better off and we know the average is \$20 500. Are you aware that would be over \$28m for that initiative?

**Mr HENDERSON:** You would have to run through your maths. I do not have the Treasury calculations in front of me, but I point out that Treasury calculations are done in accordance with the *Fiscal Integrity and Transparency Act* and, if you wish to challenge those Treasury figures, put your numbers on the table. I am sure Treasury will put their numbers on the table and we will make that assessment.

**Mr DUNHAM:** Yes, but these are your books. You have just told us 1400 businesses are better off. You are quite confident the average across those businesses is \$20 500. I am telling you that, if you do a quick calculation - we have a calculator here; we can do it for you - it is over \$28m. I believe that number is wrong, isn't it?

**Mr HENDERSON:** No, I do not think it is wrong.

**Mr DUNHAM:** You think that is right?

**Mr HENDERSON:** My estimate - and I do not have the numbers; I am not the Treasurer - in terms of the total payroll tax take in the Northern Territory is around \$90m-odd. Where your \$28m comes from, I do not know.

**Mr DUNHAM:** Let us agree that you say 1400 businesses are better off. Do we agree with that?

**Mr HENDERSON:** Yes, because they are the ones that are paying payroll tax.

**Mr DUNHAM:** Let us assume that the average figure they are better off is \$20 500. Some will be more, some will be less.

**Mr HENDERSON:** Yes.

**Mr DUNHAM:** If you multiple those two figures together you get over \$28m. Your initiatives for business are \$6.7m - quite puny, I might add, given you are still picking up over \$5.7m worth of payroll tax; so it is not even budget neutral. I would suggest to you that there is a problem with that calculation, otherwise you would be crowing about a \$28m initiative, wouldn't you, not a \$6.7m one?

**Mr HENDERSON:** I am sure the Treasurer has answered those questions. All businesses in the Northern Territory, as a result of lifting the threshold from \$600 000 to \$800 000 and from \$800 000 to \$1m ...

**Mr Dunham:** Next year.

**Mr HENDERSON:** Yes, that is next year. That is \$400 000 in 14 months. All of those businesses will be significantly better off and those Treasury calculations, I am sure, stand the test of the *Fiscal Integrity and Transparency Act*. I am sure if they do not, the Auditor-General will have something to say about it.

**Mr DUNHAM:** Well, I think they are wrong. You talked in your little precursor about business confidence. I have some of the words. You talked about how happy you were about business confidence. Can you give me some indicator of your claim that business is very confident in this government?

**Mr HENDERSON:** I did not say that at all. Again, you persist in putting words into my mouth. The claim, as a result of the last Sensis Small Business Survey, was that small businesses in the Northern Territory, in terms of their confidence in the economy over the next quarter, had the highest level of confidence in the next quarter in Australia. That was the claim, based on the Sensis ...

**Mr Dunham:** They are coming off a pretty low base, isn't it?

**Mr HENDERSON:** ... survey. The increase for that quarter is the highest in Australia; that is the claim. It backs up on the Chamber of Commerce's own survey that was released some weeks previously. If you do get out and about in the Northern Territory at the moment, a lot of businesses are feeling that things are picking up and that the corner has been turned, and there is a lot of activity out there at the moment. Not all businesses are doing well, but most businesses that you talk to would admit they are feeling much better about their business prospects for the next 12 months than they were 12 months previously.

**Mr DUNHAM** Well, that is not true, because you can track it quarter by quarter. What we have here is a replica of pretty much last year: the budget is there, we hope to do well, the government says it will create jobs, the government says growth will be 5% - which it was not. What we have here is a bit of déjà vu from last year, and I suppose that is where I am getting to: your degree of competence in some of these figures. We are not at all confident about your maths with the 1400 better-off businesses. The Sensis business confidence index, for instance, while it shows that business is reasonably confident about their future, it also shows actual experience during the quarter. It is interesting that this optimism probably is an indicator of the stoicism of business, because their hopes are dashed quarter after quarter. I would suggest a similar thing might happen this time.

You talked about the Chamber of Commerce also being an indicator of confidence. I have a survey result that talks about cautious optimism. Is that the one you are talking about?

**Mr HENDERSON:** Well, you have the survey in front of you. I do not have the exact words in front of me, but I think that that is accurate, to my memory.

**Mr DUNHAM:** Well, I do not actually have it all, because I was a member of the Chamber of Commerce and I was surveyed on performance of the government ...

**Mr Henderson:** Well, we know what you would have said.

**Mr DUNHAM:** ... and I note that it was not included in the survey result.

**Mr Henderson:** Did you respond? I wonder how many others are? Members of the CLP parliamentary wing who are responding to those surveys ...

**Mr DUNHAM:** Well, I am interested ...

**Mr Henderson:** ... influencing the statistics. Okay. It is like the vote line; how many people - ring up.

**Mr DUNHAM:** I do not know what the vote line is ...

**Mr Henderson:** *NT News*. You should read it.

**Mr DUNHAM:** No, all I am saying to you is that, while they did a poll on response of business to the government, they did not actually publish those figures. So, if you have them, I would be very interested in them.

**Mr HENDERSON:** Well, I do not have them with me.

**Mr DUNHAM:** Oh right, okay. So, you just said it.

**Mr HENDERSON:** If you are a member of the Chamber of Commerce, you could ask them and I am sure you would get them.

**Mr DUNHAM:** Okay. So it is something you said. You also said that car sales are up and, while that is true, have you talked to the Motor Vehicle Traders Association about their perspective on car sales here in the Territory versus nationally?

**Mr HENDERSON:** Yes, I spoke to them three or four weeks ago.

**Mr DUNHAM:** And they are quite happy with the way things are going?

**Mr HENDERSON:** Oh, they are not quite happy – no, they would not say that all. They recognise that it is up on last year but, in comparison, if you do the figures per capita, they are not doing as well as they would like to, no. But it is up on last year.

**Mr DUNHAM:** So, when you threw in that little collection of indicators that you are going well ...

**Mr HENDERSON:** No, it is saying that the economy is turning the corner, and those indicators are up on last year. If you talk to the vast majority of people in business around the Territory, they will say that they are expecting better things this year; that it is trending up; that they have plenty of work on. A lot of businesses have got plenty of work on, and they are more confident in the economy for the next 12 months than they were 12 months ago.

**Mr DUNHAM:** Can you tell me how many motor vehicle dealers have shut in the last two years?

**Mr HENDERSON:** No, I do not have those numbers in front of me.

**Mr DUNHAM:** Oh sorry, I thought you were the business minister. The other indicators you are crowing about are jobs. I note that in last year's budget, there was a big play on jobs. In fact, the Chief Minister or somebody, got some stickers done. I think there is one on the back of that - no, sorry, it has been taken off. They were put on, as a little stunt ...

**Mr Henderson:** Got a new computer, as a result of supporting small business.

**Mr DUNHAM:** ... they were sprinkled around the parliament: 'Gas = Jobs'. I wonder why the employment prospects have been downgraded this year, minister? Could you give me some idea why the bullish optimism about employment growth has now been revealed in these budget papers to be a myth? Or it is certainly a massive miscalculation.

**Mr HENDERSON:** Well, the latest ANZ jobs analysis of job advertising showed the Territory as having the healthiest prospects for jobs growth in the next six to 12 months in the country. They are the latest figures from the ANZ Job Ads Survey. Unemployment is the second lowest in Australia, and the work force has increased.

**Mr DUNHAM:** Right. And last year their optimism was similar? And also ...

**Mr HENDERSON:** I do not recall the ANZ having the healthiest forecast in terms of job adverts in the country last year, no.

**Mr DUNHAM:** Minister, on the news this morning, they talked about the probability of Australia entering into a free trade agreement with the biggest economy in the world. Can you tell me whether this will have a positive or negative impact on business here in the Territory? This is the US free trade agreement.

**Mr HENDERSON:** Yes, yes, something that I can say that my department and I have done a lot of work on. The analysis that we have conducted in terms of the free trade agreement – the proposed free trade agreement; it is yet to pass in federal parliament - is a very detailed document, and states that it will have a marginal impact in the Northern Territory. However, in some key areas, particularly in primary production and fisheries, we would expect that there would be some immediate opportunities. I believe the prospects for increased investment from the United States in the Northern Territory is something worth going after as well. Therefore, in the immediate term very marginal but, certainly, it is an agreement that has Cabinet endorsement, which the government supports.

**Mr DUNHAM:** Is it likely you will be talking to the business community about this at some time?

**Mr HENDERSON:** You, obviously, do not get out and about very much, shadow minister. We have had extensive consultations with the business community. All the peak industry associations in the Northern Territory were consulted before we made our decision. There have been numerous workshops around the Northern Territory. In fact, Geoff Raby from the Commonwealth department has presented to, I think it was some 250-odd business people in the Northern Territory, and a further briefing is planned on 22 June, which was yesterday. It occurred and there has been extensive consultation and ...

**Mr Dunham:** With who? What was his name again?

**Mr HENDERSON:** Pardon, say again. Raby.

There has been extensive consultation and all off the peak industry associations' advice was sought before Cabinet made a decision to support the proposed FTA.

**Mr DUNHAM:** All right. No further questions for the moment.

**Madam ACTING CHAIRMAN:** Questions on Output 1.1, Business, Trade and Industry Development Services - other members of the committee?

**Mr BURKE:** Can you tell me, minister, in terms of Power and Water charges - obviously a great concern to business - what is the relationship between your department and Power and Water? What



sort of input does your department have with Power and Water on these business issues when it comes to increased charges?

**Mr HENDERSON:** Well, member for Brennan, in any Cabinet decision that impacts on - or potentially impacts on - the business community, that Cabinet submission is circulated to my department for comment. As you would be aware of the Cabinet process, as minister, I carry those comments to the Cabinet on those issues.

**Mr BURKE:** Since Power and Water has become an independent corporation, essentially, does Cabinet get involved in those decisions?

**Mr HENDERSON:** It all depends on what the decisions are. Certainly, some of those decisions come to Cabinet, yes.

**Mr BURKE:** So, would you agree with my colleague in terms of rising costs for sewerage and water, in particular, that it is a deep and burning issue in the business community?

**Mr HENDERSON:** Well, any increase in charges from government agencies to businesses is, obviously, a consideration. However, I will give another indication where, after a lot of consultation with the business community on the new trade waste legislation that imposes – well, was proposed to impose - charges in terms of processing that waste, the government made a decision not to impose those charges.

You do what you can regarding government levies and charges, particularly when they are for the cost of services. In that particular instance, we did not go ahead with the proposed charge. I think the whole trade waste scheme was initiated in the last months of the previous government and, in that particular area, proposals and a lot of consultation - I think we even funded somebody in the Chamber of Commerce to assist with those consultations. There was a charging regime proposed and, predominantly, we understood times were pretty tough out there and decided that we would move ahead with the regulations but we would not impose the charges.

**Mr BURKE:** What I am leading to is: in the past, and the Labor government has followed the CLP initiative, the government directly intervened and put a hold on domestic electricity prices. That is a policy that has carried through. So, government can intervene and doing it quite correctly when it wants to. I am interested in you, as the business minister. Do you have any strategies that you think you need to deal with on this issue?

I will give you an example. I had representation from the Lazy Lizard at Pine Creek. You might be aware of that facility. They have been paying sewerage charges for the last seven years of \$247 a quarter. Those charges have now gone to \$736 a quarter. That, to my mind, is way out of the ballpark in how that business can survive in a place like Pine Creek. I am wondering how many issues or representations you would get along those sorts of lines that you feel that there might be a need to intervene with a CSO or not, particularly for regional areas?

**Mr HENDERSON:** Yes, the whole issue of CSO funding to Power and Water and other government agencies is an issue that is considered every budget Cabinet, which I am sure was the case when you were Chief Minister in the previous government. You do what you can via the CSO funding to Power and Water. We did commit additional CSO funding to Power and Water to the tune of \$8m in this particular budget, which would have been \$8m worth of charges that would have been imposed on Territory business that were not imposed as a result of that additional CSO funding. You do what you can within the overall budget for the financial year. Certainly, in that issue in regard to the electricity increases to those Territory businesses, an additional \$8m worth of taxpayer subsidy went to those businesses in this budget.

**Mr BURKE:** The issue I was leading to is the coordination across government in ensuring you meet your departmental outcome of enhanced industry capacity performance and sustainability, and what sort of coordination there is occurring across government. In that regard, I was wondering, as the

business minister, where do you think are the major imposts and, if you could affect them directly, where would you put your priorities?

**Mr HENDERSON:** As I have said, the priority for the tax cuts, which is one way of providing assistance to business; infrastructure spend, which is another way of stimulating the economy; and CSO funding to agencies such as Power and Water are all considered in the mix. Certainly, as business minister and with the department, I take a range of issues into budget Cabinet when we make those deliberations. But, very strongly from the business community this year, across all of the individual industry associations, when we said to them that there was capacity in the budget to reduce taxes and charges for the upcoming budget and asked them where they would like to see government make a move – obviously, there was not unanimous support; different industry bodies would have a different view - but the large bulk of the submissions which came, for the first time into the budget process for this year, was to do something significant on payroll tax. That is what we have done.

You would like to do more everywhere, but the reality is you have to raise revenue. However, what we could hand back, we have targeted it towards payroll tax. We believe that that has the greatest capacity to stimulate investment and jobs growth in the Northern Territory. It has been endorsed by the business community as going further than they even anticipated we could go. That was a decision that we made and it was a good decision.

**Mr BURKE:** I believe the Treasurer is taking credit for it.

**Mr HENDERSON:** Say again.

**Mr BURKE:** I believe the Treasurer is taking credit for it.

**Mr HENDERSON:** Well, it is his budget.

**Mr BURKE:** If you look back on the last 12 months of your department, where the new CEO has arrived on the scene and he has to fill the big shoes before him, what would be the initiatives that your department would say, in the last 12 months, that you have proposed to build business confidence in the Northern Territory? Give me three.

**Mr HENDERSON:** Very much, the major initiative in last year's budget was the Trade Support Scheme. We worked with business and developed, for the first time, a trade strategy. That is a targeted strategy with a significant amount of funding attached to it to try to stimulate export and investment in the Northern Territory. That was a significant body of work done by the department last year.

We all know that the manufacturing sector is an area of the economy that does need strengthening and another significant body of work was, for the first time, with the Manufacturer's Council, a manufacturing industry strategy was developed last year that we will be moving forward this year to try and increase manufacturing as a percentage of gross state product in the Northern Territory.

Another significant issue that I am hoping to announce very soon has been a very strong body of work that we have done within government to look at how we can reduce the impact of red tape and bureaucratic imposition on small business. That is a body of work that has been done with the Chamber of Commerce and the Institute of Chartered Accountants working with government over the last few months, and it is an issue that I will be carrying forward over the next couple of months.

In those specific areas, but across a whole range of areas, DBIRD has a very intense input. Every Cabinet submission that potentially affects business in the Northern Territory is run through the department, which, through its and my advocacy, advocate for business in Cabinet.

**Mr BURKE:** I have raised in parliament before procurement practices. As I move around talking to business, I do not get the slightest impression that procurement practices have improved. I might be

wrong. Are you confident that you have drilled down in the areas where there is lag or inefficiencies in that area?

**Mr HENDERSON:** Government can do a lot better in procurement. It is by no means fixed, if it will ever be fixed. The reality with procurement is that it is competitive process; there are more losers than winners. However, we have had this discussion before. As procurement minister previously, we did a lot of work. We had no new procurement policy within government. That change is being driven now by the Treasurer who has responsibility for procurement.

As of 1 July this year, we will have policy in place where late payment of accounts from government to the private sector will incur an interest component for business, and that is a direct performance measure that the government has imposed on the bureaucracy. On the process of procurement within government, there is still a lot of work to do and it is something that I keep a very keen eye on.

**Mr BURKE:** The late payment charge is a great initiative. I have mentioned it before, but I believe professional and timely feedback on why people win or lose contracts is a major issue. It is done extremely well by Defence, and you could take the model. It is an issue that is there and alive all the time.

If you look at performance measures, why has your customer satisfaction dropped by 10% in your performance outcomes?

**Mr HENDERSON:** Has it?

**Mr BURKE:** Or expected to drop by 10%.

**Mr HENDERSON:** It is at 86% or 84% from memory.

**Mr BURKE:** It was 93% last year.

**Mr HENDERSON:** 93%? We are probably talking ...

**Mr Burke:** It leads to the question of how you measure it.

**Mr HENDERSON:** Hang on.

**Mr Burke:** Do not tell me lies.

**Mr HENDERSON:** Oh! I would never do that, member for Brennan. Never! I would never do that.

**Mr BURKE:** We know about these subjective feelings, but you know that the government thinks satisfaction with the Northern Territory government and its policies - there would have to be a way. It is very low.

If you put outcomes for business that show customer satisfaction as high as 93%, you have to question those performance outcomes.

**Mr HENDERSON:** In the last budget, for the first time, had output-based budgeting. Quality satisfaction ratings were put in the annual reports and, for the first time last year, we actually did engage consultants to go out and talk to customers of DBIRD. In regards to this particular satisfaction rating, I do not know; I will hand over to my CEO in a moment. The people who were surveyed are direct clients and customers of DBIRD, across a range of interactions, and the survey was in regard to how DBIRD met the expectations of those individual businesses in regards to whatever interaction it was.

In the first survey, conducted in 2003, DBIRD achieved an overall satisfaction rating of 84% - my brief says - outperforming government organisations in other jurisdictions. I did read that survey, and the feeling that I got from it was that, for those businesses that did have an interaction with DBIRD, the vast majority of them were very pleased, particularly in regards to the business services that we provide: the business workshops, planning services, business planning programs that we run, the mentoring programs - which was an initiative when we came to government for small business. Some several hundred businesses have undertaken those programs - very positive. In regards to performance as opposed to expectation, where the 90% figure would have come from, I do not know. If Mike has his head across it, or if he wants to flip it to somebody else, but I will hand over to the CEO.

**Mr BURKE:** To save time, is it an audited figure, or is it a figure that the department themselves decide, unaudited, subjected ...

**Mr BURGESS:** No. The figures that will appear in our annual report are done by an independent company that we get to interview our clients. They are the ones who establish the figures and they hand that to us. The numbers that appear in Budget Paper No 3 have not had the benefit of the survey that we are conducting at the moment. For different outputs, there is a variation in the customer satisfaction rates that we are experiencing through those surveys. In the Minerals and Energy area, they are round about 93%; in other areas it is generally around about 82% or 83%. Therefore, so you see a variance in that customer satisfaction targets by output, based on those previous surveys that have been done. But we do not have the benefit yet of the latest survey, which is being conducted at the moment, but those results will appear in the annual report.

**Madam ACTING CHAIRMAN:** For the purposes of *Hansard*, that was the CEO, Mike Burgess.

**Mr BURKE:** Can I ask some Defence Support questions now?

**Mr HENDERSON:** If they are within this particular output group, yes.

**Mr BURKE:** Well, there is only one output group.

**Mr HENDERSON:** Obviously, yes, go ahead.

**Mr BURKE:** Can you tell me what you would see as the main outcomes of your Defence Support Division over the last 12 months.

**Mr HENDERSON:** Over the last 12 months, the Defence Support Division has had extra resources allocated to it. We have a new director of the division, who is doing a very good job. The outcomes of the last 12 months is a good understanding of the requirements of the various arms of Defence, and from the multinationals and the corporates who are engaged in specific projects in the Northern Territory understanding what their requirements are going to be, and starting to build those relationships. In the last 12 months, we have seen the confirmation, through the Defence budget, of the Tiger helicopters coming to the Northern Territory, and major expenditure at Robertson Barracks this year to accommodate the helicopters. The Armidale patrol boat contract has been let and, obviously, we are engaged with DMS and Austal in how the through-life support of those patrol boats are going to be provided for here in Darwin.

Now, with the decision on the Abrahams tanks being made by the Commonwealth government in March this year, we are engaged with the two front-running companies, I suppose, who are will probably battle it out if the Commonwealth decides to go to tender for the through-life support of the tanks. They have not made that decisions yet of how those tanks could be supported by the two front-runners, and what would be the issues around that in the Northern Territory.

It is really working with the various arms of the Defence Force, whether it be Army or Navy in this

respect, in what is required. We certainly have a very good relationship with those major corporate players.

**Mr BURKE:** If you just go to the Abrahams tank through-life support contract, in setting yourself benchmarks, if you did not achieve the majority of that through-life support in Darwin, would you see it as a failure?

**Mr HENDERSON:** I would be very disappointed because, from the commitment we have had from the two front-runners - I do not want to put names on the public record; you know who they are - have made commitments to me and the Chief Minister that they would like to see the majority of that through-life support for the tanks done in Darwin. Both the Chief Minister and I have met with and corresponded with – certainly, I have corresponded with - Senator Hill regarding what we would perceive to be, after speaking with those companies, the infrastructure requirements in the Northern Territory to support the through-life support of those tanks. We have not had any commitment back yet from Senator Hill.

However, from the main players in the game, the statements to both me and the Chief Minister is that they would like to see as much of that done in the Territory as possible. We are working at a departmental level with both of those organisations, regarding understanding what their requirements might be and how the Territory could assist.

**Mr BURKE:** How do you view the statements by the South Australian Premier regarding his objective to secure the lions' share of that support?

**Mr HENDERSON:** Well, again, with the closure of the Mitsubishi car plant in South Australia, the Commonwealth government, to my understanding, has handed over a bucket of some \$50m to the South Australian government to try and encourage a replication of those jobs. There have been comments from the South Australian Premier.

However, in regards to the specific comments and the discussions that the South Australian government has had with one of those major corporates, a lot of the discussion, to my understanding, has been for the replacement for the Defence field vehicle fleet, and not the through-life support of the Abrahams tanks. Again, that is the focus of the government at the moment. I believe the South Australian government and the same organisation are talking about different vehicles.

**Mr BURKE:** I would like to put on the record that I would like to explore other questions with you; I do not have the time to do it. It is the nature of the Estimates Committee process which, I believe, is most unfortunate. These are important issues that we do not have time to explore.

**Madam ACTING CHAIRMAN:** Four-and-a-half hours.

**Mr HENDERSON:** Can I offer ...

**Mr BURKE:** I do not need you to tell me what you think is right. I am talking to the minister.

**Madam ACTING CHAIRMAN:** I was saying in terms of time.

**Mr HENDERSON:** Can I offer that I am more than happy to provide a full briefing. This is a very exciting opportunity for the Northern Territory. I know you have specific interests in that particular area. We believe that we are engaged; we are doing everything that we can to secure that opportunity for the Northern Territory. However, at the end of the day, the Commonwealth is going to be making those decisions. I certainly urge support from your side in regard to avenues and contacts that you have within the Commonwealth government. We are doing everything we can, and I am happy to offer a full briefing on the issue.

**Madam ACTING CHAIRMAN:** Other members of the committee? Leader of the Opposition?

**Mr MILLS:** Minister, acknowledging your vast responsibilities and the limits that we have in time to ask questions, I would ask you a couple of questions which I hope that you will be able to take on notice and get back to me with the details on, because I do not want the time taken up with just the regurgitating of basic data.

That goes to these couple of areas: certifying the allocation to Asian Relations and Trade: the number of staff currently in Asian Relations and Trade; the number of trips in the region; the itinerary; who accompanied; staff and business community representatives; and the costs of each trip.

**Mr HENDERSON:** We have that information and we can provide it.

**Mr MILLS:** I am sure you do, minister.

**Mr MILLS:** Does that need to be done, Madam Deputy Chair, through a formal process?

**Madam ACTING CHAIRMAN:** No, minister, are you taking that on notice?

**Mr HENDERSON:** I can take that on notice and get a package back to the Leader of the Opposition with those numbers.

---

**Question on Notice**

**Madam ACTING CHAIRMAN:** To assist Hansard and ensure the minister is fully aware of the question, would the Leader of the Opposition please restate the question?

**Mr MILLS:** I will do my very best. The specific allocation to Asian Relations and Trade; the number of staff in the office; their job descriptions; the number of trips to the region; the detailed itinerary; those who accompanied, staff and business community; and the detailed cost of each trip. In addition, not just the trips of the minister, but trips taken to the region on behalf of this government.

**Madam ACTING CHAIRMAN:** Minister, do you accept that as a question taken on notice.

**Mr HENDERSON:** Absolutely.

**Madam ACTING CHAIRMAN:** That being the case, I allocate number 5.1 to the question.

---

**Mr MILLS:** Minister, the next question is regarding the recent trip that the Chief Minister took into China. Are you aware that there has been much play made, previously, by the Chief Minister that all such trips would be accompanied by a full and open itinerary, and complete detailing of costs and outcomes and all this sort of business? We have not received such a detailed report in terms of cost. Is that of concern to you?

**Mr HENDERSON:** My understanding is that the details and the itinerary of the trip have been provided. I recall a ministerial report that was fairly detailed on that. If you go to the Office of Territory Development web site, there is a very detailed paper on the trip itself: who went and where the meetings were, and the anticipated outcomes. In terms of the costs that were incurred, they come in some time after the trip. I am sure they have been answered by the Chief Minister in the estimates. It is a pretty traditional question regarding overseas trips: who went and what was the cost.

**Mr MILLS:** It is just that we are referring to a detailed itinerary rather than a report on some of the key aspects of the trip. I would have expected it would have been provided, because that was the assurance that the community had received with regard to overseas trips from the current leader of government. I will move on. I understand that you did not accompany the Chief Minister on the trip to

China. Why was that?

**Mr HENDERSON:** The Chief Minister undertook a trip to China, primarily as the first time she had been there as Chief Minister. It is a very important and growing economy in our region and, as the minister for the Office of Territory Development with a focus on major investment and the railway, seeking to promote the opportunities for exports from China into Australia via the new AustralAsia trade route as Minister for the Railway. Therefore, in that capacity she took the trip.

**Mr MILLS:** I would have thought that at an undisclosed cost to Territory taxpayers and, of course, support of that maximum benefit would have been gained by you accompanying the Chief Minister and having a greater impact so that you could have a greater profile there in China. But, obviously ...

**Mr HENDERSON:** I will be going to China, following up on a number of hopeful leads that have been created, in October.

**Mr MILLS:** You are going in October?

**Mr HENDERSON:** Yes.

**Mr Dunham:** Oh, good.

**Madam ACTING CHAIRMAN:** Are there any other questions?

**Mr MILLS:** Yes, one last question. It relates to reference to the survey of customer satisfaction. Are you able to provide details on who conducted that survey and the details of the tender process, or was a certificate of exemption accompanying that?

**Mr HENDERSON:** Bear with us; I saw that in here somewhere. Okay, got it.

The tender was advertised on 24 February and proposals were received from five companies. The tenders were evaluated against the selection criteria of demonstrated expertise, methodology, costs and availability. The cost of the survey will be approximately \$59 000 per annum over two years, and market research company Colmar Brunton was the successful tenderer and has now commenced the 2004 DBIRD Customer Satisfaction Survey. Interviews should be completed around late June, and the survey will involve around 900 brief qualitative phone interviews of DBIRD's customers. This will be an increase on the previous year's sample of 760.

**Mr MILLS:** A final question, and I should have added this to the other shopping list for questions on notice: details of the overseas representation on behalf of the Northern Territory government.

**Mr HENDERSON:** What sort of details?

**Mr MILLS:** What representation do we have on an ongoing basis in the region?

**Mr HENDERSON:** Okay, we have ...

**Mr MILLS:** I am happy for that to be taken on notice, because I am mindful of your large responsibilities and we do want to get everything ...

**Mr HENDERSON:** We will give you the details. We have permanent representation in Jakarta, Manilla and Dili. We can give you the details in terms of the costs of those.

**Mr MILLS:** In your budget paper here it indicates two.

**Mr HENDERSON:** Yes, sorry. Dili has gone to the Chief Minister's Department of the Office of Territory Development.

**Mr MILLS:** Just the two. There used to be a fair few more than that.

**Mr HENDERSON:** There used to be a fair few more, but they did not do much.

**Madam ACTING CHAIRMAN:** Member for Nelson ...

**Mr MILLS:** Sorry. The details of those arrangements, have you have taken that on notice? I would like more of a description of the ...

**Mr HENDERSON:** I am happy to give you - they are commercial rates that we pay for that representation. We can give you that money that is in here.

**Mr MILLS:** Thank you.

**Madam ACTING CHAIRMAN:** Member for Nelson, I understand you had some questions.

**Mr WOOD:** Minister, according to the *Financial Review* earlier this month, the Victorian and South Australian governments had already told the federal Immigration Minister Amanda Vanstone that they want many immigrants as they can get under a new Commonwealth scheme to redirect 10 000 skilled migrants to the regions. What is the Territory doing to secure some of these 10 000 skilled workers?

**Mr HENDERSON:** A very good question, member for Nelson, and something that I have taken a very particular interest in. I am pleased to announce that, in the budget this year, the government has provided funding of \$350 000 for the formalisation of the Business and Skilled Migration Services Unit within the department.

We are in the process at the moment of developing the first documented Business and Skilled Migration Strategy for the Northern Territory government. We are in the final throes of that inasmuch as we have a discussion document out for some time. We have had a number of workshops with industry associations up and down the track. We have just had that discussion document translated into five of the key ethnic languages, and that is out for circulation amongst Territory ethnic communities. I am hoping to make an announcement in finalisation of that strategy within the next couple of months. It is certainly funded, and there is \$350 000 in the budget this year to put that unit together.

We have consistently achieved only 0.3% of the total of Australia's annual skilled migration intake. We are 1% of Australia's population. If we could even be representative of attracting 1% of business and skilled migrants to Australia to the Northern Territory, it would mean several hundred more people coming to the Territory every year. Therefore, it is a very important area. It is funded in this budget and I will be making announcements on that strategy within the next couple of months.

**Mr WOOD:** Minister, will this skilled migration strategy be looking at ways of promoting the Territory, as against other regions? What do you think they are going to say to try and persuade people to come here instead of the major states?

**Mr HENDERSON:** Part of that funding is to actually get overseas on Commonwealth immigration - not trade shows, whatever they call them, anyway. Just last year was the first time that the Territory government had been offshore in eight years promoting the Northern Territory as a destination for migrants. We attended migrant attraction fairs - for want of a better word - in the United Kingdom, Taipei, Taiwan and China last year. We will continue to do more of that. The results of those promotions are already starting to come through, so part of the \$350 000 is to get overseas and promote the Northern Territory.



**Mr WOOD:** Thank you, minister. At the bottom of page 11 in the Business Highlights, the government has sent a number of quite high targets to increase manufacturing in the Territory. Those targets will be met easily as Alcan extends alumina production at Gove. What else is planned to expand manufacturing? Could the targets be reached without gas being brought onshore?

**Mr HENDERSON:** They are ambitious targets but, as Minister for Business and Industry, I believe that we need to set targets in key areas. We cannot track our progress unless we do set targets, and the manufacturing strategy - there are a number of views. If you read the strategy itself, it is difficult: we have a low population base here in the Northern Territory; manufacturing costs are high, predominantly as a result of electricity charges; distances to markets are long. However, the areas that we are working on in industry developments are growing manufacturing opportunities and markets, developing skills, creating strategic partnerships and clusters, and promoting and supporting manufacturing best practice.

To help support the implementation of the strategy, we have an offer to the Manufacturer's Council within the Chamber of Commerce to second a public servant in this area to actually work with the Industry Association to help pull this together. There is \$95 000 in operational funding to assist in pulling the strategy together with business and industry. Also, manufacturing can access other government programs like the Trade Support Scheme. So, it really is working in cooperation with the Manufacturer's Council, which is the peak body for the manufacturing industry, to see this strategy implemented. They are ambitious targets, but we are working at an enterprise level with manufacturers to try and grow those opportunities.

**Mr WOOD:** Thank you, minister. On page 12 of the Business Highlights book is a box that explains that industry participation plans encourage local participation in Territory businesses, and how local involvement will be maximised. Has the Territory government sought assurances from the federal government that these plans are not under threat from the Free Trade Agreement with the United States. I make a note that US companies have sued Canadian governments for having such arrangements in place for local Canadian companies, arguing the arrangements are discriminatory under NAFTA.

**Mr HENDERSON:** Essentially, industry participation plans that the governments have are required for governments and government-assisted projects in both the development and operation phases with a value of \$5m or greater. If we contribute, as government - whether it be in land or infrastructure like roads and headworks to developments, or whatever - greater than \$5m in terms of the private sector bidding for that work or, if it is a project, for example, like the Vopak terminal at East Arm, a project that comes from the private sector, we require them to put together an industry participation plan which demonstrates how that particular project is going to engage as much local industry participation as possible. It is not a mandated figure; it really is a requirement from those industries to demonstrate how they are going to engage local industry and business - everything from the consultant design phase through to construction and ongoing operations. That is very much part of the tender assessments that government will be going through. Our advice is - and we have tested it - that it does not contravene the proposed Free Trade Agreement. That is the legal advice that we have.

**Mr WOOD:** Minister, on page 13 of Business Highlights, there is no mention, under Gas Onshore, of the Greater Sunrise fields. There are a couple of questions there: has the Territory government been informed finally that the gas from those fields will not be coming onshore? I asked the question of the Chief Minister last night. It says that the Territory will earn \$700 000 from offshore petroleum rents in 2004-05. Will the Territory lose out on similar future income from the Greater Sunrise gas fields after the federal government's unitisation legislation removes the Territory's power in relation to those borders? It do so on 10 March this year in the House of Representatives.

**Mr HENDERSON:** The first part of your question: have we been formally advised that Greater Sunrise gas will not be coming onshore - no, we have not been formally advised, because the developers have not made a development decision yet on how that field is going to be developed, and when it is going to be developed. Certainly, we are engaged, at the Chief Minister's level and as Minister for Business and Industry - no longer resources minister, but I have a passionate interest in this. We are

engaged with all the proponents in the joint venture, and continue to advocate bringing gas onshore from Sunrise to the Northern Territory.

It is very disappointing to see in the Commonwealth government's energy policy that was released a couple of weeks ago that, virtually, the entire focus of that policy was on maintaining coal-fired energy production on the eastern states. There was no vision for a national gas grid, and actually linking up the eastern states with a clean source of energy that not only would see better environmental outcomes for Australia, but see massive industry development in the northern part of Australia - an opportunity wasted.

However, we are still in there, advocating. Ultimately, those decisions will be made in the commercial interest of the joint venture. Unfortunately, again, Australia is seemingly - and we could not find anybody when I had portfolio responsibility - the only western developed nation in the world that does not have some national interest requirement regarding its development of energy resources. The current Commonwealth government is purely 'hands off, leave it to the marketplace'. The reality of that marketplace, when you're talking about multinational companies, is that they have assets globally, and they have a time frame for bringing those assets in production, in maintaining prices, and would be quite happy, possibly - some of those people - to see Sunrise sitting there for 20 years. That is not our view; we think it should come onshore. There is the window of opportunity at the moment, with the LNG plant under construction at Wickham Point, and also for domestic gas, which would boost manufacturing industry. We all know the reason why it should come onshore. We are doing everything we can.

In regard to the specific question about petroleum resource rents, I do not have, as business minister, that answer. However, I am sure that, if you direct the same question to my colleague, the resources minister, he would have an answer for you on that issue.

**Mr WOOD:** Just two questions. In 2002-03, the government provided a business growth grant of \$40 000 to the Northern Land Council. I got that information from DBIRD's annual report. I am asking this question now, even though it has nothing to do with the current or future budget, because annual reports came out after last year's Estimates Committee. Could you please say what sort of business NLC is growing.

**Mr HENDERSON:** I do not have a specific answer, so I am happy to take that question on notice. However, I can say - and I am very pleased to say - that, since we came to government, we have actively engaged the Northern Land Council in a number of areas in developing better relationships in the mining, minerals and titles area. In the enterprise development area, I know my department's seconded an officer to work with the NLC for a number of months, to assist them in putting an enterprise development strategy in place.

We had the Indigenous Economic Forum in Alice Springs early last year. In reality, for the Northern Territory's economy to reach its potential, we have to engage indigenous people, and bring indigenous land into the economic equation much more than it is now. We can only do that by engaging with indigenous organisations and Aboriginal people. I am sure, in that context, that grant was provided, but I do not have the details of it, and will take it on notice.

**Madam ACTING CHAIRMAN:** To assist Hansard, and to ensure the minister is fully aware of the question, would the member please restate that question?

---

#### Question on Notice

**Mr WOOD:** In 2002-03, the government provided a business growth grant of \$40 000 to the Northern Land Council, and that information comes from DBIRD's annual report. I will shorten the question. Basically, what sort of business is the NLC growing, and can we have the details of what the grant was for?

**Madam ACTING CHAIRMAN:** Minister, do you accept that as a question taken on notice?

**Mr HENDERSON:** Yes.

**Madam ACTING CHAIRMAN:** That being the case, I allocate number 5.2 to the question.

---

**Madam ACTING CHAIRMAN:** Are there any further questions on Output 1.1? That concludes consideration of Output 1.1 and it concludes consideration of Output Group 1.0, Business, Trade and Industry Development Services.

Questions on Output Group 2.0 and Output Group 3.0 will be addressed by minister Vatskalis tomorrow. That concludes consideration of the Business, Industry, Trade output group.

On behalf of the committee I would like to thank the officers of the Department of Business, Industry and Resource Development.

I propose the committee have a recess of five minutes to allow the changeover of officers. We will be back here at 2.55 pm.

The committee suspended.

---

## **POLICE, FIRE AND EMERGENCY SERVICES**

**Madam ACTING CHAIRMAN:** I call the committee to order, welcome the minister and invite him to introduce the officials who are coming in and, if he wishes, to make an opening statement on behalf of Police, Fire and Emergency Services.

**Mr HENDERSON:** Thank you, Madam Deputy Chair. I am pleased to be joined here today by the CEO of the tri-service, Commissioner Paul White, Mr Bruce Mouatt, the Acting Director of the Northern Territory Fire and Rescue Service and, to my right, Ms Audrey Ko, Executive Director of Corporate Services for the tri-service.

I take the opportunity to place on the public record my commendation to the men and women of the tri-service for their improvements that are occurring throughout the tri-service, most noticeably in relation to police and fire services.

Commissioner White has now been in his role for two-and-a-half years, and we can all see that he is moving the Northern Territory Police Force ahead with modern techniques and strategies such as intelligence-led policing.

Also in relation to the fire service, we are seeing improvements. The morale problems facing that organisation have been a long time in the making, but the Metis Review and the implementation of the recommendations using extra funds allocated by the government, by the men and women of the service under the stewardship of the CEO and the new Acting Director, Bruce Mouatt, has been a stimulus for many positive initiatives and changes. There is more work to do, and the positive signs of the changes for a new area for the fire service are there.

The Northern Territory Police Force budget reflects the massive injection of funds needed to deliver on the recommendations of the O'Sullivan Report. With the Martin government's four-year Building Our Police Force Plan, the strength of our police force is growing.

The commissioner has provided me with staffing figures that compare 30 June 2003 with 9 June 2004. The issue of police numbers has been one of interest to the Estimates Committee in the past, and I am delighted to table the figures that have been provided to me by the commissioner. That will save some questions. The figures include where the force was at 30 June 2003, the end of the last financial year; and the second set of figures represent where the numbers stood as at 9 June 2004, which was done to provide information to the committee. These show the number of operational police has risen from 888 to 997 in the period. That is an increase of 109.

The commissioner's staffing figures show that, at 9 June 2004, there are: 17 more police at Darwin Police Station to 65; 21 extra police at Casuarina Police Station to 69; an extra five police at Palmerston Police Station to 58; 11 extra police at Katherine to 55; four extra police at Tennant Creek to 30; 11 extra police at Alice Springs to 129; more officers available for relief in the bush; and 17 extra Aboriginal Community Police Officers to 59.

I am delighted that the strength of the Northern Territory police will continue to grow as the government's \$75m Building Our Police Force Plan delivers record rates of recruitment 120 constables in five squads this year. This rate of growth compares starkly to what we inherited. The legacy of the previous government included the period of 1991 to 1994, where there was zero recruitment into the police force.

The police, of course, are a hugely important part of the fact that there is a decline in property crime in the Northern Territory. The recent national ABS figures show the decline in 11 of the 14 crime categories during 2003. I believe that police, supported with tough laws and effective crime prevention initiatives, are leading the charge to drive crime down. Targeting repeat offenders, using DNA technology and old fashioned police patrols on the beat are important elements of the success that the police are having. Real progress is being made to make our community safer, but there is still much more to be done. I thank you, Madam Deputy Chair, and I look forward to answering questions the committee may have.

#### **OUTPUT GROUP 1.0 – Community Safety and Protection**

##### **Output 1.1 - Community Safety, Prevention and Support**

**Madam ACTING CHAIRMAN:** The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2004-05 as they relate to Police, Fire and Emergency Services. I will now call for questions on Output Group 1.0, Output 1.1, Community Safety, Prevention and Support. Shadow minister.

**Mr ELFERINK:** Thank you, Madam Deputy Chair. I say at the outset that it is a delight to see extra money going into the tri-service, and I congratulate the minister in being able to extract that from the Treasurer. Getting money out of Treasury is always a bit difficult, but it is worth putting on the record at the outset that the O'Sullivan Review, which the minister now hails as a great achievement for his stewardships, was something that he resisted, until such time as the CLP, or the opposition, forced the police department ...

**Mr Henderson:** Forced to do something you guys never did, okay.

**Mr ELFERINK:** ... forced the minister into having a review and, lo and behold, it turned out to be a very good idea. We acknowledge the minister's comments. It is as good a place as any to start on policing numbers. You are advertising far and wide that 200 extra police will be on the beat. When?

**Mr HENDERSON:** The target is by the end of 2006. The police college can only handle so many recruits. We are recruiting at the maximum rate of recruitments of 120 police officers a year, with five squads. That is the target that has been funded by Treasury, but it is obviously influenced as well by the attrition and turnover rates, which cannot be accurately predicted year on year. We are well on target to achieving that. As I have said, in the last 12 months, we have seen an additional 109 officers available for deployment across the Territory.

**Mr ELFERINK:** In the last five years, your attrition rates have been 7.49%, 8.22%, 7.33%, 8.58%, 8.64%, trending upwards in the last three years of that period. You say you have 109 further police officers on the deck at the moment. What is your attrition rate projected for this year?

**Mr HENDERSON:** I will hand over for the details of that to the commissioner in a moment. However, putting that attrition rate into context - and I believe there is good news on that front, unless I am embarrassing myself now - the attrition rate was compounded and influenced by the morale issues inherited in the police force as a result of lack of staffing numbers, huge amounts of overtime that were required to be worked to compensate for the lack of staff, and inadequate police housing around the Northern Territory. O'Sullivan identified those issues in his review. Also, it was identified that, over that period - and I am aware - there were a large number of police who were recruited into the police in the late 1960s, early 1970s, who were still part of the Commonwealth Superannuation Scheme and were reaching retirement; happy to retire at the age of 55 to maximise their super. A significant number of those officers recruited during that period came to retirement over that period. I will hand over to the commissioner for the numbers as they stand at the moment.

**Commissioner WHITE:** Thank you, minister. For the financial year 2003-04, the number of resignations from the police force for constables and above, excluding recruits, is 29 - that is until May this year. That figure excludes nine retirements and one dismissal. So, 29 for the 11 months up until May this year, excluding nine retirements and one dismissal. In comparison, for the financial year 2002-03, for constables and above, excluding recruits, it was 45. That figure excluded 15 retirements and one dismissal. Minister, I have percentage figures for those separations. For 2002-03, the 45 constables and above, it was an attrition rate of 6.22%. For 2003-04, the 29 separations off-sided equates to a percentage of 4.27%.

**Mr ELFERINK:** So, on current rates, you would expect an attrition rate probably around - a few more separations between now and the end of the financial year, so we would be edging up to just over 5%, which is an improvement on last years?

**Commissioner WHITE:** That looks to be the case, yes.

**Mr ELFERINK:** Minister, I also wish to inquire - and I am glad to see you are expecting my inquiry in this area - in relation to the Metis Review. I want to touch on the process leading up to the review, as well as the result of the review itself, in relation to the fire service. However, I would like to remind you of what you told this Estimates Committee on 25 June 2003, and I quote you:

*Picking up on that comment, I can say that I have been, as minister, very rigorous in terms of certificates of exemption that have come up to me. I am not going to specifically name examples, but I have sent a number back. The certificates of exemption really have come up more for expediency purposes in terms of purchasing requirements rather than a real requirement for a certificate of exemption. Due to a lack of planning in agencies, I think there has been a culture evolve that, you know, we can get through the back door by the certificate of exemption based on urgency. It is not something that I am prepared to tolerate.*

Minister, on the 6 August 2003 you received the commissioner's briefing note seeking a certificate of exemption, which you tabled in parliament. Before I actually go back to what you had to say, there are a couple of questions I wanted to ask you about it. In that briefing note, you were told that three specialist consultancy organisations were asked to present submissions in relation to draft terms of reference for assessment. Who were the three consultancies?

**Mr HENDERSON:** I do not have, and neither am I required to have, those details. I do not know if those companies want those details placed on the public record. The fact that the briefing note states that those three companies were asked to prepare a submission - my memory of the note says that they were interviewed - I would have to ask before I am prepared to table that information. If, indeed, we do have it here, why on earth would you want to know the details of those three companies, unless you are, somehow, asserting that the companies were not approached? I am just not sure

whether those companies who were unsuccessful in gaining that work would like their details in the public arena. Therefore, before I am prepared to answer that question, I would like to know why you need to know those details?

**Mr ELRERINK:** Well, at the end of the day, it is that you have signed a certificate of exemption - something that you are not prepared to tolerate, in the convenience of certificates of exemption based on urgency. I would like to know who those companies are: to try and establish whether or not they were local companies, as the procurement policy requires; and also I would like to know their names to actually go and ask them about the process and whether they are satisfied with the way that they have been treated.

You came to government promising open, honest and accountable government. Now I am starting to find that, every time I raise this issue with you, there is obfuscation and I am getting an opaque result. All I am asking for is an open, honest and accountable system. That includes talking to companies which have been approached by the NT government.

**Mr HENDERSON:** Well, in the procurement system, the details of every contract awarded over certain thresholds is placed in the public domain as being a company that has been successful - whether it be by certificate of exemption or through the tender process - in gaining government work. The value of the contract is public information because they are in receipt of public money.

If you are arguing, in the account of transparency, that details of all companies who bid for government work - regardless of whether they are successful or not - should be brought into the public domain, that is probably a debate that the business community would like to hear about, because whether those businesses want to have all of the details that they bid on a particular contract and were unsuccessful, brought in to the public arena I think you would find that most companies would say no, they do not want that. If they did have a complaint about a particular issue, they could raise their complaint directly with the agency or take the issue to the Ombudsman, not have their name out in the public domain to be interrogated by members of parliament.

**Mr ELFERINK:** Curiously, if I go to the DCIS web site and try to look up tenderers for companies that are going through the normal tendering process, a list of company names is publicly available on the web site. It is not an excessive question to ask who the bidders were, in this instance because there was a certificate of exemption issue, when I can go to the DCIS web site, and look up the most recent consultancy which Metis was successful for in the Department of Education. I can tell you that Charles Darwin University and a company called J2 were the other two bidders. That is public information. Why isn't it public information when the government approaches companies?

**Mr HENDERSON:** I will, first of all, ask whether we have that information here regarding the details of those companies? We do? Okay. I am prepared to hand them over. However, I would say in terms of this consultancy the reason - and I stand by my comments that are on the *Parliamentary Record* as procurement minister at the time - the situation in the fire service at that particular point, from an industrial relations point of view in terms of some of the actions that were occurring in the fire service at the time, I would say were extraordinarily serious. I was briefed to that effect by the Chief Fire Officer at the time, as well as the commissioner. We had to engage professional HR and IR consultants in an urgent capacity to stem some of the behaviour and activities that were occurring in the fire service at that time. That was the reason for the urgency of that certificate of exemption. Certainly, I believe that that is borne testament to by the findings of the report that very accurately detail what was happening in the fire service at the time. So in terms of the three companies I will ask the commissioner to advise who they are.

**Commissioner WHITE:** Minister, the three companies that submitted an application for consultancy were (1) Metis Consulting; (2) Strategic Human Resource Consulting; and (3) Total Perspective Management Consultants.

**Mr ELFERINK:** Out of those companies, were any Territory companies?

**Commissioner WHITE:** No.

**Mr ELFERINK:** Where did we get those three company names from?

**Mr HENDERSON:** The Office of Commissioner of Public Employment was involved in this process, as that memo states. The issue in regards to what was happening in the fire service at the time, and the reason that, I assume, the Commissioner for the OCPE and the Police Commissioner had - such were the problems that we were having at the time - was that, for the members of that fire service to have any sense of confidence in the consultants reviewing the fire service - in terms of the commitment that I gave to management, the unions and the workplace - we would bring somebody in who was totally independent, who had no view or connection to the fire service at all. It was certainly part of the reasoning. I assume, given my comments at the time and discussions that we needed somebody independent to come in to do this review so that the people within the fire service could have confidence in the review team and the outcomes of the review, it would have led to a decision that companies outside the Territory be engaged. I will stand by and support that decision.

**Mr ELFERINK:** Why were those three particular companies selected over a raft of consultancy firms out there who could do the same work?

**Mr HENDERSON:** You would ...

**Mr Elferink:** Did you go through the Yellow Pages or did you go through the Sydney White Pages?

**Madam ACTING CHAIRMAN:** Shadow minister, will you let the minister answer?

**Mr HENDERSON:** The Office of the Commissioner of Public Employment and the commissioner's office would - I do not know what avenue they would use. However, it would be an avenue where the Office of the Commissioner Public Employment would seek to interview and seek quotes from people best placed in the field. As the Commissioner of Public Employment, he has extensive HR and IR experience, would have extensive networks in the professional HR and IR business community and, I am sure, he used the extensive knowledge he has of quality consultants who could come in and do the job. It would have been a matter for his judgment. That is the answer.

**Mr ELFERINK:** How many other reviews of this nature had been done by Metis Consulting prior to winning this contract?

**Mr HENDERSON:** As Minister for Police, Fire and Emergency Services, they have done no other work for this agency whilst I have been minister.

**Mr ELFERINK:** Yes, but when you inquired about this company - you would be, obviously, concerned about \$170 000 of taxpayers' money - you would be asking how good these guys are. A search of the Internet demonstrated something about Metis which quite surprised me. There is one consultancy that appears in the Internet that they have done - which is the one done for you - and the only other reference to this company on the Internet that I could find was the fact that they reviewed Anthony Ackroyd's comedy routine down south. What other work have these people done that makes them so good that you are prepared to sidestep the tendering process, by-passing two other consultancy firms, and give them a consultancy worth a \$170 000?

**Mr HENDERSON:** Member for Macdonnell, I take advice from my CEO and from the Commissioner of Public Employment. The policy initiative from me, as minister, was that we needed to have an independent HR and IR review of our fire service to stop that fire service, essentially, going into meltdown mode. That was the instruction that was given to the CEO.

The CEO and the Office of the Commissioner for Public Employment went through a process to engage a consultant. They provided a recommendation to me in regards to who that consultant should be. I have every confidence in my CEO, the Police Commissioner, and the Office of

Commissioner of Public Employment to go through a process and make that recommendation, and I signed off on it.

If you are suggesting that somehow I, as the minister, should sit on interview panels and go through all of the presentation and ask questions about the ins and outs of a company's capability, that is truly extraordinary. I have taken advice from the CEO and have accepted his advice, and that is how they were engaged. To suggest that somehow I should overturn his advice and go to some other consultant ...

**Mr Elferink:** Never suggested that.

**Mr HENDERSON:** ... is an outrageous abuse of ministerial responsibility and power.

**Mr ELFERINK:** All right. Minister, for someone who was not prepared to tolerate certificates of exemption at all a year ago, you are now ...

**Mr Henderson:** No, I did not say that.

**Mr ELFERINK:** You are now telling me ...

**Mr Henderson:** I did not say that.

**Mr ELFERINK:** You are now telling me ...

**Mr Henderson:** Do not put words in my mouth.

**Mr ELFERINK:** What does 'this is not something I am prepared to tolerate' mean?

**Mr HENDERSON:** In regards to the context of what I stated, in the habit of using excuses of expedience. However, this was not an excuse, it was a genuine - if you knew anything about the fire service, you would have known how bad the situation was at the time.

**Mr ELFERINK:** So you had gone from a position where you will not accept or tolerate certificates of exemption based on urgency, to a point where somebody comes to you and asks for a certificate of exemption based on urgency and you ask no questions?

**Mr HENDERSON:** If you again read the comment - and you did, and I am glad you put it on the record the first time - if expediency was used as a justification to get around going to tender, no, I am not prepared to tolerate it. However, there are occasions - and this was one such occasion - where behavioural patterns of actions that were occurring in the fire service that were of a very serious nature required an urgent remedy in engaging HR and IR consultants to provide independent advice to the CEO of the tri-service and me, as minister, as to what the heck was happening in that organisation, and what we needed to do to resolve it. That was the judgment; I accept that judgment.

I put on the public record that Metis Consulting have done a very fine job in getting to the bottom of what was occurring within that organisation, and coming up with a plan to resolve those. I am sure that if you were talking to members of the fire service, you can see there has been a significant improvement in morale and support for that report. The outcome of the process has been satisfactory to me, as minister, and we certainly will have a much better fire service and a much better morale within that service as a result of that consultancy.

**Mr ELFERINK:** So, the commissioner, in his briefing note to you, identified an issue that he said there was 'an urgent requirement to update our systems to be able to respond to the changing nature of Fire and Rescue Services'. That is the quote out of the paper. Indeed, he is quite entitled to, minister,



because on page 163 of this Budget Paper No 3, and a similar comment on last year's budget paper, is the quote:

*The Commissioner of Police exercises chief executive officer authority over all three services.*

Therefore, you would expect him to do that. Curiously, regarding the urgency and the problems that you have identified, and had been identified to you by the briefing note from the commissioner, if you read the Metis Review between pages 42 and 43, the Commissioner of Police has asked what management model does he use to administer the fire service. The commissioner's response is that he has a 'hands-off approach' to how the fire service is run. I am left with the distinct impression reading that passage that, from the commissioner's perspective, yes, there would certainly be problems but, certainly, are the problems so urgent that you would accept a briefing note run, basically, from the Director of Human Resource Management to your desk within a 24-hour period without asking any further questions?

The indications in the Metis Review itself, which you have just told us is an excellent review, are that the commissioner certainly did not seem to have the impression that it was absolutely urgent when he was being spoken to by Metis. So, prior to that period, the commissioner was exercising CEO authority over the fire service. Then you get a briefing note from him that says 'It is urgent, it all has to happen now'. Then, when Metis talk to him, he has a 'hands-off approach'. It is a consistency problem that I am surprised you did not inquire into, minister.

**Mr HENDERSON:** Well, leaving aside your attack on the Police Commissioner's credibility in all of this, the reality is that the justification for a C of E is as per the commissioner's minute. The issues in regards to the fire service - the extreme problems that we were having within the fire service - were issues that I discussed on a regular basis with the then Chief Fire Officer and the commissioner over a period of time. This was not an issue that came out of the blue, but there were a number of things that happened within that organisation, in a fairly short space of time, that escalated the temperature within the organisation, and the decision was made to urgently engage an independent HR and IR consultant. The very fact that a decision was taken to do that, to be on an urgent basis, was certainly the correct decision at the time. I stand by that decision.

In regards to the Police Commissioner and the management of the tri-service – and I totally support him in this – as a commissioner of the tri-service, in regards to Emergency Services and the fire service, the day-to-day operational management and running of those fire services are left to the accountable officers in that area; hence the Chief Fire Officer and the Director of Emergency Services. At the commissioner's level, it is the accountability in relation to performance, outcomes in regards to the performance of the agency, and budget management issues. However, to somehow allege, and try and infer, through your questioning, that somehow the commissioner was ignoring what was happening in the fire service and, as a result of that, we had to initiate an urgent review - I totally refute that. If you had any contacts at all within the fire service, you would know how bad the morale, the behaviour was and ...

**Mr Elferink:** It had suddenly become under your administration.

**Mr HENDERSON:** Oh, rubbish!. Read the review ...

**Mr Elferink:** And you just said it!

**Mr HENDERSON:** Read that review. It had been going on for years but it had gotten worse.

**Mr Elferink:** Oh no, you just said five minutes ago, minister, it had gotten worse ...

**Mr HENDERSON:** It had gotten worse and ...

**Mr Elferink:** ... under your administration.

**Mr HENDERSON:** ... if you compare the response by government in regard to the Metis Review, in accepting and funding the recommendations, to a previous review of the fire service - and I do not have the details of it - some seven or eight years ago that attempted to look into the same things - you talk to any fire officer - that review was ignored and put on the shelf and none of the recommendations were implemented. I stand by the process. I stand by the recommendations that were made to me. I stand by the report. I stand by the outcomes. I stand by the fire service as it implements the recommendations.

**Mr ELFERINK:** Minister, when you signed the C of E which was handed to you on 5 August, what was the value of that C of E?

**Mr HENDERSON:** The value of the C of E is as per the document. I cannot recall.

**Mr ELFERINK:** What was the value?

**Mr HENDERSON:** Well, you tell me what the value was, you have the document in front of you.

**Mr ELFERINK:** I do not know, because this is a very confusing issue. That is why I am asking you, because there are two values attached to this.

**Mr HENDERSON:** It was \$187 000.

**Mr ELFERINK:** On 5 August? In spite of the fact that, on 3 September 2003, the value was a mere \$170 000, as posted in the *Gazette*. Minister, I ask you the question again: what was the value of the C of E that you signed on 5 August?

**Mr HENDERSON:** The issue in terms of whenever you are looking for a conspiracy, there is normally a stuff-up. In this case, there was a stuff-up. The original gazetted value was without the GST. The revised value was with GST.

**Mr ELFERINK:** What was the value of the certificate that you signed on 5 August? The bit of paper, the page 2 that you signed - what was the value on it?

**Mr HENDERSON:** The document that I have in front of me is dated 6 August and it is \$187 000. If there is another one that was 5 August, that would have been the stuff-up without the GST, and another document would have come up that gives us the GST.

**Mr ELFERINK:** I correct myself; it is 6 August. So, you are telling me that the one that you signed on 6 August was \$187 000?

**Mr HENDERSON:** That is what is in front of me here, yes.

**Mr ELFERINK:** But the government *Gazette* of 3 September announcing the C of E said the value was \$170 000. So, I put to you ...

**Mr HENDERSON:** I have just explained that.

**Madam ACTING CHAIRMAN:** I might just find out at this stage the members ...

**Mr HENDERSON:** I have just explained it was an error.

**Mr ELFERINK:** So, you are quite happy to sign a document that says \$170 000, so that gets reproduced ...

**Madam ACTING CHAIRMAN:** Can I just pause for a moment. As Chair, I was talking and you cut across me, shadow minister. I will just point out there is an issue of repetition. The minister can draw your attention to repetition at any stage. You are asking questions and the minister is providing answers. The questions are similar. I will start to draw the minister's attention to repetition, because we are wasting time. Proceed.

**Mr Mills:** It is his time.

**Mr HENDERSON:** Well, I am happy to keep answering. I have explained the issue of ...

**Mr Elferink:** Well, the thing is you are not, and that is the problem I have ...

**Mr HENDERSON:** ... the variation. It was a GST ...

**Mr Elferink:** Yes, but this is the point.

**Mr HENDERSON:** ... was not applied to the first number. I do not sit there and ask questions about whether the GST was applied or not applied to this number. There was a genuine mistake and it was corrected. It was corrected in the public arena when the second gazettal item was put out there. If you want to dispute that, carry on, you are wasting your own time.

**Mr ELFERINK:** Well, the thing is though - and this is the important thing - the consultancy that you signed on 6 August, or the signature you put on it, would have had a page 2 to the PF102 ...

**Mr Henderson:** Absolutely.

**Mr ELFERINK:** ... which is the form you are supposed to fill out;. That would have had a value of \$170 000, and that is what is reproduced in the *Gazette*.

**Mr HENDERSON:** My advice is - and I have it here – that page 2 was \$187 000. There was a mistake. What appeared in the *Gazette* was a number that did not have the GST component added to it.

**Mr ELFERINK:** So, there was no second document placed in front of you at any stage changing the figure - as a result of the mistake - from \$187 000 to ...

**Mr HENDERSON:** No, there was not. So what if there was?

**Mr ELFERINK:** So why would \$170 000 appear in the *Gazette*?

**Mr HENDERSON:** It was a mistake that was an innocent mistake, easy to be made. That is the end of it.

**Mr ELFERINK:** Yes, I figured that would be.

**Mr HENDERSON:** Well, what is the allegation? That mistakes are not made sometimes?

**Mr ELFERINK:** The point is that, if you have signed off on a document that says \$170 000, and then somebody subsequently changes it to \$187 000 because it is an innocent mistake, surely you would be concerned, as minister, that people are adding amounts of \$17 000 to documents that you have signed off on?

**Mr HENDERSON:** I have answered the question. It is ridiculous.

**Mr ELFERINK:** Yes, as I said, I figured that that would be the result.

**Madam ACTING CHAIRMAN:** Any further questions?

**Mr ELFERINK:** Yes, on this output group, I have quite a few.

**Madam ACTING CHAIRMAN:** Excellent. I am looking forward to them.

**Mr ELFERINK:** All right. Minister, the area that is also of some interest to me is the new structure that exists in Fire and Emergency Services. Does the head of fire services report directly to you or report to the CEO?

**Mr HENDERSON:** Obviously, the head of the fire service does report to the CEO but, in operational issues and issues of structure, he does report directly to me. As part of the recommendations, this is the last year that in the budget the output appropriation for the fire service now falls within the tri-service. Next financial year, there will be a separate output appropriation which the head of the fire service will be accountable for. This is the last year in regards to the current arrangements. Issues in regards to budget and shared administrative resources, economies of the tri-service, the Chief Fire Officer reports to the CEO. However, in regards to the review and the implementation of the review, he reports to me.

**Mr ELFERINK:** Okay. You are satisfied that all the areas in the first three months set aside in the Metis Review have been achieved?

**Mr HENDERSON:** I can hand over to the acting director, but I place on the public record that the acting director of the fire service, Mr Bruce Mouatt, has done an absolutely magnificent job in his time in the job to date. Without seeking to embarrass him, as I talk to fire officers around the Northern Territory, he has, I would say, almost universal accolades from people I have spoken to about the way he has come into the job at a difficult time to work on a new era, particularly in an acting capacity. I have every confidence in his ability to implement the review and in regards to achievements in the first three months to date. I will hand over to Mr Bruce Mouatt.

**Mr BURKE:** Hear, hear. You get no criticism from me. Welcome, my colleague.

**Mr MOUATT:** That is the question? Essentially, the timetable that is laid out in the Metis Review, we are adhering to or exceeding at the present time. Insofar as the first three months is concerned, that is the case. There are slight variations because some of the recommendations are quite broad natured but, generally speaking, we are on track or exceeding the time frames.

**Mr ELFERINK:** Minister, you have just said that there was going to be separate budget allocations for fire service from Police, Fire and Emergency Services next year. Why not this year?

**Mr HENDERSON:** Just the timing in regard to pulling all of that detail together could not be met within the time frame of the Metis Review being handed down, government's response, and a Cabinet decision to fund that, and the lead up time for the preparation of the budget papers. This year it could not be accommodated, but it will be next year.

**Mr ELFERINK:** What you are telling me is, as a result next year, we are going to see a complete excision of fire services as its own agency?

**Mr HENDERSON:** No, that is not the case. They will still continue to share resources, particularly in the administration and corporate services area. However, there will be a separate output appropriation for the fire service which the Chief Fire Officer or the head of the fire service will be accountable to me for.

**Mr ELFERINK:** Okay. Minister, can you tell me whether the director of the fire service, unlike his predecessor, has input into the budgetary allocations or to the budgetary decisions made in relation to the fire service.

**Mr HENDERSON:** Of course, he has input into those submissions that come to me as minister.

**Mr ELFERINK:** Right. Is that a new arrangement, or is he under the same arrangement that existed prior to his ascendancy into the position?

**Mr HENDERSON:** For the Chief Fire Officer or the director of the fire service, under the previous system, there would be discussions with the Chief Fire Officer and the CEO about the requirements for fire service, and the CEO would provide me with a budget bid for the year. Certainly, under the new regime, those new requests will come to me directly.

**Mr ELFERINK:** The regime has changed, so we are not finding ourselves in a position, as was the case the last time, where the director had, effectively, no input into the executive budget committee?

**Mr HENDERSON:** No, that is not the case at all. He did have input into those decisions but, under the previous structure, did not have accountability for the budget. Maybe the commissioner can explain how that process works.

**Commissioner WHITE:** Thank you, minister. Yes, the Chief Fire Officer did have input into the budget process and deliberations, along with the command heads within the police force. Considerable deliberations were undertaken at that officer level with my finance people to apportion the budget across the commands and the fire service.

**Mr ELFERINK:** Minister, I will read out a section of the Metis Review, the one that you called an excellent review. This is where my questions come from:

*On the other hand, the NTFRS Director is more junior than the Deputy Police Commissioner and most of the Assistant Commissioners, and thus is seen to have, and indeed has little structural power within the tri-service. He does not sit on the executive budget committee (a committee of three - the commissioner and two police executives, and he is widely perceived by firefighters as being unable to protect the NTFRS budget from 'raids' by the police service. Such allegations are widespread throughout the NTFRS ...*

Minister, the reason I ask this question is because the review that you have said is an excellent review makes this criticism. I would like to be assured that the current director is not going to be stuck in the same position.

**Mr HENDERSON:** I will ask the commissioner to respond to the report. However, we are moving forward; we have taken those recommendations. We have funded them and, from the next budget in terms of how the agency's budget is structured, there will be accountability. The fire services budget will sit with the director of the fire services. This is about moving forward, not looking backward. In regards to how the Police Commissioner structured the budget bids in the past as opposed to into the future, I will hand back to the commissioner.

**Commissioner WHITE:** Thank you, minister. I reiterate that a good deal of consultation and negotiation does take place across the fire service in terms of the allocation of budget. I take advice from the command heads, including the Chief Fire Officer. I take those into account with discussions with my finance people and the budget is fairly set across those command levels, including the Fire and Rescue Service.

**Mr ELFERINK:** Minister, considering the answer that you have just given me - I am focussing on the one you have given me - what you have explained to me and what Metis said are quite separate from

each other. One is wrong. Which is it - you or Metis Consulting's review?

**Mr HENDERSON:** The Metis consultants have completed the review. If you read those comments again, there were perceptions within the fire service that there was a lack of direct accountability for the budget. As you stated, we have moved forward. There will be direct accountability to the director, so those perceptions in regards to the fire service's budget and alleged 'raids' by the commissioner on that budget will be put to rest.

**Mr ELFERINK:** Minister, the NTFRS Education and Training Division has co-located the tri-services at the training college. Metis made the point that the training rooms were largely unavailable and office space for the NTFRS in terms of training were very limited. What has been done to correct this?

**Mr HENDERSON:** Commissioner.

**Commissioner WHITE:** I would answer by saying that the Fire and Rescue Service is equal partners in the tri-service college. It is under the command of Commander Mark Coffey. I am aware of the training establishment for the Fire and Rescue Service at the college. Any suggestion that there are insufficient classrooms, if it was an issue, should have been addressed.

I do know that, with the move of sections of the police force from the Berrimah Police Centre to the Mitchell Centre, it did free up some additional space at the Berrimah Centre, and the tri-service college needs were very much taken into account as a consequence. Therefore, they have expanded their physical capacity within the Berrimah Centre. I might add that, because of the number of recruits in the college and the amount of in-service training currently being undertaken, there is pressure on the college to meet those demands and our resources are stretched, but they are coping. That is not just the Fire and Rescue Service, that is the police force as well. There is a lot of training under way, and they are making the best possible use of what physical space they have.

**Mr HENDERSON:** I just have, as a supplementary, commissioner, further good news on that front in regards to the recruits to the fire service this year. Seeing the committee is interested, I will hand over to Mr Mouatt to advise what additional recruitments are going to take place this year.

**Mr MOUATT:** We commence a new recruit training course, in fact, on 1 July, and we will be training another 12 firefighters.

**Mr ELFERINK:** That is through the college?

**Mr MOUATT:** Yes.

**Mr ELFERINK:** Minister, one of the points made in the Metis Review was that there is not a fire truck available for training purposes. They have to take one off line to have some training. Is there any money in the budget to buy a training truck?

**Mr HENDERSON:** Yes, there is one on order and it arrives before the end of the calendar year. You do not drive these things off the showroom floor; they have to be constructed. It is ordered and it will be available by the end of the year.

**Mr ELFERINK:** Good. Moving on, I have another question in relation to specific outcomes in the budget. One of the outcomes I am curious about is that the police, effectively, have sole responsibility for policing the *Summary Offences Act*. For the uninitiated members in the committee, the *Summary Offences Act* is the one that is supposed to control behaviour on the streets, such as swearing, fighting, riots, disorderly conduct, those sorts of things. I am curious. How many prosecutions have been made throughout the Northern Territory in the last 12 months for offences against that act?

**Mr HENDERSON:** For the details of that answer, I would not know. We would have it to hand, but I will hand that to the commissioner.

**Commissioner WHITE:** Minister, I will take that question on notice.

**Mr HENDERSON:** I do not know how easy it will be to get that information either.

**Commissioner WHITE:** Our PROMIS records these things.

**Mr ELFERINK:** It would come straight off the PROMIS system, I would have thought.

**Commissioner WHITE:** We can provide information about offenders arrested or summonsed fairly quickly.

**Mr ELFERINK:** Well, there are three ways to approach this: arrest, summons and through the on-the-spot fines, as I understand.

**Madam ACTING CHAIRMAN:** To assist Hansard and to ensure the minister is fully aware of the question, would the shadow minister please restate the question?

---

**Question on Notice**

**Mr ELFERINK:** With regard to the *Summary Offences Act*, the question is: how many prosecutions have been launched – separating out on-the-spot fines, arrest and summons – under the *Summary Offences Act* across the Northern Territory and by major centre?

**Madam ACTING CHAIRMAN:** Minister, do you accept that as a question taken on notice?

**Mr HENDERSON:** Yes.

**Madam ACTING CHAIRMAN:** That being the case, I allocate number 5.3 to the question.

---

**Mr ELFERINK:** Minister, I turn to page 166 of Budget Paper No 3. I am curious about the performance measure: 'Respondents aged 15 years or over who felt "safe", or "very safe", at home alone during the day'. The estimate for 2003-04 was equal to or below the national average, and you have the same estimate for this year. Do we have any results on any of that quantitative work?

**Mr HENDERSON:** Commissioner.

**Commissioner WHITE:** Thank you, minister. I have taken the information from the report on government services. The two quality performance measures are, as you indicated, feeling safe or very safe at home alone during the day or after dark. For the first performance measure, respondents aged 15 years or over etcetera, the national average was 92%; the percentage for the Northern Territory was 91%. For the second performance measure, the national average was 81%; the response from the Northern Territory was 79%.

Minister, I should add there was a change to the methodology between the years. What we now find is that this survey, the Neilsen Survey, now includes people aged 15 years and over. Previous to 2003, it included people 18 years and over. So, there is a change to the methodology. However, essentially, they are the percentage comparisons between the national average and the Northern Territory.

**Mr HENDERSON:** Thank you, commissioner.

**Mr ELFERINK:** I am curious about the yardstick itself. It is one of perception, obviously, of how they

felt - who felt safe or very safe in both instances. Is this a yardstick that is used nationally, this particular 'how they felt'?

**Mr HENDERSON:** Commissioner.

**Commissioner WHITE:** These are performance measures set by the report on government services. I am sure there would be much debate around the table about the subjective nature of the two performance measures. They do have their limitations, but they are the national measures used by the report on government services and, hence, our efforts to align ourselves to national reporting as a benchmark comparison.

**Mr ELFERINK:** Okay. You are, obviously, aware of where I am coming from in relation to this because, minister, I find it a curious yardstick to use. I would also expect to see a performance measure in there in terms of actual outcomes rather than perceived outcomes. What those two performance measures ask is how the person feels.

A performance measure that I would be curious to hear about is how safe they actually are. To that end, I went to the Australian Bureau of Statistics rate per 100 000 persons and, in spite of the fact that we are at about the national average - accepting what you are saying about the changes of indicators - in terms of what is really happening in homicide and related offences, we are the highest in the country, with murder at 5.5 where the other states do not go above 2; assault the highest in the country at 1847 per 100 000; sexual assault the highest in the country at 162.8; unlawful entry with intent comes in at the highest in the country at 2119.5; and it has unlawful entry with intent other as a sub-bracket of that which is 808.2, which is the second highest in the country.

I understand the need for a national benchmark, but why do we not publish the ABS figures as well, as a benchmark of success?

**Mr HENDERSON:** For the details of that I will hand over to the commissioner. Broadly, those figures you have quoted in terms of murder, homicide, sexual assault, other crimes of violence - my memory is not flawed. Unfortunately, we have led the national statistics for those category of offences for many years. This is not something that has occurred overnight. It is certainly not good enough, and are areas that the commissioner and the police are putting a lot of effort into.

However, more broadly, in regard to in the last 12 months, in 11 out of 14 categories of recorded crime, the trend is down significantly in some of those categories. We, obviously, still have issues in regard to crimes of violence and sexual assault. I know the commissioner is developing strategies and approaches, from a policing model, to address some of those issues. However, I believe we are all also aware, as member of parliament and the community, of the amount of excessive alcohol consumption that creates the climate for a lot of those crimes of violence to take place. That is why we are reviewing the *Liquor Act* this year. I am sure we will have extensive debate in the parliament.

In regard to the trends of categories of crime in the Northern Territory, the police are doing a great job at the moment - 11 out of 14 of those trends are down. They will continue to decline with the result of extra police coming on board. However, in regard to those specific areas and ABS versus other statistics, I will hand over to the commissioner.

**Commissioner WHITE:** Thank you, minister. Briefly, from the 2003 recorded crime victims ABS data released on 27 May this year, in some cases the rate per 100 000 persons for the Northern Territory is higher than the national average. However, importantly, there are also percentage reductions in most of those crime types, listed on page 11 of that same document.

**Mr ELFERINK:** Yes, I think you and I are looking at the same document actually. Is that the ABS stats?

**Commissioner WHITE:** Yes it is.



**Mr ELFERINK:** Yes, I have it.

**Commissioner WHITE:** And then on page 27 – if you go to page 27 ...

**Mr ELFERINK:** I did not go that far. I do not have that one.

**Commissioner WHITE:** ... you will find that, for the offences of unlawful entry with intent and motor vehicle theft and other theft, the number – and that would include the rate per 100 000 persons – is at the slowest point for the last 10 years.

That is not to ignore the fact that assaults have increased, and we are currently looking at the reasons for that. We have gone back and looked at the data for assaults over the last three years, 2001, 2002 and 2003, and what we are finding, from our early analysis, is that roughly 60% to 62% of assaults are committed by people categorised as intimates, family or friends. In addition, about 38% of those assaults are committed in residential premises. It is telling us that we do have a significant issue in relation to assaults. Whether familial is the right term to use or not, I am not so sure, but the pointers are that almost two-thirds of all assaults are committed by persons known to one another. We are currently analysing that data further to see how we can develop strategies, both within the police force and with other government organisations, to drive down that rate.

**Mr ELFERINK:** So, there is an acknowledgment, minister, that assaults are a serious problem, and I am sure that you would.

**Mr HENDERSON:** Absolutely.

**Mr ELFERINK:** I notice from the ABS figures, happily, that crime seems to be trending down as a general trend across the country. It is not something that is exclusive to the Northern Territory, but it is certainly something that seems to be happening everywhere and I take some comfort from that.

**Mr HENDERSON:** It must be good Labor governments in all of those states, eh?

**Mr ELFERINK:** Either that or a federal government has been able to introduce policy that has made an impact.

**Madam ACTING CHAIRMAN:** Any other questions?

**Mr ELFERINK:** Absolutely. Minister, I would like to know from you, with the general title 'vandalism' - I think that the commissioner would refer to it as 'criminal damage' - how many are reported? How many do you believe are not reported? Do you have any numbers in relation to that? What is the clear-up rate on that which is reported?

**Mr HENDERSON:** For the detail I will hand over to the commissioner. How many do I believe are not reported - I do not know where on earth I should try to get that statistic.

**Mr ELFERINK:** There are numbers available.

**Mr HENDERSON:** Well, if you have some numbers of vandalism offences that are not reported available somewhere, it would be interesting to see them. Certainly, it ...

**Mr ELFERINK:** It appears in your Justice statistics as a 22% across the nation average, down from the original 32% that were published in the original Justice statistics for a Territory average. For some reason, you have gone from the Territory number to the national number - an explanation that I have never been satisfied with. I am wondering if there is any further research being done in this area?

**Mr HENDERSON:** I will hand over to the commissioner in a moment. I will put on the public record that acts of vandalism are absolutely not acceptable. One of the reasons why we took the step of banning slingshots last year was a direct result of acts of vandalism - wanton and reckless vandalism - perpetrated particularly in the retail and commercial business areas of Darwin and Palmerston, and attacks against buses and other public transport. We banned slingshots as a direct attempt to try to reduce that wanton vandalism. If we can do anything by way of public policy to reduce vandalism further, I would certainly look at it. However, in terms of why we may or may not have changed one category of statistics to another, I will hand over to the commissioner.

**Commissioner WHITE:** Thank you, minister. I can say that property damage, which ought to include vandalism, has reduced by 23% this financial year on a year-to-date comparison with the previous year. The clear-up rate, year-to-date for property damage - the term actually used is 'property damage and environmental pollution' - is 19%. So, there is a reduction of 23% compared with the previous year, and a clear-up rate of 19%, which is more or less the same as the clear-up rate for the previous year.

**Mr ELFERINK:** In terms of unreported - do you have any numbers or statistics on that, other than what is in the Justice Department document?

**Commissioner WHITE:** Through the minister, I rely on the Report on Government Services. The only indication I have is on that figure 5.32. It is reporting rates for break and enter, it does not say for all property. However, the reporting rate for the Territory was 73% against a national average of 75%. I do not know whether you can draw a correlation between that reporting rate and for other public crime, but that is about the best information I have before me at the moment.

**Mr ELFERINK:** Minister, how are we comparing with the 30-day status investigation outcomes? It is a yardstick used by the ABS.

**Madam ACTING CHAIRMAN:** Just a point of clarification, investigations is under Output Group 2.0. Do you want to deal with that then?

**Mr ELFERINK:** Don't deal with it then. If the minister is happy to deal with that now ...

**Madam ACTING CHAIRMAN:** No, we are going output by output. I will not alter that, basically. The committee has got into difficulty altering it in the past.

**Mr ELFERINK:** Okay, in that case, my next question is in relation to our terrorism preparedness. Minister, other than the exercise which was done recently - actually, could you report on the exercise that was done recently? How much of that was paid for by the Northern Territory? How much of that was paid for by the federal government? Has any other training been set aside for a local counter-terrorism task force or for police officers? Are we up to speed with other states in relation to our counter-terrorism preparedness?

**Mr HENDERSON:** For the details of that question, I will hand over to the commissioner, but there was an extra budget allocation this year in the budget for counter-terrorism. I will hand over to the commissioner for the details of how we are structured and how we are engaged with the Commonwealth on this very important national issue.

**Commissioner WHITE:** Thank you, minister. The major exercise conducted in the Territory and other parts of Australia was funded by the Commonwealth. In relation to counter-terrorism, we have established a Counter-Terrorism Security Coordination Unit comprising four people headed by Superintendent Mike Stevens. Funding of \$544 000 was allocated for that staffing requirement. We have received quite a good deal of equipment over the last 12 months. That equipment includes breathing apparatus, protective suits, bomb suits, and glass mitigation. The government provided funding of \$537 500 for that purchase.

As part of the National Counter-Terrorist Committee Commonwealth equipment program, the Northern Territory received approximately \$422 600 worth of equipment. In addition, a large cache of CVR protective and detection equipment valued at \$1.7m was received through the Commonwealth Emergency Management Australia CVR Enhancement Program.

In May this year, the government approved expenditure of \$1m over three years for counter-terrorism initiatives, which include equipment and training. As part of the training, courses will include: command and control; negotiations; bomb response; bomb scene forensic examination; technical unit capability; criminal investigations; exercise management; and chemical, biological and radiological response. It will also enable the Northern Territory fire service to participate in critical and national forums, such as the National Counter-Terrorism Committee, the Australian Police Counter-Terrorism Forum, the Critical Infrastructure Emergency Services Industry Advisory Group and the National CVR Working Group meeting.

**Mr HENDERSON:** Thanks, commissioner.

**Mr ELFERINK:** Minister, in relation to the PROMIS system, which is the police computer system, \$1.8m was set aside in last year's budget to bring, as I understand it, the interface up to scratch. The system appears not to have a major problem internally, whereas it does have problems where police officers have to deal with it on a daily basis, inputting and outputting information. The advice I received is that it still takes between an hour and an hour-and-a-half in Alice Springs to process somebody for a simple offence, such as an exceeding 0.08, through the PROMIS system. In my day, that was about half-an-hour through a manual system. Why is the PROMIS system still struggling to meet demand?

**Mr HENDERSON:** Before I hand over to the commissioner for a response, I can say, as Police minister, in talking to police officers around the Northern Territory as I do, that since the significant injection of funds in the last budget that has allowed a massive upgrade to the hardware and software for PROMIS - and I do ask people the question, because it was a pretty big issue when I came to the portfolio - everybody has said they have vastly improved performance. That additional funding of \$1.8m carries over as a proposed budget allocation this year, and we will continue to invest in PROMIS.

In regards to performance issues in Alice Springs, as Communications Minister, I am happy to take that on board and have a look at it. I have not been made aware of that. I would imagine that that probably has issues in regards to the backbone network up and down the track rather than the PROMIS database itself. However, I have not had a specific brief or complaint on that. I believe that PROMIS, like the rest of the police force, is moving into a new era and, certainly, it is performing much better than it was 12 months ago, but I hand over to the commissioner.

**Commissioner WHITE:** Thank you, minister. Briefly, the PROMIS system is not a perfect system. I am not aware of any police management information system in Australia that is. It does have some excellent features, and perhaps some features that need to be enhanced. I am aware that there are some lines feed problems - which is not PROMIS - to some bush communities, and it may be the case with Alice Springs. They are issues that are outside of PROMIS. However, I can say that we are moving to the point now where our most recent upgraded PROMIS will be the current version used by the Australian Federal Police whereas, previously, we have been two or three versions behind, and that has caused problems in terms of maintenance and support.

The other thing is that we are going to, in 2004-05, use the funding to implement the latest technology, including something called Active Directory - which I do not know a lot about, but I am told it is a Microsoft application which is very good and makes it run a lot better - and that, with upgrades to desktops, hardware and software and the latest PROMIS version, should enhance overall capability.

**Mr ELFERINK:** Out of the \$1.8m-plus set aside last year for PROMIS's fix-up, how much has already

been spent?

**Commissioner WHITE:** Minister, nearly all.

**Mr ELFERINK:** The carry over the minister referred to is ...

**Mr HENDERSON:** That is not carry over, that is ongoing funding. When we allocated in the last budget, it was ongoing ...

**Mr ELFERINK:** Well, how much will be spent on PROMIS this year?

**Mr HENDERSON:** Okay, commissioner, you answer.

**Commissioner WHITE:** For 2004-05, the budget allocation is \$1.8m to \$2m.

**Mr ELFERINK:** So, it is the same again this year.

**Commissioner WHITE:** Yes.

**Mr HENDERSON:** Because you just have to keep reinvesting in upgrades.

**Mr ELFERINK:** Will that expenditure offset the line speed problems you have now, or does this ...

**Mr HENDERSON:** There are other issues with the backbone network that needs to be addressed. That is something with the DCIS portfolio that I am acutely aware of. That issue will be addressed with the tender that I announced yesterday regarding the PROMIS contracts. Increased bandwidth and network capacity will certainly be one of those things we are going to tender for.

**Dr LIM:** It said that the government provided a CPIF program ...

**Madam ACTING CHAIRMAN:** A point of order!

**Dr LIM:** It is the same issue.

**Madam ACTING CHAIRMAN:** It does not matter. I am sorry. I am the Chair, and I am ...

**Dr LIM:** It is the same issue. We should be following through on the same topic ...

**Madam ACTING CHAIRMAN:** ... indicating right now. The shadow minister is asking questions. When I call for other members, member for Greatorex, you will get your turn then. Shadow minister, continue.

**Mr ELFERINK:** Minister, you would agree with me, however, for a simple processing of the file, a simple arrest is an hour to an hour-and-a-half. One of the police officers I spoke to told me that, basically, it is press the enter button, walk away and make yourself a cup of coffee. That has a big problem in getting policemen on the streets where both you and I want them – and I am sure, where the commissioner wants them. In the short term, is there a fix?

**Mr HENDERSON:** Without the specific - there could have been. I really cannot answer that, except to say that we will take it on notice and have a look at it. Certainly, it is unacceptable to take an hour-and-a-half to process one transaction. There is obviously a technical issues there, and I am sure it can be resolved. It is something that I cannot advise on here and now. But it is not acceptable, I agree.

**Mr ELFERINK:** All right. I would have expected, minister, that this would have been a fairly high priority, in terms of how you ...

**Mr HENDERSON:** Well, it has not come to me as Police minister of being a significant issue. I have said, as I get around the Territory, people still have issues with comms, but it has moved ahead a heck of a lot in the last 12 months. We will continue funding. We have a Director of IT within the department, and I will be asking him about the particular examples. I do not know if they are widespread or in isolation. Anyway, commissioner, are you aware of specific problems in Alice?

**Commissioner WHITE:** Minister, I only reiterate that the funding allocated to PROMIS is enabling us to move ahead with a new directory structure and improved desktop, hardware, and software, and the latest version of PROMIS. I am advised that the senior executive from DCIS recently went to Alice Springs to address the response issues, but I do not have any feedback. Clearly, it is an important issue for us, and I do not know whether it is widespread or particular to certain locations. However, if that is the case, it is a concern and we need to address it.

**Mr ELFERINK:** Minister, how much more equipment have you bought for your police officers on the beat? How many more guns and cars are available – uniforms, all that sort of thing?

**Mr HENDERSON:** I will hand over to the commissioner for the detail. However, in terms of the funding that was allocated to the agency - the \$75m allocation to recruit and implement the O'Sullivan recommendations - that equation was determined by police and Treasury. I am absolutely confident that all of those police officers have uniforms and boots, and all the things they need to do the job. I will hand over to the commissioner.

**Commissioner WHITE:** Minister, I can provide more information if required, but we have recently purchased an additional 35 vehicles - or ordered an additional 35 vehicles - and 100 hand-held radios. Within the Building our Police Force program, there is provision for other equipment such as breath analysis and speed detection.

**Madam ACTING CHAIRMAN:** Any other questions, shadow minister, on Output 1.1?

**Mr ELFERINK:** No. that is about me. I could keep going, but we do not have time.

**Madam ACTING CHAIRMAN:** Other members, I am calling for questions on Output 1.1, which is Community Safety, Prevention and Support.

**Dr LIM:** Well, Madam Deputy Chair, I did put a question to the minister just a short while ago. In terms of your concern about Broadband access for the police force, why did the police not apply to the CTIF program for funding? I understand that other agencies in the Northern Territory did but the police failed to do so in time and, subsequently, missed out on a very generous funding source from the federal government.

**Mr HENDERSON:** Regarding the issue of band widths for government agencies and the specific problems that the member for Macdonnell has identified, on the face of it, I cannot make a determination here and now whether that was a comms problem, a databasing problem, or a desktop problem. That is going to have to be looked into. The lead agency for government – police and all agencies - for communication services and infrastructure as you well know, is DCIS. Agencies work with DCIS at a whole-of-government level on these issues, and determinations are made as to how applications for Commonwealth funding are to be made; which agencies will potentially benefit.

For the specific questions of this fund versus that fund and why the police did not apply, I do not have that information at hand at the moment. You can ask it again when I have the DCIS officers here who can advise. In regards to the problems being experienced by a police officer, or a number of police officers, in Alice Springs processing transactions, I am going to have to get advice on that. I cannot

determine whether it is a comms issue, a database issue, or a hardware issue from here.

**Dr LIM:** It is obvious the minister is not across this matter. I will wait for him to get his DCIS officers together.

**Mr HENDERSON:** Fantastic. Look forward to it.

**Madam ACTING CHAIRMAN:** Other questions?

**Mr BURKE:** Can I ask, minister – and I am sure the Police Commissioner will be able to address this matter - in terms of the numbers of police versus the establishment, why doesn't the establishment reflect the targeted establishment which will be the outcome of the O'Sullivan Review? It seems to me there has been some integral changes in the establishment and some reorganisation within the police force. Why doesn't the establishment reflect the establishment that would be the outcome of O'Sullivan?

**Mr HENDERSON:** The commissioner can answer.

**Commissioner WHITE:** Minister, I understand the question to be: 'What should our establishment be on 30 June this year, taking into account the mini-budget and O'Sullivan?'. The answer is a total of 998 – that means constables and above, auxiliaries and ACPOs. That has moved from an establishment on 30 June, 2002-03, of 960. The establishment has taken into account the additional resourcing as a consequence of the mini-budget and O'Sullivan, and it has moved from 960 to 998. That equates to 811 police, 131 auxiliaries and 56 ACPOs, but the actual numbers are quite higher than that.

**Mr BURKE:** Yes, I am trying to get it. I would have thought the establishment reflects - for example, if you take Darwin Police Station that, as a result of O'Sullivan, should have an establishment of this number. What you are saying here is it is 65 to an establishment of 58 in 2004.

**Commissioner WHITE:** Yes.

**Mr BURKE:** Why doesn't the establishment reflect the fact that the new establishment for Darwin Police Station is 60 or 70, and you are 65 reaching 70? That is my point.

**Commissioner WHITE:** Minister, the answer resides in the fact that we identified the positions which were funded by O'Sullivan. There were 24, and they were positioned, in accordance with O'Sullivan, to strategic management, communications, counter-terrorism, HR development, Tennant Creek, Alice Springs, Palmerston, and HR management at the call centre. It would appear to me that we are, in fact, ahead of our establishment and our numbers and, in fact, that is what has happened. Whilst the establishment is 998, if you include recruits, the actual is 1086. What will happen in year two is, when we get into the second year of funding under O'Sullivan, we will identify those positions across the Territory that will increase the establishment in certain areas, and it will then balance out.

It seems to me the short answer, if I can put it that way, is that there are more police at those locations because we are above our establishment. We have recruited quite aggressively over the last 12 months, and we have had 118 recruits graduate for the financial. It has put us in a pretty good position.

**Mr BURKE:** The figures show that you are above establishment in some areas.

**Commissioner WHITE:** Yes.

**Mr BURKE:** They do not show across all areas ...

**Commissioner White:** No.

**Mr BURKE:** ... where the ideal staffing levels should be, and where the actuals are against those staffing levels. I would have thought that the establishment should reflect the new unit.

**Commissioner WHITE:** It should.

**Mr BURKE:** The new - what is it called - the new era?

**Commissioner White:** That is right.

**Mr BURKE:** The establishment should reflect that you are this far advanced to reaching that target, and it does not reflect that.

**Commissioner WHITE:** Ideally, it should. There are one or two areas where they are a bit under establishment, namely the Drug Enforcement Unit, the Intelligence section and TRS by small numbers, but we have gazetted and advertised vacancies and we are moving towards filling those positions. So, you will see move of people from these positions to equal the establishment right across the board.

We are continually churning out probationary constables and placing them across the Territory. There are swings and roundabouts in movement from one location to the other. At the moment, we are just in a very fortunate position of having more police than what our establishment says. As soon as we get to 1 July, we will reset the establishment; for example, Casuarina might grow by five or 10 additional positions and that will offset those additional numbers.

**Mr BURKE:** I know what you are saying. I will not labour the point. It is difficult to get a true picture in that, if the establishments were there with ranks against the new establishment, you would be able to see quickly that there is a brevet sergeant and then there should be a senior sergeant. It would be easy to show you a constable against a senior constable. It just does not show that at all.

The other question that I wanted to ask very quickly is: minister, you have made much of the so-called degradation by the CLP of some recruiting that did not occur some time ago.

**Mr HENDERSON:** A lot of recruiting.

**Mr BURKE:** Pound that as hard as you can.

**Mr HENDERSON:** Absolutely.

**Mr BURKE:** Can you tell me, therefore, given the fact that we have this new era, why, at the end of 2004, at the rank of sergeant and senior sergeant, we are down against 2003 figures: minus-2 in sergeants and minus-6 in senior sergeants?

**Mr HENDERSON:** I am sure the commissioner has some detail and context. The failure to not have even one recruit squad between 1991 and 1994 has ...

**Mr Burke:** Yes, but that has no relationship to this. You know that.

**Mr HENDERSON:** It does, actually, because the reality is by failing to recruit in those years, the numbers of serving officers within the force who had the experience, training and the capacity to advance through the ranks to sergeant and senior sergeant has been diminished as a result of failing to recruit for those three years.

It was a problem that was highlighted within O'Sullivan in respect of where the organisation should be in depth of skills. That had been restricted as a result of failing to recruit, and O'Sullivan actually recommended for an interim period to attempt to recruit laterally from other forces at senior sergeant and sergeant level to help boost the force in those areas. So, there is a direct correlation. For what has happened in the last 12 months, I will hand over to the commissioner.

**Mr BURKE:** I simply want to know. It makes no sense that you have less capacity to recruit this year than you had last year.

**Mr HENDERSON:** But they are all new recruits.

**Mr BURKE:** The problem of 10 years ago, you are now telling me that these 10-year experienced police have got no experience? Come on!

**Mr HENDERSON:** No, there is not enough of them to fill the positions.

**Commissioner WHITE:** Minister, my understanding of the data is that we are currently in the process of filling positions. Two or three months ago, we appointed 10 superintendents. I now have before me on my desk a selection advisory committee report in relation to the appointment of either 10 or 12 senior sergeants. Therefore, there are a number of selection processes under way. It is a bit of a domino effect, and we are continually doing it in the police force through that process.

**Mr BURKE:** One last question. As I said, you can see the people on the beat in some areas, obviously in the hotspot areas - Darwin, Palmerston and Casuarina. However, across the board, it seems to me that you have in your support area, Crime and Support Command. You seem to have, this year, in the area of Crime and Support Command, 129 which is essentially all beat, compared to the numbers that would have appeared under that section a year ago. Is that an indication of the reorganisation in the police?

**Mr HENDERSON:** Commissioner.

**Commissioner WHITE:** I cannot quite see the figures. If you can point me to it, Mr Burke.

**Mr BURKE:** Well, it is hard for me to do it because, as I said, if you look to compare apples with apples, the line items are different. So, there has been a structural change ...

**Commissioner WHITE:** There has been a reorganisation, yes, there has.

**Mr BURKE:** So, you will except it is hard to compare apples with apples?

**Commissioner WHITE:** Yes, there has been some reorganisation. Some positions have gone from support to the Operational Command, but they are still performing the job of a detective. It is just that they are now working alongside uniformed constables at Palmerston, Casuarina and Darwin.

**Madam ACTING CHAIRMAN:** No other questions, member for Brennan?

**Mr BURKE:** Well, I will just have to look at my ...

**Madam ACTING CHAIRMAN:** All right, member for Nelson. You have been waiting patiently.

**Mr HENDERSON:** A great day for Humpty Doo the other day, member for Nelson?

**Mr WOOD:** Yes, yes, I have a couple of Humpty Doo questions.



**Mr HENDERSON:** Very good to see you there.

**Mr WOOD:** It was a nice sod turning.

**Mr HENDERSON:** It was. Beautifully executed.

**Mr WOOD:** Enough of this drivel. Minister, the cost of the new police and fire station at Humpty Doo appears to have risen from \$1.4m to \$2m, if I compare these. In one budget, the 2003-2004, capital works project says \$1.4m and then, under The Infrastructure Program Budget Paper No 4 2004-05, Palmerston rural Humpty Doo police fire and emergency facility is \$2m. Could you please explain why it has gone up \$600 000.

**Mr HENDERSON:** It is going to be a much better police station. No, member for Nelson. The previous number was an estimate. It was during the course of the current 2003-04 financial year, once we went to do the design and costed the design and went to the market; that the estimate was not sufficient, in the first instance. There is an issue on some of these capital works contracts across government where the initial estimate is not what the actual cost of the building is, once the design work has been done. That is the reason, but it will be a very fine facility and worth every cent of the \$2m we are investing in it.

**Mr WOOD:** Good to see you making sure you are budgeting for a building that can be tendered for.

**Mr HENDERSON:** Absolutely, and a good Territory company has won the job, and very pleased they are, too.

**Mr WOOD:** You changed the site, minister, from where the fire station was originally going to go near the corner of Spencely Road and the Arnhem Highway, to where it is at the present time, Skewes Street and Freds Pass Road. The reason appeared to be it was a cost saving, I presume, to put it on land that was serviced rather than Crown land. What I wanted to know: can you give us figures which show the difference between building this fire station on your own land and providing services, as against buying private land with services; to see whether that really was the case?

**Mr HENDERSON:** Look I will hand over; maybe Audrey has those numbers. That was not the sole determining factor; other issues came to play. When it came to the attention there was serviced land within the village precinct and that, from a community perspective, it would be better to have the facility there in a permanent police presence within the village precinct - being a significant deterrent, ease of access, and people already in the village precinct for whatever other reasons. It just made a lot more sense, not only in savings on running infrastructure, but a more convenient facility for the residents to actually have it as part of the village infrastructure. I will hand over to the commissioner to see if he specifically has an answer on that question.

**Commissioner WHITE:** Minister, the advice I have is that the Crown land is unserviced. There were ingress, egress problems and a requirement to build roads, and also some landfill required. The cost of developing that almost equalled the cost of purchasing the land within the Humpty Doo Shopping Centre area.

**Mr WOOD:** I am happy where it is, by the way, but I just thought I would test the reasons why. Minister, I hope this is the right place to ask this question. I will get into trouble. Your fisheries inspector ...

**Mr HENDERSON:** Nope, wrong spot!

**Mr WOOD:** Hang on. Fisheries inspectors are police officers, correct?

**Commissioner WHITE:** Yes.

**Mr WOOD:** I just have a question in relation to conditions of licences that were imposed on shark fishery licensees by Richard Sellers, Executive Director of Fisheries, on 30 September 2003. These conditions of licences relate to percentages of fin that can be ...

**Madam ACTING CHAIRMAN:** Member for Nelson, if it is to do with fisheries, it is for the minister of Primary Industry and Fisheries.

**Mr WOOD:** No. Let me finish my question. That is why I asked whether fisheries inspectors were police officers. I need to explain so that the commissioner knows what I am getting at.

**Mr Burke:** We are all wondering, do not worry.

**Mr WOOD:** Well, there are certain conditions on shark fishery licences that mean that people operating with these licences must bring a percentage of the fin versus the actual body of the shark in to shore. What I was going to ask is: how often has the police fishing inspectors checked these boats for fulfilling the conditions of their licence since this change in the condition of licences was brought into force?

**Mr HENDERSON:** For the detail of that, I will have to hand over to the commissioner. However, more broadly, as a result of our Building Our Police Force plan, we are purchasing more vessels for the Marine and Fisheries Unit. That is something that has been very well received by that unit, so the capacity for these officers to get out there and do their task in fisheries enforcement will be enhanced as a result of the capital commitment. But for the details as opposed to bulk of shark versus fin, I will hand over to the commissioner.

**Commissioner WHITE:** Thank you, minister. Unfortunately, I do not have that information with me, so I will take the question on notice.

**Mr WOOD:** I thought I would give you a question.

**Mr HENDERSON:** It is a good question.

**Mr WOOD:** Now, for something different ...

**Madam ACTING CHAIRMAN:** Just one moment. Do you want that on notice or are you happy for an informal follow-up?

**Mr WOOD:** No, I would like it on notice.

**Madam ACTING CHAIRMAN:** So, to assist Hansard and to ensure the minister is fully aware of the question, would the member for Nelson please restate the question?

### Question on Notice

**Mr WOOD:** I will shorten it down or I will work on it. Minister, could you say how many times have shark fishery licensees been checked to see if they fulfil the conditions of their licence set out by the Executive Director of Fisheries on 30 September 2003 in regard to the percentage of frozen or fresh fin versus - in this case, it can be trunk weight or fillet weight etcetera - or as the conditions of this licence require? I can table this licence for you.

**Madam ACTING CHAIRMAN:** Minister, do you accept that question on notice?

**Mr HENDERSON:** Very happy to take the question on notice, and I will be very interested in the answer. It is important; it is an important question ...

**Mr WOOD:** Well, it is because I will be asking questions of the fisheries minister.

**Madam ACTING CHAIRMAN:** That being the case, I allocate number 5.4 to the question.

---

**Mr WOOD:** I will just get back to the Humpty Doo site. Minister, are there any extra police officers assigned to the Humpty Doo Police Station, and does it show up on the figures that you have given us?

**Mr HENDERSON:** I will hand over to the commissioner. Certainly, as a result of building a police station in Humpty Doo, we will be making sure there are police officers located there ...

**Mr Wood:** That is a good idea.

**Mr HENDERSON:** ... so I will just hand over to the commissioner for exactly how many and when.

**Commissioner WHITE:** Thank you, minister. Seven members will be allocated to the facility and will operate from 10 am to 6 pm each week day. On weekends, the hours of duty will be 8 am to 4 pm. After hours police response will continue to be provided by the Palmerston Police Station. A review of staffing arrangements will be conducted once the facility is fully established.

**Mr HENDERSON:** Unlike *Yes, Minister*, when we had a beautiful hospital and no patients, there will be police officers stationed in this facility, I can assure you, member for Nelson.

**Mr WOOD:** Thank you, minister. There was a question I raised – this is getting onto fire now, just for something different again. During debate in parliament I asked whether the government would look at the possibility of having an environmental officer as part of the fire service, which might be shared with local government to look at the environmental issues, hazard abatement and fire in general. Has anything advanced on that?

**Mr HENDERSON:** Certainly, the commitment was there to ensure that that did occur, particularly with the voluntary brigades down there in the shire. I will hand over to Mr Mouatt.

**Mr MOUATT:** We do have one full-time hazard abatement officer at the present time.

**Mr WOOD:** But during the debate, minister, you said you would actually have a meeting which I would be able to come to and, perhaps, draw on local council there to see whether some arrangement could be made for an extra person to deal with some of these environmental issues - not just hazard abatement but there is fire management that needs to happen with these large tracts of land, whether Crown land or local government land.

**Mr HENDERSON:** Well, certainly, member for Nelson, the commitment was there. We will make sure that that happens. I suppose the facility itself is not due to be completed until January/February 2005, but I am sure that Mr Mouatt will make sure that that meeting takes place. It is very important that the fire services officers who will be based in the Humpty Doo facility do work very closely with the Rural Volunteer Fire Brigade Units, the Bushfires Council and residents in minimising the fuel load. I will make sure that that happens. It will certainly happen prior to the commencement of services from that particular facility.

**Mr WOOD:** Last question, Madam Deputy Chair, another one on the fire. Minister, there is \$200 000 to set up the new Arnhem Land Fire Control Region. Could I have a few more details about it: where

is it based; what is the size of the region it will cover; how will it work; and what is the money being spent on?

**Mr HENDERSON:** Unless I am mistaken, member for Nelson, that really would come under the Bushfires Council. It is not a designated fire unit for metropolitan services. The Bushfires Council minister should have that one.

**Mr Wood:** I should have known that.

**Madam ACTING CHAIRMAN:** Any other questions? There being no other questions, that concludes our consideration of Output 1.1.

#### **Output Group 1.2 - Response and Recovery Services**

**Madam ACTING CHAIRMAN:** Are there any questions on Output 1.2, Response and Recovery Services?

**Mr ELFERINK:** I have one very quick one in relation to Kings Canyon. This is an ongoing running sore, as the minister knows, for me and, I know, for the residents of the Kings Canyon area. I know that now a trailer has been provided with some gear in the back of it, it is now parked at the Ranger Station down at Kings Canyon. At the end of the day, it is still a pretty poor outcome in terms of 300 000 people moving through the area every year - it is about half of what goes through Ayers Rock. Ayers Rock is well positioned to respond to most emergencies. Clearly, Kings Canyon is not. Minister, when are we going to see a commitment to a police station and proper emergency services facilities in the Kings Canyon area?

**Mr HENDERSON:** I share the member's concern about the capacity and the structures that are in place to respond to trauma and bushfire in the Kings Canyon region. A review of Yulara and Kings Canyon emergency protection capabilities was conducted during March and April 2004. The report is with me at the moment and decisions will be made against that in the coming months.

I can say here and now that we will not be building a police station at Kings Canyon. There is very little reason, from a crime point of view, to build a police station out there. They are very expensive facilities to maintain. The capacity for agencies to respond to fire threats and road trauma will be increased and we are certainly going to be talking to the operators of the resort in that regard. Work has been done; recommendations are with me, and I will certainly be reporting to parliament in the not-too-distant future about what government is going to do.

**Mr ELFERINK:** A simple question: how much are you going to commit?

**Mr HENDERSON:** That issue has not been determined yet. When we have determined that, we will obviously make a full report to parliament.

**Mr ELFERINK:** All right. Two years is a long time.

**Madam ACTING CHAIRMAN:** Any other question from the shadow? Other members?

**Mr WOOD:** We are talking about ...

**Madam ACTING CHAIRMAN:** Output 1.2, Response and Recovery Services.

**Mr WOOD:** No. Sorry, I was looking at the wrong page.

**Madam ACTING CHAIRMAN:** There being no other questions on Output 1.2, that concludes consideration of Output Group 1.0.

## OUTPUT GROUP 2.0 – Investigations

### Output 2.1 - Investigations

**Madam ACTING CHAIRMAN:** The committee will now move on to the Output Group 2.0, Investigations, and consideration of Output 2.1, Investigations. Shadow minister.

**Mr ELFERINK:** I am going to make it very brief. It is in relation to investigations at Docker River. In the most recent circumstance, damage was done both to the office and the community hall there. Docker River has had in the last six months, as I understand it, fire set to buildings, and a homicide. Where are those investigations at, without going into too much detail? Have arrests been made?

**Mr HENDERSON:** I will hand over to the commissioner to respond as he sees fit. However, member for Macdonnell, you would be aware that operational issues are operational issues and, until such time as the commissioner and the police see fit to make any public pronouncements, if any, it is an operational issue for the commissioner.

**Mr Elferink:** Sure.

**Mr HENDERSON:** I will allow him to answer as he sees fit.

**Commissioner WHITE:** Thank you, minister. I will need to take that question on notice. I do not have those details before me.

**Mr ELFERINK:** An informal briefing would be fine. I will not ask for that. On the back of that question is: have you looked at supporting Docker River properly with police personnel? I note that the opportunity to secure a police station in the area was lost to Western Australia. What is going to be done for the people of Docker River?

**Mr HENDERSON:** Again, I will let the commissioner answer in detail. In relation to the opportunity lost to construct a police station at Docker River, we have created through agreement with Western Australia - and moving towards with South Australia, as the member will be aware - a vastly improved police presence in that region by the construction of a police station at Kintore in your electorate. You were at the opening of that just a couple of months ago. A fully-sworn police officer from Western Australia is based at Kintore.

By the end of 2005, we have a commitment from the Western Australia police to build a police station at Warakurna which, on my understanding, is about a 100 km-odd from Docker River. There will be a permanent police presence plus a Northern Territory police officer based at the Warakurna station. There will be increased police patrols from Yulara.

Just a couple of days ago, I was very pleased to announce the purchase of a new police plane for Central Australia, a Polatis, at a cost of \$2.3m, which will see a vastly improved service whilst we wait for Warakurna to come on board. In the event that there is a requirement for a very quick and urgent deployment of police to places like Docker River, the capacity for them to do that now with that Polatis aircraft, which can carry up to eight fully-equipped police officers, will significantly improve services.

We would love to build a police station in every community in the Northern Territory and fully staff it. Obviously, the budget cannot contain that, but the improvements in Kintore and Warakurna, and as a result of the decision to purchase the police plane, will lead to improved policing to Docker ...

**Mr Elferink:** What about ACPOs in Docker?

**Mr HENDERSON:** On the ACPOs issue, again, the commissioner can answer. However, I was pleased to meet the squad, the first intake of ACPO recruits to actually be trained in Alice Springs. My

understanding is that no ACPOs were nominated from Docker River that met the intake requirements. But I will hand over to the commissioner. Certainly would love to have ACPOs at Docker but, really, the community needs to identify some appropriate people, and they have failed to do so as of yet. I will hand over to the commissioner.

**Commissioner WHITE:** Thank you, minister. Briefly, yes we do provide regular patrols to Docker River. Commander Manison, in charge of Southern Region, is acutely aware of the issues in that particular area. I might add that we are also looking to increase our police service delivery to the Mutitjulu community near Yulara.

Yes, for the very first time, we conducted an ACPO training course at Alice Springs, and seven took part; they started on 31 May. It is the first time we have done it. The intention to take the course to Alice Springs was to make the ACPO induction training more attractive to potential local Aboriginal community police officers. We are pleased with the outcomes to date. Unfortunately, nobody from the Docker River community met the entry criteria for that induction class.

**Madam ACTING CHAIRMAN:** Any other questions? Members of the committee, any questions on Output 2.1, Investigations? No other questions, that concludes consideration of Output 2.1.

#### **Output 2.2 – Services to the Judicial Process**

**Madam ACTING CHAIRMAN:** We will now consider Output 2.2, Services to the Judicial Process. Questions.

**Mr ELFERINK:** No, pass.

**Madam ACTING CHAIRMAN:** There being no questions, that concludes consideration of Output Group 2.0, Investigations.

#### **OUTPUT GROUP 3.0 – Road Safety Services**

##### **Output 3.1 – Road Safety Services**

**Madam ACTING CHAIRMAN:** We will now consider Output Group 3.0, Road Safety Service, Output 3.1, Road Safety Services. Are there any questions?

**Mr ELFERINK:** Yes there are, thank you, Madam Deputy Chair. The first question I have for the minister is: how many cars in the Northern Territory?

**Mr HENDERSON:** A very good question. Absolutely no idea how many cars are in the Northern Territory.

**Mr Wood:** Ones that we know about, or ones that we do not know about?

**Mr ELFERINK:** How many cars are registered in the Northern Territory? That will make it easy.

**Mr HENDERSON:** I have no idea how many cars are registered in the Northern Territory. If the commissioner can enlighten us, I would be interested to learn.

**Madam ACTING CHAIRMAN:** The minister for Transport might be able to answer. It is out of order.

**Mr ELFERINK:** The reason I asked the question is that it goes to traffic management. I noticed that there is an increase in the budget from last year, but it is still substantially down from the original budget of 2002-03, which was \$11m. It was then whipper-snipped back, basically, to \$8.8m. Budget 2003-04 got \$9m. Therefore, on the expenditure or output from 2002-03, there is less being spent on road safety in the Northern Territory, and that is an awful shame.

The reason I asked about the amount of cars is that, on current indicators of current growth rates, enrolment rates in schools, enrolment rates on the electoral roll, the population has remained, essentially, pretty static. One would assume that the number of vehicles remain fairly static. Would you agree with that, minister?

**Mr HENDERSON:** Well, there are a lot of assumptions there. I am not sure what you are driving at. I do not have any statistics in front of me to draw any assumptions of how many vehicles there may or may not be in the Territory at any one time, so I am neither going to agree nor disagree.

**Mr ELFERINK:** In terms of your performance measures, you are intending to increase speed camera checks from \$1.13m in 2003-04 to \$1.15m next year; a substantial increase of checks. Can you advise, for the last five years, how many extra checks have been done over that period, on a year-to-year basis? Could you also advise how many traffic infringement notices have been issued on a year-to-year basis, and what the income from those were on a year-to-year basis over the last five years?

**Mr HENDERSON:** The issue of road safety in the Northern Territory, to put this into context, is a vital issue. The trauma that is associated with motor vehicle accidents is significant. There are all sorts of models that are available to demonstrate not only the traumatic impact on individuals and families, but also the economic impacts. The major contributors to trauma are speeding vehicles, alcohol consumption, and failure to wear seatbelts. In regards to attempting to reduce the amount of trauma associated with motor vehicles then, obviously, police target those areas.

A number of statistics - what I can say is totals that I have here in front of me. In the number of infringements issued, I will hand over to the commissioner. However, they are down, and that is as a result of the police tactics improving. From a personal point of view, I doubt whether there is anybody around this table here who has not been done for speeding at some stage, and it does work. I have learnt how cruise control works, and all of those wonderful things when you get to drive the cars that we do. Certainly, I went through a period where I had a number of infringement notices, and hitting people in the hip pocket does slow them down. In the statistics that the commissioner is about to show, we will see that that particular tactic is working and, as a result, we are gathering less revenue.

**Commissioner WHITE:** Thank you, minister. I have information for this year to date, plus three previous financial years. In broad terms, the number of vehicles checked by speed cameras has increased marginally, but the number of vehicles detected exceeding the speed limit has reduced, as has the number of infringement tickets issued by speed cameras. I do not know whether the minister wants me to go into all of these details.

**Mr HENDERSON:** Oh, yes.

**Commissioner WHITE:** For instance, year to date, just under one million vehicles were checked by camera. There were 24 000, approximately, where exceeding speed limits were detected, and 18 600 infringement tickets issued. The percentage of vehicles checked against those detected exceeding the speed limit was 2.4%; and vehicles checked and issued with an infringement was 1.9%.

For last year, of 1.137 million checked; 33 865 were detected exceeding the speed limit; 28 360 tickets were issued; a 3% of vehicles detected exceeding the speed against those checked; and the percentage of vehicles checked against infringements issued, 2.5%.

For 2001-02, of 1.014 million, exceeding the speed limit detected by cameras was 59 000; infringement tickets issued, 40 000; percentage of tickets issued against speed checked, 5.8%; percentage of vehicles checked against those issued with infringements, 3.9%.

In 2000-01, 469 900 vehicles were checked; 32 500 were detected speeding; 21 458 tickets issued; the percentage of vehicles checked against those detected speeding, 6.9%; and the percentage of vehicles checked against those issued with an infringement, 4.5%.

Overall, the percentage of vehicles detected exceeding the speed limit has reduced from 6.9% in 2000-01 to 2.4% in 2003-04, and the percentage issued with an infringement notice 4.5% in 2000-01 against 1.9% in 2003-04.

I am advised that the revenue collected is as follows: in 2001-02 revenue from speed cameras, \$2.79m; in 2002-03, \$2.15m; in 2003-04 as at 17 May, \$1.56m.

**Mr ELFERINK:** Minister, I am curious to then ask about the traffic infringement notices given for other offences. You are expecting to dish out an extra 2000 next year on this year's estimate of 38 000. Why are we anticipating a decline in driver behaviour over the next year?

**Mr HENDERSON:** Sorry, where are you basing those statistics?

**Mr ELFERINK:** Budget Paper No 3, page 169: Speed and red light camera checks - 1.13 million and 1.15 million for next year; Traffic infringement notices given for other offences - 38 000 for 2003-04 and for 2004-05, 40 000. That seems to indicate that the commissioner or you are expecting a decline in driver behaviour, meaning that more infringement notices have to be given out. Why are we expecting that?

**Mr HENDERSON:** I will hand it over to the commissioner.

**Commissioner WHITE:** Thank you, minister. I can say that road safety is, obviously, one of our priorities. The human cost of fatalities and casualty collisions is significant. The figures are available from a national survey. We have increased our effort to improve driver behaviour; part of that is education and part is enforcement. As a consequence, we have increased the number of traffic offences detected by the police in the financial year and we anticipate, if we continue our proactive road safety campaigns, that it is likely that the infringement notices will increase by approximately 2000 compared to this financial year.

**Mr ELFERINK:** How much will you be spending on education, minister?

**Mr HENDERSON:** I do not have those numbers in front of me of how much the police are spending on education. There is a Road Traffic Unit that is part of their budget. One of the initiatives in year 3 of O'Sullivan is a dedicated road traffic unit. However, specifically how much we spend on education as opposed to enforcement, I would say education is the fact that we announce in the paper every day where the speed cameras are going to be, and provide that information to other broadcast media. It is good to see now reflective speed monitors on the side of the road - you drive past and it tells you digitally how fast you are travelling. That is an education measure. How much we spend on all of those things I am not sure. I will hand it over to the commissioner.

**Mr ELFERINK:** The reason I am asking the question is that it is increasing to checking, I suppose, nearly each car in the Territory every month on those figures – and I am guesstimating. I am sure there is not 1.15 million cars in the Northern Territory, so you will be checking each car numerous times. The reason I am asking the question is that if you have a successful speed cameras, then you would be looking at the success of your other programs including your educational program. The way I read those figures is that the expectation to dish out more traffic infringement notices in the next 12 months, as opposed to how much you are dishing out this 12 months, is an admission that there is a problem and it is going to get worse.

**Mr HENDERSON:** No, I think the commissioner said that they are going to apply increased efforts to continue to have the successes we are having and as you can see on this ...

**Mr ELFERINK:** Surely an increased effort reflected by speed camera numbers sees less infringement notices get dished out.

**Mr HENDERSON:** And less revenue for government.



**Mr ELFERINK:** Well, that is not the issue.

**Mr HENDERSON:** So that is good.

**Mr ELFERINK:** Yes, and that is why I am asking you why you are planning to dish out more infringement notices for other offences? You are anticipating something going wrong by using those numbers.

**Mr HENDERSON:** I will hand over to the commissioner, but I thought he was very clear that it is in regards to increased effort.

**Commissioner WHITE:** The information I have supplied in relation to speed cameras does indicate a downward trend in the number of speeding offences detected by the fixed speed cameras, which is heartening because it indicates that the community is listening to the messages about road safety. However, we do accept that there are a range of offences relevant to the *Road Traffic Act* and motor vehicle legislation. We believe that many of those play a significant part in road safety.

There is often reference to the fatal five – speed, drink drive, inattention, seat belts and the like - so we will be targeting those as part of our campaign to reduce the trauma on roads in the Territory. Given that, it is reasonable to assume that there might be an increase in the number of infringement notices issued for errant driver behaviour.

**Mr ELFERINK:** Commissioner, if I may, seeing that I am dealing with you fairly directly ...

**Madam ACTING CHAIRMAN:** Through the minister.

**Mr ELFERINK:** Through the minister, then.

**Madam ACTING CHAIRMAN:** Through the minister. It is the process.

**Mr ELFERINK:** You would agree, with the success that you are telling us you have with speed cameras, a drop in the number of infringements dished out, perhaps - and this is why I am tying this with education and expenditure on education - you are hoping to get better results with fewer infringement notices being dished out? You obviously understand where I am coming from: 40 000 is not a better result by that yardstick.

**Mr HENDERSON:** Commissioner.

**Commissioner WHITE:** Minister, in an ideal world we would not have to issue one infringement notice, but we do know that we detect a lot of people committing offences against the traffic legislation. I do not know what the interdiction rate is, but we do know that, clearly, there are offences that do occur without being detected by the police.

Clearly, the evidence to date is that there has been an increase in a number of traffic offences. Unfortunately, in one sense, there has been an increase in the number of people detected for driving under the influence and exceeding 0.08, so it is a constant focus for our attention along with other road safety initiatives. Like other jurisdictions in Australia, we keep launching road safety campaigns, and run a number of marketing campaigns through the media. We would prefer we did not have to issue one infringement notice, but the reality of life is that people do continue to breach these road rules.

It is a billion dollar cost of casualty collisions and road fatalities that we are having to deal with day in and day out. It seems that there is no doubt that enforcement has made a significant impact on a reduction of fatalities and road casualty collisions over the last three decades in Australia.

**Mr ELFERINK:** Yes. Commissioner, I am not going to labour the point; you know where I am coming from on this. I have made the point. I have no further questions, Madam Deputy Chair.

**Madam ACTING CHAIRMAN:** Any further questions from the committee?

**Mr WOOD:** Thank you, Madam Deputy Chair. Minister, I want to know whether the red light cameras still work or are they part of heritage now? They seem to be ...

**Mr Dunham:** They are heritage items.

**Mr HENDERSON:** My advice from the commissioner is that they are a part of DIPE; they are not infrastructure that is owned by the police. Commissioner?

**Commissioner WHITE:** That is correct.

**Mr HENDERSON:** I have learnt something today, member for Nelson.

**Madam ACTING CHAIRMAN:** So, ask the question, member for Nelson, of the Minister for Infrastructure, Planning and Environment when he appears before the committee.

**Mr WOOD:** I suppose I could have asked: do you earn revenue from them?

**Mr HENDERSON:** I do not know. Good question; I have learnt something.

**Madam ACTING CHAIRMAN:** It is for DIPE.

**Mr WOOD:** Minister, I think the commissioner touched on this, but is there a correlation between the number of infringement notices and a reduction in traffic accidents overall? I do not just mean fatalities. Have we seen a decline in traffic accidents? Of course, that relates to a reduction in damage to vehicles and that spins off to insurance.

**Mr HENDERSON:** Commissioner.

**Commissioner WHITE:** Thank you, Minister. I am aware of a recent national publication which clearly indicates a correlation between the enforcement of road laws and a reduction in fatalities and casualty collisions, but I do not have that data before me. I can certainly provide information in relation to that document.

**Mr HENDERSON:** It is very interesting, member for Nelson, because I will get the details of that publication and send it to the member for Solomon. In his latest *At Large in the Community*, the member for Solomon - and I will table this for the committee - ran a very irresponsible colour centre page argument 'Road Safety or Revenue Raising', essentially running the line that there was no correlation between enforcement in terms of speeding, and it was just a revenue raising measure. I believe that it was very irresponsible. All governments, including the Commonwealth government - and there are Commonwealth government publications that very clearly demonstrate the correlation between speed and motor vehicle accidents and the impact of enforcement campaigns. The member for Solomon, if he is going to take his job seriously, really should not come out with the nonsense that he did. I will send that particular publication to the member for Solomon and, hopefully, he will be a bit more responsible in the rubbish he puts out in the future.

**Mr WOOD:** One more question, minister, and this is not advocating that people go through stop signs. You might have known that the Lambrick Avenue roundabout has been constructed over a long period of time. Earlier this year - if anyone had been there - there were separation fences and all sorts of things. I had a complaint from one of my constituents. He had been booked for not stopping at a

stop sign. I went to have a look to find the stop sign. It was not a stop sign, it was a lolly pop sign that had been stuck in the ground with a couple of steel pickets next to it. When I rang the traffic people, they straight away went down and put up the correct sign. He must not have been the only one picked up for not stopping at that sign, because I had another constituent who went to court recently and told the magistrate - she had the photographs to show - that the signs were not up to the Australian Standards required design, and they dismissed the case.

I just wondered, if that was the case, would other people at least have their infringement notices waived if the sign was not the proper sign that they had to stop at? You have to take this into context: that intersection was pretty messy because of all the roadworks that were occurring. Would other people who have been served with an infringement notice for going through a sign that was not up to the standard have that infringement waived?

**Mr HENDERSON:** I do not have the detail of it, but I have had similar constituent issues in regards to signage. The visibility of traffic signs and their appropriateness to inform drivers of certain conditions or regulations, and the placement of those signs, is really an issue for DIPE.

**Mr WOOD:** It was not so much that, it was not the correct sign, and people have been booked. It was not a standard sign under the *Traffic Act*.

**Mr HENDERSON:** The police do not determine what signs go where. That is really a function of DIPE under the *Traffic Act*. If there has been a genuine mistake in that particular area with the capacity to identify those people and refund the fine, I do not know what that capacity is, if it all. Certainly, I am aware, because I have had similar issues of visibility of 60 km speed signs, or 50 km on Lee Point Road in my electorate for one. The issue is, after I chased it through for a constituent, it is up to the driver to be aware of what the speeds are in certain areas. There is no requirement under the act to have signs at every specific point. However, additional signage did go up as a result of the poor visibility of the signs that were there.

People have the opportunity, when they are presented with a traffic infringement notice, to contest that in the court or to pay the fine. If they pay the fine, they have made an admission that they have committed the offence. If they wish to challenge whether they have committed an offence or not, they can take that issue to court. That is my understanding of how it works, but it really is an issue for DIPE, and they are on next. Commissioner, I do not know if you have anything else to add.

**Commissioner WHITE:** Minister, only to say that if there was a technical flaw, then it needs to be addressed. I would undertake to have an officer contact your office to obtain the details to see what we need to do about it.

**Mr WOOD:** Okay, thanks.

**Madam ACTING CHAIRMAN:** Any other questions? No other questions. That concludes Output 3.1, Road Safety Services and also concludes consideration of the Output Group 3.0.

#### **Non-Output Specific Questions**

**Madam ACTING CHAIRMAN:** The committee will now move on to consideration of non-output specific budget questions. I draw members' attention. We have one hour left for this minister, we are finishing at 6:05 pm because we had that five minute break between portfolio responsibilities. We still have DCIS, the Printing Office and NT Fleet to go.

**Mr ELFERINK:** One quick one. Minister, these are photocopies of two brochures that you have put out in recent times, selling the \$75m plan to build the Northern Territory Police Force. In both of them, and in one in particular - and I will table it to honourable members - it says 'the Martin Labor government is', the 'Martin Labor government', 'the Martin Labour government'. It appears three times. In the other 'Martin Labour government' appears twice. Don't you think, quite frankly, it is not appropriate for you to place your commissioner in a position - as well as the Northern Territory public service and Northern Territory government - in a position to have to put up with party political

brochures being put out at the taxpayers' expense?

**Mr HENDERSON:** Well, I deny that it is a party political publication at all.

**Mr Elferink:** The word Labor without a 'u' means your political party, mate.

**Mr HENDERSON:** It means that the government of the day is a Labor government, and it is a government initiative to fund the \$75m to build our police force. In informing the community of where that significant amount of public expenditure is going, then we have every responsibility to inform the public as to where that money is going and to what effect.

**Mr ELFERINK:** Well, I can tell you, when you guys were in opposition, the hysteria that you folks engaged in when government put out information pamphlets with minister's faces - let alone mentioning the political party - was bordering on the irrational.

**Madam ACTING CHAIRMAN:** Shadow minister, questions, please! Statements are out of order.

**Mr ELFERINK:** As far as I can see - and I am sure that honourable members on both sides of politics would agree - sticking your political party's name on government advertising is not acceptable behaviour and compromises the public service that you have been purporting to protect, since you came into this place.

**Mr HENDERSON:** Well, that is your assertion and statement. But I deny that there is any compromising. I am sure, if we did some research, you could have in any number of circumstances where the previous government identified themselves as the CLP government. It is the government of the day, and it is a significant amount of public expenditure, but we are advising the public in terms of how that money is being spent.

**Madam ACTING CHAIRMAN:** Are there any other non-output specific budget questions?

**Mr BURKE:** Yes. I do not wish to labour the point but, certainly - and I do not suppose the commissioner is allowed to give a response to this - if one listens to the radio ads on the radio, there is a new era in Territory policing which is a criticism of the previous eras and previous commissioners, funded under the Martin Labor government.

If you are looking for parallels, a parallel could be if you are looking at the way the Howard government is promoting its Medicare initiatives. You never see the words 'Howard' or 'Liberal'. Everyone knows it is the Howard government, but it is the federal government. You are the Territory government. The point of the shadow minister's question is a pertinent one. I do believe that, in those recruiting ads, you are literally politicising the Northern Territory Police Force to a Labor position. It is quite wrong, I believe, to put the Police Commissioner and his own police force in that situation.

**Mr HENDERSON:** I deny at all that we are politicising the police force. To state that there is a new era in Territory policing - I forget your exact words, member for Brennan - is some sort of criticism of ...

**Mr Burke:** Well, listen to the radio ad.

**Mr HENDERSON:** Well, I have listened to the ads ...

**Mr Burke:** You probably did it in your office, did you?

**Madam ACTING CHAIRMAN:** Member for Brennan, let the minister respond.

**Mr HENDERSON:** ... but if there is some criticism ...

**Mr Burke:** Why was it not done by the Police Commissioner?

**Madam ACTING CHAIRMAN:** Order, member for Brennan!

**Mr HENDERSON:** It was not done - the ad was actually done by a Territory-based company. It was not done in my office. The issue of a new era in Territory policing – I do not know where you get that from but it is criticism of previous ...

**Mr Burke:** It is followed by 'Martin Labor government'.

**Mr HENDERSON:** ... commissioners or previous police is absolutely wrong. There is a new era in Territory policing: the single largest injection of new funding to the police force in the history of the police force. All organisations, from time to time, go through an era of change, of restructuring, and that is certainly what is happening now. It is a new era, it is very proudly a new era, but it is in no way politicising the police. In ...

**Mr Burke:** Rather than you going on, I will put the question another way.

**Madam ACTING CHAIRMAN:** The minister is responding still. Now, let him finish his answer.

**Mr BURKE:** I am giving him the opportunity to shut up.

**Madam ACTING CHAIRMAN:** Member for Brennan, I am asking you to let him finish his answer.

**Mr HENDERSON:** In regards to politicising the police and political parties being associated with the police, I will table here a flier, under 'Denis Burke CLP Leader', that went out to the community with police livery and insignia, 'CLP Police Plan'. So, if you are going to try and allege that, somehow, associating the Martin Labor government injecting \$75m into our police force to give it the resources that this community wants it to have to reduce crime in the community is somehow politicising the police force, you could equally say when you use policing colours and what have you ...

**Mr Elferink:** That one was paid for by the CLP, I think.

**Mr Burke:** This is a big difference.

**Mr Elferink:** A political party paid for that.

**Mr HENDERSON:** No, you are talking about politicising.

**Madam ACTING CHAIRMAN:** Will you let the minister finish.

**Mr HENDERSON:** You are talking about politicising and ...

**Mr Elferink:** You have a Northern Territory government logo and 'the Labor Party' on the same bloody document.

**Madam ACTING CHAIRMAN:** Shadow minister, if you continue to disrupt, and if you swear again, I will warn you.

**Mr Burke:** We will happily go if you carry on like that, too.

**Mr HENDERSON:** I would deny that. Very proudly, this government has put \$75m over the next few

years to build our police force and we are very proud as a government to have done that.

**Mr BURKE:** Could I ask the question another way? Do you believe that recruiting to the Northern Territory Police Force is an operational matter?

**Mr HENDERSON:** That is an operational matter. The decision to fund that recruitment is a decision made by government.

**Mr BURKE:** This government and you, in particular, and other ministers often say 'that is not in my purview, that is an operational matter'. The point I am going to is that the recruitment of recruits for the Northern Territory Police Force is an operational issue. It should be in the hands of the Police Commissioner and the construction of those ads should be entirely his prerogative. To do otherwise is politicising his position and the integrity of those ads. That is the question and the issue we raised.

**Mr HENDERSON:** That is the assertion that you have made. The recruitment is obviously an operational issue. However, in terms of the government funding that recruitment it is also a matter of policy: identifying that we want to see more Territorians in our police force, that we want to see the make up of the police force more representative of our community in the numbers of women and people from various multicultural backgrounds in the police force. Those are policy decisions that we have funded, and that is where the ads are coming from.

**Mr BURKE:** Rightfully in the commissioner's hands, and you know it.

**Mr HENDERSON:** That is your assertion and you have my response.

**Madam ACTING CHAIRMAN:** Any other questions on the non-output specific budget questions? There being no other questions, that concludes consideration of non-output specific budget questions and it concludes consideration of the output group.

On behalf of the committee I would like to thank officers from Police, Fire and Emergency Services for their attendance today. The committee will change directly over to consideration of the next output group which is Corporate and Information Services.

---

The committee suspended.

---

## DEPARTMENT OF CORPORATE AND INFORMATION SERVICES

**Madam ACTING CHAIRMAN:** I call the committee to order, welcome the Minister for Corporate and Information Services, and invite him to introduce the officials accompanying him and, if he wishes, to make an opening statement on behalf of Corporate and Information Services.

**Dr LIM:** Madam Deputy Chair, we agreed that we stop at 45 minutes from now?

**Madam ACTING CHAIRMAN:** 6.10 pm, I have calculated.

**Mr HENDERSON:** Thank you, Madam Deputy Chair. DCIS is a very significant department and government agency providing services to all other government departments, covering the areas of financial and accounting services, contracts and procurement, human resource services, archives and record management services, information and communications technology, property management, the Government Printing Office, NT Fleet and Data Centre Services.

Before the committee this afternoon is Ms Sarah Butterworth, Chief Executive Officer of DCIS. This will be Sarah's last appearance before the committee with this particular hat on, and I place on the

public record, as Minister for DCIS, my thanks and congratulations to Sarah ...

**Dr Lim:** Likewise.

**Mr HENDERSON:** ... for many years of great work as the CEO. She leaves to head up the Department of Infrastructure, Planning and Environment, but leaves the department in excellent condition. It is well regarded as a government agency by all the people they provide services to. Sarah, you have done a great job. I will put that on the record, and it is good to hear that from everybody else.

**Dr Lim:** Hear, hear!

**Ms BUTTERWORTH:** Thank you.

**Mr HENDERSON:** Also here today is Mr Nick Pellissier, the DCIS Director of Budgets and Commercial. DCIS has had a very busy year in 2003-04, and I will take the opportunity to run through some of the highlights achieved this year. The brief provided for the department would have taken me 15 minutes to read, such was the extent of the highlights. They have done a great job. Here are some of the key ones.

Procurement reforms. The government has introduced a raft of reforms to government procurement processes over the last year, and DCIS has had a driving role in implementing these changes to benefit business. Contract and Procurement Services have put in place many of these changes, including assisting Treasury in the establishment of reduced insurance provisions for government tenders that aim to reduce the cost of doing business with government. The reduced insurance provisions will apply from 1 July for off-the-shelf goods and many management consultancies. Contract and Procurement Services has championed a simplified tendering option for government tenders between \$10 000 and \$50 000, which is currently with Business and Industry for comment.

Cash flow is vital to small business and a key element of the government's procurement reform has been the introduction of a new regulation whereby businesses will be able to claim interest from government agencies who fail to pay undisputed accounts within 30 days. DCIS has implemented a reporting system on 30-day payments, enabling all agencies to see how they are performing by comparison to others for timely payment. I am particularly proud of this reform; it is one that I championed as minister for procurement. I am pleased to say the Northern Territory government is leading the way with all governments in Australia in introducing this reform. In addition, an agency is able to get details of both transaction numbers and values paid, both within the 30 days or outside the 30 days. There are now also reports on disputed payments available to each agency.

Payment on-line. More and more business is being done on-line and, over the last eight months, DCIS has been working with Westpac to enhance the on-line payment options available to customers. This secure payments gateway provides a facility for government financial transactions, including the following: paying bills issued by the Northern Territory government fines and infringement notices, or purchasing items from the government.

An important service coordinated by DCIS is the government's apprenticeship program, giving young Territorians a foot in the door with a career start in government. It has been a great start for that new program this year and DCIS is doing a fantastic job. Eighty-one apprentices started work with government in February of this year; 75 are still with the program. Another 16 began in May/June, and 14 new apprentices will begin work with the Department of Health and Community Services in Darwin, Alice Springs and Nhulunbuy on 30 June. Two new apprentices will start with DIPE on the same day. By 30 June 2004, 113 new apprentices will have started work with the government, and it is great to be placing young Territorians in jobs and getting them started in their career.

NT Fleet. Fleet continues to manage client demand. There has been an increase in the size of the fleet and, to date, Fleet has managed this without additional borrowing to fund these additional cars. Fleet provides a reasonable return on government's investment and continues to justify the decision

to retain ownership.

There are many other areas of DCIS that I could talk about, and I am sure we will have the opportunity to explore in questions. Thank you, Madam Deputy Chair.

**Madam ACTING CHAIRMAN:** Thank you, minister. The time is now 5.25 pm. For the *Hansard* record, I wish to advise that, pursuant to section 12 of the terms of reference for the Estimates Committee, Madam Speaker has nominated the member for Daly, who is the shadow minister in this portfolio area, to replace the member for Greateorex. As indicated, we will conclude this ministerial appearance at 6.10 pm to take into account additional time taken for break.

#### **Output Group 1.0 – Corporate Support Services**

##### **Output 1.1 – Financial and Accounting Services**

**Madam ACTING CHAIRMAN:** We will now move to Output Group 1.0, Corporate Support Services for consideration of Output 1.1, Financial and Accounting Services. Are there any questions?

**Dr LIM:** Madam Deputy Chair, I would like to join the minister in congratulating Sarah Butterworth in her move to DIPE and for the good work you have done in DCIS. Thank you very much, and good fortunes in your new job.

**Mr Henderson:** It is a pity Peter Murphy could not have been so generous.

**Dr LIM:** Minister, in terms of Financial and Accounting Services, I note that the government makes great stock with its policy of 'pay within 30 days' rule. I commend that policy; it is good. I wonder whether you could table the list as of today, of how many accounts are considered current - that is less than 30 days old - and at what value. Table how many are more than 30 days old and at what value. Are you able to table how many accounts have been unpaid within a 30-day period since the introduction of the policy and to what value. If you have the list, I will be happy to just take the list. You can table it.

**Mr HENDERSON:** Well, the policy actually comes into force as of 1 July this year. That is the start date for the new policy to commence. It is the start date for the reporting ...

**Dr Lim:** With interest?

**Mr HENDERSON:** ... with interest.

**Dr LIM:** Before that you already had that policy ...

**Mr HENDERSON:** Well, the 30-day payment policy, in terms of a target, has been there for some time. In regard to our capacity to report against that, I will hand over to Sarah to see if we have the numbers that the member is asking for.

**Ms BUTTERWORTH:** Sarah Butterworth. We can only report after they have been paid; it is a retrospective system. So, we have no way of measuring what is still in agencies and has not been forwarded to us. We can report retrospectively.

I can tell you that, for the month May, 93% of payments were made within that period of time, in the 30 days. The number of payments that are outside that period that were paid during May - I am just doing some quick sums here - about just under 2500 payments. If you really want a list of those payments, we can give you the numbers by agency.

**Dr LIM:** If you could do that, it would be good. I do not want the names of businesses, obviously, just the agencies and the value, if you could.



**Ms BUTTERWORTH:** Yes, we can do that by agency.

**Dr LIM:** With regard to staffing, over the last 12 months, I suppose, many staffing positions have been left vacant for reasons we can go into at another time. If budget allocation for staffing, minister, is not used for salaries because the position is left vacant, what happens to the allocation?

**Mr HENDERSON:** You are alleging that positions have been left vacant. I would seek comment from my CEO as to positions being left vacant.

I am certainly aware that people come and go; there is a pretty high turnover of staff across the public sector. That has been the case for many years. Certainly, in a dynamic organisation like DCIS, people do move within and through the organisation, and workplaces are restructured, from time to time, as a result of the implementation of back office technology. Treasury is always pretty voracious in clawing back money from agencies that have not been expended for whatever reason. However, in regard to positions being left vacant and what happens to the money, I will hand over to Sarah.

**Ms BUTTERWORTH:** Not so much that the positions are left vacant, but we do have a large turnover in DCIS, there is no doubt about that.

**Dr LIM:** Well, maybe the word 'less' might be wrong. There is a latency period between the time they come and you reinstall a person in there. So, there is a latent period. What happens to the allocation for that?

**Ms BUTTERWORTH:** Mostly, we are in a position to reinvest that in systems that help us to cope with the fact that we have such a high staff turnover.

**Dr LIM:** Minister, the money is not identified in terms of within the budget, it is within the system, that has been reused. Will you show that in the budget somewhere, that money that has been used for staffing is not being used for staffing, perhaps?

**Mr HENDERSON:** Again, I will defer to the CEO, but the cost of recruitment would be pretty high and there would be a large effort going towards that. I will hand over to the CEO.

**Mr Pellissier** interjecting.

**Ms BUTTERWORTH:** The issue that Nick is just reminding me of was that last year we did actually return \$1.9m to Treasury.

**Mr PELLISSIER:** Well, we returned it this financial year as a result of having a better than anticipated cash balance at the end of last financial year. That is the nett result of both achieving a slightly higher revenue prediction than predicted and coming in under our expense budget. The money was returned this year - \$1.9m of it was returned.

**Madam ACTING CHAIRMAN:** Just one moment. Sorry. For the purposes of Hansard, that was Nick Pellissier. Nick, sorry about this, but if you could state your name.

**Dr LIM:** Is that identified anywhere within the budget book? Where is it shown in the budget books that the \$1.9m has been returned to ...

**Mr PELLISSIER:** On page 181 there is an equity withdrawal of \$1.9m shown in the 2003-04 estimate.

**Dr LIM:** Would that be it?

**Mr PELLISSIER:** Yes.

**Dr LIM:** Thank you. As the shadow minister for Employment, Education and Training, I note that DEET's total operating expenses for this year was \$530.3m and will be \$540-plus for the next financial year – which is about \$10m more than last year's services. It also quotes that \$10.7m was provided by DCIS free of charge. There is no contra entry in the section of the budget books relating to DCIS that I can find. Can you show me where that would be? If it is in one department or one agency, this amount provided by DCIS free of charge, that cost has to come out of DCIS's budget. DCIS does not identify that as a service provider to DEET. Can you show me how you account for that in accrual accounting?

**Mr HENDERSON:** I am sure Mr Pellissier can. I hand over to him.

**Mr PELLISSIER:** The accrual accounting requires agencies receiving the service, or any body receiving a service free of charge, to record it in their books, which means a debit and a credit entry under accrual accounting - the debit entry being an expense shown as services received free of charge and a credit entry being a revenue item for that agency. The only entry DCIS itself would show – which we do record but we do not show it separately - is services we receive from the Auditor-General free of charge, and we do expense that each year and raise it as a revenue item.

**Dr LIM:** Minister, let us take DEET because I know that one - page 91 of Budget Book No 3. You have on one line DCIS services free of charge. Now, in a subsequent entry on page – where is it?

**Mr Pellissier:** Page 102, I would say.

**Dr LIM:** Page 102, yes, you have the entry as Revenue and operating expenses. So that is the contra there. However, in your front page here you have this DCIS free of service entry; there is nothing in DCIS saying this is where it is spent. Do you follow what I am saying? What I am saying is that, if I added up all the DCIS services free of charge entries through all agencies, I get a \$74m-plus of extra money which has not come from anywhere, and has not gone anywhere, but it has bloated your total budget in the Territory by \$74m. I say that is wrong accounting.

**Mr HENDERSON:** I will hand over to the accounting expert to explain to you.

**Mr PELLISSIER:** On page 91, the expense side of the entry is in the output costs. All the output costs have been grossed up to include \$10.697m worth of DCIS charges, which is shown. The minus there is to say that this is a non-cash transaction, that it does not require output funding specifically to the agency. It is simply showing you that that amount is not a transaction that Treasury is required to fund for that agency, but it is the gross cost of the agency producing those outputs.

**Dr LIM:** So, minister, if you do add up all agencies' total operating expenses for 2004-05 and, using DEET as an example, the total operating expenses for 2004-05 is \$714.5m. If you add it all up, that is the total budget for the year for 2004-05. I suggest to you that has been bloated by the \$74m, unless your budget figures have been artificially inflated when, in fact, there is no real \$74m anyway. Or you have the money and you have hidden it away somewhere.

**Mr HENDERSON:** That is an allegation you have made, but Mr Pellissier has answered your question. If you want to go round and round in circles, I am sure he can answer it again. Mr Pellissier.

**Mr PELLISSIER:** Well ...

**Dr Lim:** No. You do not understand it, obviously.

**Mr HENDERSON:** I understand the answer.

**Mr PELLISSIER:** Perhaps I could explain myself a bit better. When you look at the DCIS pages on pages 175 or 173, it shows what it costs to run DCIS, which is the \$94m. \$74m of that, as you have correctly identified, is attributed to providing services directly to other government agencies.

The government has accounted for the \$94m here, saying that is what it costs to run DCIS. However, in terms of attributing that cost, \$74m of that cost is directly attributable to servicing agencies that produce outputs, so they have appropriately accounted for that \$74m under each agency.

If you added all the gross costs together, you are right, you would come up with a total that is \$74m greater than what the government actually spends. However, that is why they have that minus on there for the DCIS services received free of charge, which would add up to the \$74m again, so it takes it back off in terms of output funding.

**Dr LIM:** All right. Okay, I follow you there. Thank you. So the money has been spent by DCIS; it is not hidden somewhere?

**Mr PELLISSIER:** Correct.

**Mr HENDERSON:** If we have \$74m hidden somewhere, I would like to know about it.

**Dr LIM:** Okay, that is all for Output 1.1, thank you.

**Madam ACTING CHAIRMAN:** Any other questions on Output 1.1? There being no further questions, that concludes consideration of Output 1.1.

#### **Output 1.2 – Contract and Procurement Services**

**Madam ACTING CHAIRMAN:** We move to consideration of Output 1.2, Contract and Procurement Services. Shadow minister.

**Dr LIM:** Thank you. Minister, how much was spent on consulting services in 2003-04 for the whole of government? I wonder whether you can detail the individual contracts; to whom the contracts were awarded; at what cost; for what reason; how they were awarded, either by competitive tender or through a certificate of exemption; and how much is estimated to be spent for 2004-05?

**Mr HENDERSON:** Is that a question on consultants to DCIS?

**Dr LIM:** I am surprised you ask that question. I assume that DCIS looks after all the corporate services for the whole-of-government, so you should know all that.

**Mr HENDERSON:** No, the question is for you to be specific. Are you asking the question in relation to consultancies to DCIS or are you asking the question in relation to consultancies across government? That is my point of clarification.

**Dr LIM:** I asked for the whole-of-government. How much was spent on consulting services in 2003-04 for the whole-of-government? I asked whether you could detail individual contracts; to whom the contracts were awarded; at what cost; for what reason; how they were awarded, either by competitive tender or through a certificate of exemption; and how much is estimated to be spent for 2004-05?

**Ms BUTTERWORTH:** The answer to that is no, I cannot provide that information. We do the processing of those things; we do not monitor the budgets or the expenditure.

**Dr LIM:** You process?

**Ms BUTTERWORTH:** We do the calling of tenders, we process the certificates of exemption, and we put the papers to the PRB. We do that side of it, but all the detail in relation to the contracts

themselves is with the agencies.

**Dr LIM:** But when you do the processing - through you, minister - would you not know what has been called for and what it is worth?

**Ms BUTTERWORTH:** I can tell you, yes. I could give you a listing of all the contracts that have been awarded in a period of time, which would be in order of about ...

**Mr HENDERSON:** \$700m.

**Ms BUTTERWORTH:** Yes, 1700 contracts through CAPS.

**Dr LIM:** Well, if that is available, minister, I seek your indulgence and say, okay, this is a DCIS operation, all those things go through DCIS. You would have the full list of contracts awarded for the whole-of-government, the individual contracts, to whom they were awarded, and at what cost. Maybe you might not have the reason for the contracts, but you would have at what cost and how they were awarded - whether through competitive tender or through certificate of exemption. You have that.

**Ms BUTTERWORTH:** For contracts over \$10 000, in most instances, yes, I can.

**Dr LIM:** Yes, thank you. And could you give me an estimate how much will be spent for 2004-05?

**Mr HENDERSON:** Around \$700m.

**Ms BUTTERWORTH:** No, I could not for 2004-05. Again, it is retrospective. I can tell you what happened, not what is going to happen.

**Madam ACTING CHAIRMAN:** Is that a question on notice?

**Mr HENDERSON:** We will have to take it on notice because we do not have that information here.

**Madam ACTING CHAIRMAN:** To assist Hansard and to ensure the minister is fully aware of the question, could the shadow minister please restate the question?

---

#### Question on Notice

**Dr LIM:** Minister, how much was spent on consulting services in 2003-04 for the whole-of-government? Detail the individual contracts; to whom the contracts were awarded; at what cost; for what reason; and how they were awarded, either by competitive tender or with a certificate of exemption.

**Ms BUTTERWORTH:** Can I make a clarification? I can give you the list of all the contracts that have been awarded. I cannot necessarily determine what is a consultancy, as such. I would need to go through and sort every contract by its title, which would be a very extensive task. I can give you the full list of the 1700 contracts we have awarded.

**Dr LIM:** What is the difference between just a straight contract and one that is a consultancy?

**Ms BUTTERWORTH:** It would include construction contracts and supply contracts, stationery - everything - and it is not broken into categories.

**Dr LIM:** There is no way that it is notated whether it is a consultancy or a contract?

**Ms BUTTERWORTH:** No. It is just a contract as far as we are concerned.

**Dr LIM:** A master path contract could be, potentially, a consultancy how to clean up the road verges, to a contract to clean the road verge?

**Ms BUTTERWORTH:** Yes.

**Dr LIM:** And there is no way I can tell whether it is one or the other?

**Ms BUTTERWORTH:** There is no way I can tell, because the name of it has been selected by the agency, and I cannot tell what is a consultant.

**Madam ACTING CHAIRMAN:** So therefore, do we have the question on notice?

**Dr LIM:** Yes, we still have the question on notice, of course. I can always approach ...

**Madam ACTING CHAIRMAN:** For all contracts, not specifically consultancies?

**Dr LIM:** You provide for me what you ...

**Mr HENDERSON:** Why do you need all contracts?

**Dr LIM:** All contracts ...

**Mr HENDERSON:** We can give you a list of 1700 contracts and you can go through them.

**Dr LIM:** And those that you know that are consultancies, I would appreciate to have them. If you do not, you do not.

**Madam ACTING CHAIRMAN:** Minister, do you accept that as a question taken on notice?

**Mr HENDERSON:** Yes.

**Madam ACTING CHAIRMAN:** That being the case, I allocate number 5.5 to the question.

---

**Dr LIM:** My next question, minister. One of the pre-election promises of the government was that it would reduce the expenditure on consultancies from outside of the Northern Territory Public Service. Can you tell me what the reduction in the consultancy budget is for 2004-05 for DCIS?

**Mr HENDERSON:** Again, the question would have been more appropriate to individual agencies. In the way that contracts are recorded with CAPS, it is individual agencies that would give those contracts names. You have just heard from the CEO, it is very hard for us without going through the details of each and every one of those 1700 contracts, and the public servants have better things to do, than to pull that figure down. How many consultancies went interstate as opposed to how many were done within the Northern Territory, is up to the individual agencies that run the tender process to make those decisions. It is probably more appropriate that it be done at that level.

**Dr LIM:** Minister, you did not hear my question properly, and I will say it again. I have the years wrong but, anyway, let me say it again. One of the pre-election promises of the government was that it would reduce the expenditure on consultancies from outside the Northern Territory Public Service. What is the reduction in the consultancy budget for 2004-05 for DCIS? If I can add: what consultancies were done from outside the Northern Territory for 2003-04?

**Mr HENDERSON:** We are not in the 2004-05 financial year yet. Agencies make decisions in regard to

what consultancies may or may not be required during the course of the financial year, as operational or planning issues arise. We cannot possibly forecast what that number is going to be.

In regards to the 2003-04 financial year, and what has occurred this financial year, the capacity to identify what went interstate - the definition of an interstate consultancy would be pretty high - I will ask our CEO if we have any information on that?

**Ms BUTTERWORTH:** Can we table this?

**Mr HENDERSON:** Yes, if we can table this.

**Dr LIM:** Thank you.

**Madam ACTING CHAIRMAN:** For clarification, is that document being tabled?

**Mr HENDERSON:** Yes.

**Dr LIM:** Minister, I am curious that you would not know what the reduction in the consultancy budget is for 2004-05; you do not have a budget yet ...

**Mr HENDERSON:** We do not have it. We do not have a specific ...

**Dr Lim:** You do not have a budget for it? You do not have a budget for consultancies?

**Mr HENDERSON:** We do not have a specific budget, because you do not know what you are going to require during the financial year. We do not have a specific budget. As an agency, agencies have operational funding that they draw down as they require during the year. In some years, of that operational funding, more would go to consulting in one year than it would to another. Those issues are determined during the course of the financial year as issues arise and as strategies are being developed, and those consultancies come out of the operational budget of government agencies.

**Dr LIM:** You do not have within your operational allocation a sub-allocation for consultancies?

**Mr HENDERSON:** Sarah.

**Ms BUTTERWORTH:** There is, of course, a ...

**Dr Lim:** Nominal amount.

**Ms BUTTERWORTH:** Yes, a cash against which we charge consultancies. At the beginning of the year, we know approximately what issues are going to be arising that will require us to use consultants. I have not gone through that process that you are describing of saying: 'How much did we spend on consultants this year and how much less will we spend next year'.

**Dr LIM:** Minister, will you be able to take that question on notice and provide me that figure once the department has worked out the amount?

**Mr HENDERSON:** It really would be notional and, in what we may or may not spend against consultancies, obviously, there would be issues in the pipeline that the CEO would be aware of. However, issues are also going to emerge during the course of the financial year that you would not be aware of. We can give you a notional number, but ...

**Dr LIM:** I would appreciate that. Minister, you can understand that, in a department such as DCIS which ought to know well in advance what issues are coming out for the next 12 months - that is what

DCIS is about. You predict these sort of things and you put notional amounts aside because you know that these are the issues that are going to come up in the next three, six, nine, 12 months. I believe a notional figure would actually give us an idea of how DCIS is functioning.

**Mr HENDERSON:** Okay.

**Dr LIM:** Thank you.

**Mr HENDERSON:** We will take that on notice.

**Madam ACTING CHAIRMAN:** To assist Hansard and to ensure the minister is fully aware of the question, could the shadow minister please restate the question?

---

### Question on Notice

**Dr LIM:** I have forgotten the question now. Okay. One of the pre-election promises of the government was that it would reduce the expenditure of consultancies from outside the Northern Territory Public Service. I am asking the minister to provide me with a listing – which you have already done – of the consultancies from outside the Northern Territory for 2003-04. I now ask the minister for the consultancy allocation debt the department would be likely to have once the department has sorted out what likely consultancies will be required for the next 12 months.

**Madam ACTING CHAIRMAN:** Minister, do you accept that as a question taken on notice?

**Mr HENDERSON:** Yes.

**Madam ACTING CHAIRMAN:** That being the case, I allocate number 5.6 to the question.

---

**Madam ACTING CHAIRMAN:** Shadow minister, I draw your attention: there are 15 minutes left, and there are other members wanting to ask questions. I am sure there are a lot of outputs here. If you could start to prioritise, we would appreciate that.

**Dr LIM:** You are going to tell me how to run my business, thank you very much. There are still 21 minutes left, and I am done with Output 1.2, thank you.

**Madam ACTING CHAIRMAN:** I am just making a suggestion. You are done, okay, with Output 1.2. Other members?

**Mr WOOD:** Yes, just on contracts, minister. I have a list of DCIS contracts from, I think, 18 months ago. In one of those contracts is the administration of apprenticeship program for \$931 000. The question I have is: why didn't DEET do that itself? Why is it DCIS?

**Mr HENDERSON:** I will hand over to the CEO for an historical answer.

**Mr WOOD:** Everything is historical here, isn't it?

**Mr HENDERSON:** Well, you are saying 18 months ago.

**Mr WOOD:** Well no, no. Sorry, I have a list of contracts from 18 months ago. From 18 months back to now. I beg your pardon.

**Mr HENDERSON:** Oh, okay. All right, sorry. Sarah.

**Ms BUTTERWORTH:** The one you are referring to is with Group Training Northern Territory, I think. You haven't got that?

**Mr WOOD:** All the details that I have is administration of apprenticeship program.

**Ms BUTTERWORTH:** The apprenticeship program has been talked about. The minister talked about an increase in the number of apprentices that were taken on for the whole-of-government. We manage the apprenticeships for government, so it is an additional 200 apprentices over a three-year period. We recruit those apprentices; we induct them; we look after them throughout their traineeship. Because it was such a major increase, we decided that rather than employ additional staff ourselves, we would actually contract it out, and that is what that contract is for. It is a three-year contract.

**Mr WOOD:** And on a smaller contract: DCIS let a \$27 000 tender to a South Australian company to print and supply a brochure for delivery to Auckland and Alice Springs. Do you know what the brochure was and why was DCIS paying for it?

**Ms BUTTERWORTH:** It would have been for the Tourist Commission, I think. There was a significant body of work that we did for the Tourist Commission through Government Printing Office.

**Mr WOOD:** I suppose I query why you have a brochure that was suitable for Auckland and also suitable for Alice Springs?

**Ms BUTTERWORTH:** I would have to take more details on notice.

**Mr WOOD:** I will not put that on notice, but we might find out ...

**Mr HENDERSON:** Maybe because they both begin with A.

**Mr WOOD:** I know why you got the job now, minister.

**Mr HENDERSON:** Yes.

**Mr WOOD:** That is all the questions I have.

**Madam ACTING CHAIRMAN:** Okay. No other questions on Output 1.2. That concludes consideration of Output 1.2.

### **Output 1.3 – Human Resource Services**

**Madam ACTING CHAIRMAN:** The committee will now consider Output 1.3, Human Resource Services. Any questions?

**Dr LIM:** Yes, thank you, Madam Deputy Chair. Minister, I note that some agencies have undertaken their own recruitment processes. Some even bring their own Human Resources management, even so far as some contract management. Why is this happening if DCIS is supposed to be doing all that under Corporate Services?

**Mr HENDERSON:** Can you advise, member for Greateorex, which agencies you are referring to as being ...



**Dr Lim:** That is for you to know ...

**Mr HENDERSON:** Well, no, you are making a statement and I am asking you to help you get the answer.

**Dr LIM:** I am telling you that is what is happening. I do not want to do those departments in; I do not think that would be right. If you do not know about it, gee, then you do have a problem.

**Mr HENDERSON:** Well no, I am just asking. If you are clear we could give you a clear answer as to why a specific agency might be doing some partial level of recruitment.

**Dr LIM:** Again, I say I am not going to do those departments in.

**Mr HENDERSON:** Oh well, I will hand over to our CEO and see if Sarah can second guess where you are coming from.

**Ms BUTTERWORTH:** There are some particular programs that agencies have always retained. For example, police do their own recruitment of their uniform branch, but we do their civilian recruitment. So there some things historically like that. Also Treasury, because they have a particular graduate program - the Finance Officer-in-training Program - they have retained recruitment and management of those trainees. DCIS does the things that apply across all of government to all agencies where we can get economies of scale. Where there is something that is different in some way, agencies have, in some case, retained those.

**Dr LIM:** My concern that the corporate management or Corporate Services of DCIS is not breaking up is unfounded?

**Ms BUTTERWORTH:** No. It is unfounded.

**Dr LIM:** Okay. Thank you. When government has a policy to buy local, and departments around the regions try buy local and then they progress the order, they get advice from Darwin that 'No, we are not going to do that, we are going to do this all from Darwin. You cannot buy local'. What happens? Is that a DCIS policy? It cannot be that payments are too hard to do outside Darwin.

**Mr HENDERSON:** No, and under the procurement acts there are various thresholds whereby you can get through verbal quotes or written quotes or go to tender - and that is the process. The definition of 'local' is a Northern Territory definition. There is nothing in the policy to say 'regional', and it is one of the issues for discussion with the private sector in terms of the definition of 'value for money'. I have asked for specific input from the Chamber of Commerce, for example, as to advice from the business community on this issue of local versus regional. However, there is certainly no direction and each agency should follow the procurement guidelines.

**Dr LIM:** All right, minister I will follow on that at another time. I now want to go into the whys and wherefores of different sets of numbers of public servants. Can DCIS provide a list of staffing on the payroll that is being maintained by DCIS, full-time and part-time, so that we can work out what is there?

**Mr HENDERSON:** On the payroll for DCIS or the public service?

**Dr LIM:** Of the government; for the whole-of-government.

**Mr HENDERSON:** For the entire public service? Sarah.

**Ms BUTTERWORTH:** Of the 16 300 that we pay, how many of are on part-time and how many full-

time?

**Dr LIM:** Full-time, part-time and casual.

**Ms BUTTERWORTH:** I could. I would have to take that on notice. I do not have that.

**Dr LIM:** Thank you.

**Madam ACTING CHAIRMAN:** Is that a question on notice?

**Dr LIM:** Yes, thank you.

**Madam ACTING CHAIRMAN:** All right. To assist Hansard and to ensure the minister is fully aware of the question, would the Shadow minister please restate the question?

---

#### **Question on Notice**

**Dr LIM:** List the number of employees on the payroll maintained by DCIS in terms of full-time, part-time and casual for the whole-of-government.

**Ms BUTTERWORTH:** May I seek clarification? May we pick a pay, one pay on which to do it?

**Dr LIM:** As of the last pay or the last pay of this month.

**Ms BUTTERWORTH:** Yes. As at one, a typical pay.

**Mr PELLISIER:** Pay 26.

**Madam ACTING CHAIRMAN:** Minister, do you accept that as a question taken on notice?

**Mr HENDERSON:** Yes.

**Madam ACTING CHAIRMAN:** That being the case, I allocate number 5.7 to the question.

---

**Dr LIM:** No further questions.

**Madam ACTING CHAIRMAN:** Are there any other questions on Output 1.3? That concludes consideration of Output 1.3.

#### **Output 1.4 – Archives and Records Management Services**

**Madam ACTING CHAIRMAN:** We will move on to consideration of Output 1.4, Archives and Records Management Services. Are there any questions?

**Dr LIM:** Yes, just one quick question, minister. I went into the DCIS web site today to see how it was going and the first three links I clicked on were dead links; there was nothing found, for instance. I shall show you what I mean. The sort of thing that I got. If DCIS is doing that, minister, what has happened to the rest of the government's web sites?

**Mr HENDERSON:** Oh, we will have a look at it.

**Ms BUTTERWORTH:** We each look after our own.

**Mr HENDERSON:** We will have a look at those issues.

**Dr LIM:** Okay. As minister, you should check every so often yourself.

**Mr HENDERSON:** I do, and it is a very good web site.

**Dr LIM:** You do?

**Mr HENDERSON:** I have not been to it for a while, but ...

**Dr LIM:** I have been on there within the last couple of hours and this is what I have found.

**Mr HENDERSON:** That is fair enough.

**Madam ACTING CHAIRMAN:** Any other questions on Output 1.4? That concludes the consideration of Output 1.4.

#### **Output 1.5 – Information and Communication Technology Services**

**Madam ACTING CHAIRMAN:** The committee will now consider Output 1.5, Information and Communication Technology Services. Questions?

**Dr LIM:** Minister, it has been some three years now since the ICT outsourcing policy - no four years now since it was implemented. I wonder if you can tell me how the department rates the success or failure of the policy and the associated intention or policy of growing the ICT industry in the Northern Territory? What lessons were learnt? Have the lessons learnt enabled government to deal with the consortium more effectively and beneficially? This is a good news story for the minister to talk about. I would like to hear it.

**Mr HENDERSON:** The decision to outsource government ICT services was made, and we supported it from opposition. In terms of achievements against the objective of growing the ICT industry in the Northern Territory, I will say that it has been a fairly challenging time, but things are settling down and the industry is moving ahead.

The fact is that when the outsourcing contracts were initially let, like any contract in government, there were more losers than there are winners. We did have a large number of small ICT businesses in the Northern Territory, prior to outsourcing, supplying government. However, as a result of standardising the desktop across government in regards to computers that are on people's desks - the base level of software for every public servant - and putting all that out to tender, there was a real shake-out in the industry, and a number of companies went under, ceased trading, left the Northern Territory. The industry went through a degree of pain and rationalisation. That initial impact that, until 12 months ago, was still being shaken out, certainly did not achieve the stated objective of growing the ICT industry.

However, where we are at now that the initial shock of that decision has worked its way through the industry, is seeing the industry working together much more collaboratively, with joint ventures being formed between small companies and some of the major multinationals. We have had two industry forums held in Darwin, where the industry has come together and mapped out, in partnership with government, its own future.

The industry has recognised that, if it is to grow in the Northern Territory, it needs to export. It needs to export interstate and overseas. It is not going to grow as an industry in the Northern Territory based on government contracts. To that effect, the industry association in the Northern Territory has developed an exporting strategy. As an industry, they have identified Singapore as a target market, not only for exports, but also for equity and joint venture partnerships, and they have identified, as a

product, to export the development of remote service delivery applications, successes, and content. That is the path that the industry is going down.

It has been a challenging time. I do not think that the industry has grown in the Northern Territory in the last three years, but is poised now, with leadership from within industry and support from government, to start achieving those targets that they have set for themselves as an industry.

**Dr LIM:** Thank you. Recently, the government awarded a messaging contract - a separate contract to the rest of the ICT outsourced contract - to a major partner within the consortium. From what I understand, the messaging contract is entirely separate. It still, effectively, gave the consortium partners almost all of the ICT operations, apart from LATIS. How does such an action promote the growing of ICT industry in the Territory?

**Mr HENDERSON:** The contract was a separate contract. It was a contract that expired, and the structure of those contracts in terms of desktop messaging - the voice and data networks - were contracts that were established by the previous government. Those contracts, at various stages, have been up for renewal, so we did go back to the marketplace for the messaging contract. That was an open and transparent process and, as per the procurement guidelines, the company that was awarded the contract was awarded in a competitive environment. That is, essentially, the answer.

**Dr LIM:** Would that promote the growth of ICT within the Territory still?

**Mr HENDERSON:** Certainly, that is their stated corporate ambition. There are winners and losers. I can say that CSM performed very well in terms of the contract that they did have with government, and I am sure that CSG will do equally well. That is what happens when you do outsource; you do renew contracts from time to time. Sometimes companies hold contracts, other times they are going to lose them. That is the nature of the competitive environment.

**Dr LIM:** Minister, I note that you announced that government will go to tender on the telecommunications services contract yesterday. How would that impact on Optus and ITS and the consortium partners in that issue?

**Mr HENDERSON:** We have gone to the marketplace, which was an option under the terms of the initial contract that we had with Optus. In terms of how will it impact, I do not know. There will now be a tender process in place and Optus, Telstra, and other carriers will be able to bid for the government contract. How those prime carriers decide - regarding the new bids that they are going to put to government - how they are going to partner with local business and industry, will only be revealed once those bids come in, so I cannot forecast what that is going to be.

**Dr LIM:** In your comment about growing the industry in the Territory, the rationale for providing Optus with a contract, in this instance, was to bring a competitor into the Territory. In the event that Optus loses the contract, will we be back to a monopoly? How do you see that?

**Mr HENDERSON:** My understanding - and I have been briefed - of the rationale for awarding Optus their contract in the first bid, was not purely determined by it bringing competitors into the market. There was a tender process and, essentially, my understanding is that they won on that basis. Price was a factor - a whole range of issues were a factor. It was not a case of government going to tender and saying: 'We want competition in the marketplace, therefore, we are only interested in bids from people who are not in the marketplace'.

I certainly acknowledge that competition in a market economy is something that is good for the economy. However, we have to be mindful of best value, and best value can be determined through an open and competitive process which we, as a government, have decided to go through. I am sure Optus will put in a very competitive bid. I am sure Telstra and, maybe some other carriers, will put in competitive bids. We will make a judgment at that time.

However, even if we had extended Optus's contract for three years, we would be having this debate in three years time, because you would have to go to the market then anyway. Unless you are suggesting that we should exclude Telstra from being able to bid? That would be a breach of competition policy and it would be illegal.

**Dr LIM:** Would government consider splitting the telecommunications contract into two smaller bites, so that it you allow more than one contractor into the contract itself and, thus, promote continuing industry development, and also competition?

**Mr HENDERSON:** We have not made any decisions of what shape or form that that tender will take. When the tender goes to the market, that will be revealed.

**Dr LIM:** So there is an opportunity that a contract, instead of a \$25m single contract, could be 10:5 or 15:10 or whatever, while undertaking the cost of making smaller contracts means more expenses than one single contract?

**Mr HENDERSON:** All things are to be considered in regards to how that tender is going to be constructed, and those decisions have not been made yet.

**Dr LIM:** That is all. We are running out of time, unfortunately. Let me put one last question to you which I alluded to earlier.

**Madam ACTING CHAIRMAN:** On this output?

**Dr LIM:** On this output, yes. When we were talking about the police, I mentioned that Northern Territory government did put a bid in to the CCIF on the basis of cable TV and Internet for Education, Health and Police, and nothing into the bush communities, and then pulled the proposal. There was a big pool of federal funds available. What happened there? Why did the government pull the proposal in the first instance, and why did it not put a bid in to involve the community and only just for government agencies?

**Mr HENDERSON:** Sarah can answer that question.

**Ms BUTTERWORTH:** The CCIF proposals that we looked at – yes, it is a large pool of money but it requires matching funding. It was quite a significant amount of money, and the agencies have to prioritise within their existing budgets, and they are not able to participate.

**Dr LIM:** Local government did very well out of it; Charles Darwin University and Desert Knowledge Centre did very well out of it, and it was very shortsighted of government to fail to respond.

**Mr HENDERSON:** Well, that is your opinion.

**Madam ACTING CHAIRMAN:** Any other questions from the shadow on that output?

**Dr LIM:** No, I do not have time for that.

**Mr WOOD:** Just a quick question. My understanding is that there was a contract to outsource IT, and that is with the company that looks after my computer and the office computers. Is that a broad contract that covers everything, or is the government required to pay extra every time someone comes out to fix my computer?

**Ms BUTTERWORTH:** No.

**Mr WOOD:** So, that covers it all?

**Mr HENDERSON:** Yes.

**Mr WOOD:** I do not feel too guilty now when I ring up ...

**Mr Henderson:** Absolutely not.

**Mr WOOD:** ... and say: 'The front cover just fell off my computer, please come out and fix it'.

**A member:** No, ring them three times a day.

**Ms BUTTERWORTH:** What you pay for is the service and, so, you do not pay for the hardware, the visits, or helpdesk as such. You pay a set fee, which is about \$250 a month for your PC and for that to be working all the time.

**Mr WOOD:** I will not feel so guilty when it freezes, when I cannot get the web, when I cannot get the government Internet site.

**Ms BUTTERWORTH:** Ring the helpdesk. Feel free.

**Mr WOOD:** I feel much better now.

**Mr HENDERSON:** Do not feel guilty.

**Madam ACTING CHAIRMAN:** Member for Nelson, I would love to indulge you all night but we actually have run out of time. That concludes the debate of these output groups.

**Dr Lim:** It is a real pity we do not have enough time to do the work we have to do.

**Madam ACTING CHAIRMAN:** On behalf of the committee, I would like to thank officers of the Department of Corporate and Information Services for attending today.

The Estimates Committee will resume at 6.40 pm for the appearance of Minister Ah Kit.

---

The committee suspended.

---

### **MINISTER AH KIT'S PORTFOLIOS**

**Mr CHAIRMAN:** I call the committee to order, welcome the minister and invite him to introduce the officials accompanying him and, if he wishes, to make an opening statement on behalf of the Department of Community Development, Sport and Cultural Affairs.

**Mr AH KIT:** Thank you, Mr Chairman. I am here today to answer questions from the committee with respect to my portfolio areas. This evening, I am here with Mike Dillon, the Chief Executive Officer of my Department of Community Development, Sport and Cultural Affairs. Mr Dillon is also the Chief Executive Officer of Housing, Business Services.

Next to Mr Dillon is Ms Ellen Adriaansen, Executive Director responsible for financial management in the department. Ms Adriaansen will also assist the committee through its deliberations. I also have on my left, at this stage, Mr David Coles, Executive Director of Local Government and Regional Development.

I will be inviting other members of the executive from my department to join me as I believe appropriate to the committee's deliberations. Later in the evening I will be joined by the Acting Chief Executive of the Aboriginal Areas Protection Authority when the committee considers the appropriation of the authority.

The Department of Community Development, Sport and Cultural Affairs is responsible for delivery of the government's program in Arts and Museums. The Chief Minister has carriage of this appropriation and invited questions yesterday. I will answer any questions in regard to Library and Information Services, and I direct the attention of committee members to page 204 of Budget Paper No 3. There you will see the division of Arts and Museums and Library Services. The output costs for Library and Information Services are distinct from the other costs in that division.

I will answer questions in regard to the scope of capital works programs in my portfolio. My colleague, the Minister for Transport and Infrastructure will answer questions in regard to the contractual detail of capital works contracts for airstrips and barge landings administered by the Department of Infrastructure, Planning and Environment. My department also delivers power, water and sewerage services to some 70 indigenous communities throughout the Northern Territory. These essential services are funded by my department, but delivered by the Power and Water Corporation. I will answer questions in relation to these services.

Mr Chairman, the 2003-04 financial year resulted in substantial increases in the scope of policies administered and services delivered by my department. Over the past year, my department has steadily improved its delivery on key policy initiatives and objectives. There has been a significant record of achievement for 2003-04. To deliver new and existing initiatives requires resources, and it is for these reasons that the department's budget increased from \$204m to \$225m during 2003-04.

This government is strongly committed to improving water safety in the Northern Territory. The Northern Territory has the highest drowning rate in the nation. In the last 10 years, over 100 Territory families have experienced the trauma of a desperate rush to get health care for a child who had made it into a backyard pool. That is why new water safety legislation was drafted and implemented in 2003-04, at an additional cost of \$1.4m reducing to \$780 000 in 2004-05.

Funding of \$900 000 was allocated for major sports events such as basketball, AFL, netball and an Olympic preparation tournament for the Hockeyroos. A further \$3.24m was allocated in capital grants for sporting facilities such as Palmerston Magpies, Traeger Park and Katherine Sports Ground.

The Community Harmony Strategy has been successfully expanded to all major centres across the Northern Territory, and has made substantial progress in reducing antisocial behaviour, at a cost of \$5.25m. The resources allocated included \$2.5m in capital works programs to develop appropriate accommodation facilities. In relation to the *Building Stronger Regions, Stronger Futures* strategy, the agency has successfully overseen the establishment of five regional development boards, and has devoted considerable attention to strengthening our capacity building and community development focus at a cost of \$6.434m.

The Indigenous Economic Development Task Force was established with funding of \$416 000 in 2003-04, and \$530 000 in future years for staff costs. It consists of representatives of the Australian and Northern Territory governments as well as indigenous organisations and the private sector. They are working with partners on a wide range of initiatives which include bring indigenous land back into pastoral production; working with the Central Land Council to develop horticulture on indigenous land; expanding indigenous employment in the Northern Territory Public Service; working with the construction industry and Northern Land Council to expand indigenous employment in that industry; improving the business and employment outcomes in community stores; as well as efforts are being made in the mining industry, arts industry and tourism.

Home Territory 2010 is ready to be launched within the next few months following extensive consultation with stakeholders. HomeNorth has already been announced and that is one aspect of the

Home Territory strategy. To expand the programs delivered by the local government and regional development agencies, additional funding of nearly \$400 000 has been allocated in 2004-05 to improve regional development and coordination outcomes.

My department is committed to being financially responsible and accountable. This commitment has delivered the department with an award for the best annual report for the last two years running. This is an excellent effort. Considerable effort is targeted towards continually improving internal governance and control arrangements. It was as a result of these activities that, in 2002-03, it was identified that the operating relationship between the department and Housing Business Services was inappropriate leading to a restructure in 2003-04. One-off funding of \$1m is allocated in 2004-05 to resolve corporate arrangements between the two entities. The overall impact of the increased allocation over the course of 2003-04, including a number of one-off capital items, is to create the appearance of a reduction in budget allocation between 2003-04 and 2004-05. The reality, however, is of a substantial budget increase up from \$204m in the 2003-04 budget papers to \$218m allocated for the 2004-05 budget.

The department covers an extremely wide range of responsibilities. Relevant officers from across the agency are here to assist me in answering the committee's questions. Where necessary, I will take questions on notice to ensure the committee receives accurate information.

**Mr CHAIRMAN:** Thank you, minister. The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2004-05 as they relate to Community Development, Sport and Cultural Affairs.

**COMMUNITY DEVELOPMENT, SPORT AND CULTURAL AFFAIRS  
OUTPUT GROUP 1.0 – Local Government and Regional Development**

**Output 1.1 – Local Government**

**Mr CHAIRMAN:** I will now put the questions on Output Group 1.0, Local Government and Regional Development, Output 1.1, Local Government.

**Mr ELFERINK:** Mr Chairman, my first question comes out of the address that the minister just gave us. Basically, how he has explained it is: 'We put a budget of \$204m together. We have ended up spending \$21m more than that, and the reason that we spent \$21m more than that is because we have done these extra little projects along the way'. My first question to the minister is: how could you not anticipate \$21m worth of spending?

**Mr AH KIT:** Mr Chairman, it is a fair question. There has been confusion, no doubt, in how you read the budget documents. What I will do is get the CEO to explain to you. If you look at budget papers from 2003-04, you will see that there was an estimate of \$218m. That is again the estimate for 2004-05. We were successful in obtaining additional dollars to the \$204m, and that is the reason why we have been able to take it to \$218m – in fact, to \$225m. I will ask the Chief Executive Officer to provide a detailed response to the member's question in why that increase was there. Before I do that, I point out clearly to the committee members, and especially to the member for Macdonnell, that an estimate is exactly that – an estimate.

**Dr LIM:** You do not understand what 'budget' means do you?

**Mr AH KIT:** I understand a lot more, Mr Chairman, about what the budget means and if the former minister wants to very early on in the piece have a blue about it, then I am quite happy to accommodate him. What we need to understand is that there is reason for the \$204m there. I cannot help it if I have been a pretty diligent minister, going into Cabinet and winning support for additional dollars from Treasurer's Advance. And if also, on the other hand, I have been successful in lobbying additional dollars from Canberra, then that type of workload and success should be supported by members of the committee, one would think. I will hand over now to the Chief Executive Officer, Mr Chairman, to go through those details of the \$204m to the \$218m expressed earlier.



**Mr CHAIRMAN:** Minister, if I could ask the officers accompanying you to identify themselves for the *Hansard* record.

**Mr DILLON:** Michael Dillon, Chief Executive. Thank you, minister. Mr Chairman, the increase between the financial years can be divided into two areas: the increases over the course of the current financial year; and then changes between the end result in the 2003-04 financial year and the budget for 2004-05.

Over the course of the 2003-04 financial year, there were the following changes. There was an extra appropriation of \$1.4m for swimming pool legislation; an extra \$900 000 for soccer, basketball and AFL events; an extra \$300 000 allocated for fluoridation in remote communities; an extra \$330 000 in cost recovery projects revenue for Arts, Museums and Library Services; and in sport and recreation there was an extra \$0.2m basically brought forward for the Palmerston Magpies, Traeger Park and Katherine sportsground. They are all issues where the minister went into Cabinet and achieved extra resources. There were also some administrative and technical variations through the course of the year, the largest being something that every department will have brought to this committee and that is the notional charging from DCIS - an amount of \$4.5m for the department during the course of the year. There is an additional payment to Power and Water Corporation of \$4m and a number of other minor changes; a transfer of the *Litter Act* of \$160 000 to another department and various other minor changes. There was also a carry forward amount of \$4.8m. All those variations took the figure from \$204m up to \$225m. That was the out year figure for last year.

In terms of this year, there has been a range of changes that I could list, but in essence what it means is that the one-offs from last year and the carry forwards are not there this year, and so the \$225m drops down to \$218m.

**Mr ELFERINK:** My point, minister, is that - if I run my household budget, I will tell you how I run them. I would make an estimate as you said you have to do when you run your department. You have to guess how much you are going to spend. The point is that you are out by about 10%. Now, I do not run my household like that. I do not think any Territorian runs their household like that. And you could not anticipate a \$4m PAWA bill?

**Mr AH KIT:** Somebody talked to me today about giving me an analogy, and whilst I understand what you are saying, you also have to understand what I said in regards to an estimate just being that, an estimate. Now, if you think that I have been a terrible minister because I have been able to go in and access more dollars from Cabinet and out of Treasurer's Advance, then that is your position and no doubt the opposition's position, and you are quite entitled to it. But on the other hand, as this person mentioned to me today, Mr Chairman, if you were budgeting \$100 for Christmas for your children and you spent \$110 because of the prices of Christmas presents or the toys they wanted and the following year you were only spending \$95, at the end of the day, what members on the committee need to understand is this is the budget appropriation. We have the estimates there. The annual report and the auditor's report at the end of the day will prove out government's expenditure across the relevant portfolio areas.

**Mr ELFERINK:** What was the \$4m for PAWA?

**Mr AH KIT:** The \$4m was a new initiative for capital works.

**Mr ELFERINK:** Which capital works were they?

**Mr CHAIRMAN:** Shadow, I ask you to allow the minister to finish his answer in complete silence. You will have ample time then to interrogate the answer.

**Mr AH KIT:** The \$4m, Mr Chairman, was a new initiative for capital works. We can respond now, or do you want to wait until we get to Indigenous and Essential Services?

**Mr ELFERINK:** Leave it to Indigenous Essential Services, but I am just curious that you did not expect it; you did not see it coming.

**A member:** It is actually out of output group 2.

**Mr ELFERINK:** For the sake staying, minister, as the other members of the committee seem to insist, within Output Group 1 ...

**Mr CHAIRMAN:** Hang on. Shadow Opposition Leader, you should read the terms of reference. We stay within output group ...

**Mr ELFERINK:** Thank you for the promotion. Have you told my colleague yet?

**Dr Lim:** You said 'the Leader'.

**Mr CHAIRMAN:** Have a look at the clock there, member for Macdonnell. Have a look at the clock because that is your time you are wasting. Now, you stay within the Output Group. That is the rule.

**Mr ELFERINK:** Okay, I will slavishly adhere to it. I am just telling you that is what I was going to do. I am not going to have an argument with you. All right, getting on with it. Minister, in relation to Local Government, how is the amalgamation program going?

**Mr AH KIT:** Sorry, are you talking about *Stronger Regions, Stronger Futures*?

**Mr ELFERINK:** No, I am talking about amalgamation of local government authorities. The small associations, the little councils.

**Mr AH KIT:** Mr Chairman, the member is talking about *Stronger Regions, Stronger Futures*. You are talking about amalgamation. Yes, they are going well. We have a situation where we have the Tiwi Islands Local Government Council back on track.

**Dr Lim:** Yay!

**Mr AH KIT:** The member for Greateorex can say 'Yay!' and punch the air with his fist. By crikey, I would have to report that when they rushed through the Tiwi Island Local Government Council legislation and the amalgamation took place, there were a lot of Tiwi people around who were unhappy. When I had a good look at it when I took on the responsibility of Minister for Local Government, and I consulted with people, they were unhappy because the process was rushed, that it was something that the former minister for Local Government, the member for Greateorex, wanted to hang his hat on, and it got de-railed. People were very unhappy with the process ...

**Dr Lim** interjecting.

**Mr AH KIT:** They were very unhappy with the process and they were very unhappy with the way the structure was established and the way they were forced into that. We did have the situation where we were able to work with the Tiwi people and get that back on track.

**Dr Lim** interjecting.

**Mr AH KIT:** Well, it is back on track. People are not jumping up and down as much as they used to. We experienced a financial nightmare that had to be sorted out in regards to those accounts because when that amalgamation happened, as the former minister would know, order books, invoice books, cheque books, all the financial accounts had to be centralised, and they were. However, the transition was the concern that many of those leaders had. I have been back on a number of occasions to talk to them and I can genuinely say that people are much happier now, it is back on the rails again and

they are moving in the right direction. The ...

**Mr Elferink:** How many ...

**Mr CHAIRMAN:** Let him finish, please.

**Mr AH KIT:** The other amalgamation that has happened - and this is *Stronger Regions, Stronger Futures*, which I launched early last year, on 14 May in Alice Springs at the Crowne Plaza. We have the COAG pilot project community out at Wadeye, Thamarrurr, is in place. It is a form of a regional authority. We have the Nyirranggulung-Mardrulk-Ngadberre, which is Katherine East and those communities. We have had a representation from the East Arnhem people to work with them to establish a regional authority. We have continued our work with the Wangka Wilurrara mob, west of Alice Springs.

We need to continue to promote the regional authorities, the *Stronger Regions, Stronger Futures*, because our government believes that is the real future, regardless of what happens with ATSIC, regardless of what Mark Latham is saying, and what he wants in terms of an advisory body that is democratically elected by indigenous people, and regardless of the other alternative that the Prime Minister is proposing, that he wants an advisory body that is appointed on merit, which would obviously, at the end of the day, be a lot of 'yes' people rubber stamping what his government wants to do, and what he wants to do in terms of how Aboriginal people move forward.

The amalgamation, as you call it, is progressing. I would like to step it up a little. I have been able to successfully obtain more dollars throughout the year to employ more community development officers, because it goes hand in hand; the development of stronger regional authorities needs to have additional staff. With these new positions we are employing people to work to move regions forward. At the end of the day, it is our government's desire to see regions recognised, and not only recognised, but supported in the initiatives that they come up with and how they can contribute to moving the Territory forward.

**Mr ELFERINK:** How many councils have now amalgamated under your ministership?

**Mr AH KIT:** Well, I will go back through them.

**Mr ELFERINK:** Just the number will do, minister.

**Mr AH KIT:** Are you asking me to guess?

**Mr ELFERINK:** Surely, minister, you would know what is happening in local government, you are after all the Minister for Local Government.

**Mr AH KIT:** Yes I am, and that is why I am sitting on this side and you are sitting over there.

**Mr ELFERINK:** That is fine. Keep the insults coming. Let us pay attention to the answers, shall we?

**Mr AH KIT:** Okay. I am going to count them for you, because I do not want to be placed on *Hansard* as ...

**Mr ELFERINK:** Well, that is fine.

**A member** interjecting.

**Mr CHAIRMAN:** Look, we are a fairly relaxed committee and we like to have a wide range, but I would ask, if you want a concise answer, then please make concise questions.

**Mr ELFERINK:** The question is quite concise. How many have amalgamated – number only?

**Mr AH KIT:** Okay – Nyirranggulung-Mardrulk-Ngadberre ...

**Mr ELFERINK:** A point of order, Mr Chairman!

**Mr CHAIRMAN:** What?

**Mr ELFERINK:** Well, you asked for a concise question, I gave him one and I am getting a wide-ranging answer.

**Mr CHAIRMAN:** There is no point of order.

**Mr ELFERINK:** 'Course not; he is on your side.

**Mr CHAIRMAN:** No.

**Mr ELFERINK:** Yes, he is.

**Mr CHAIRMAN:** You withdraw that. I am a parliamentary appointment to this Chair. This is a parliamentary committee; there are no sides here. Now, you withdraw that, because I take great exception to it.

**Mr ELFERINK:** I am sure you would.

**Mr CHAIRMAN:** Do you withdraw it?

**Mr ELFERINK:** I withdraw it.

**Mr CHAIRMAN:** Thank you.

**Mr AH KIT:** We had, and I will give you the long answer ...

**Mr ELFERINK:** What a surprise.

**Mr AH KIT:** Well, you are asking me to have a guess, and if I go on record as having a guess. and I get it wrong ...

**Mr ELFERINK:** I am just asking you for a number. So far you have been counting on your fingers, so I am just asking you for a number.

**Mr CHAIRMAN:** No. I will soon issue you with a warning. Please do not be disruptive to the minister when he is providing an answer.

**Mr AH KIT:** Thank you, Mr Chairman. There is Milikapiti on the Tiwi Islands, which was a Local Government Council, Pularumpi, and Nguui. There is another community involved, Wurankuwu, but that was not a community government council as a part of the Tiwi Islands Local Government Council. In regards to Thamarrurr, where you have had Kardu Numida, and Nguui Association, that makes up Thamarrurr, with Nyirranggulung-Mardrulk-Ngadberre, Manyallaluk, Barunga – Manyallaluk was one community government council – Wugularr Community Government Council and Gulin Gulin Weemol. Other communities that were not community government councils but are in the regional authority are Jodetluk, which is next to Nitmiluk, Katherine Gorge, and Werenbun at Edith.

**Mr ELFERINK:** Will any communities be forced into amalgamation?

**Mr AH KIT:** No communities will be forced into amalgamation. However, I have to be forthright in saying that the Grants Commission formula does not assist communities which are losing numbers. It is the formula that they believe is the best, and I have responsibility. In terms of their policy and the formula, they deal with that and work that out themselves. However, at the end of the day there is certain criteria - what economic enterprises you have, what is your population, basically what are you doing to help yourselves and grow your community, and what initiatives you are taking – and, if you are not fulfilling a lot of that criteria and your numbers are depleting because people are moving elsewhere because your council is stagnant, galloping on the spot or going backwards, then you are not going to receive the amount of money that you used to receive in the past. Maybe that type of situation will force people to think about whether they should join the *Stronger Regions, Stronger Futures* model.

**Mr ELFERINK:** Thank you, minister. You are saying that you are not going to use force, but you will force people to think. The thing is that the formula, as you well know - and you very quickly picked up the fact of what I was eluding to - is structured in a particular way. That formula is deliberately structured to place communities into a position where they will eventually become insolvent. What will happen to those communities if they do become insolvent, and cannot afford to pay for the most basic elements of running their community?

**Mr AH KIT:** We are not in the business of allowing communities to miss out on basic services that they are entitled to. The Grants Commission formula was devised in 1999-2000. Who was the minister then who came up with this formula? I wonder.

**Dr Lim:** No faults.

**Mr AH KIT:** I wonder, was it the member for Grotto that the finger can be pointed at in regards to how this formula was devised and who rubber stamped it at the time? I will have to go back and check the records.

But, it is a formula that is in place and, if it needs reviewing then, certainly, I can have a chat with the Grants Commission people. However, at the end of the day, what we have made clear to communities is that - and *Stronger Regions, Stronger Futures* does this – it spells out to communities that they need to meet us halfway. We cannot do everything for them, we are not going to continue to reward failure, they have to get up and have a go. We will deliver on our responsibilities. They have to accept their own responsibilities, and they have responsibilities in regard to their community and how it operates. They have responsibilities for their senior people and their children and their future.

That is why *Stronger Regions, Stronger Futures* talks about partnerships, capacity building, partnerships in a way that: 'You sign-off on a partnership with us. We are to meet each other halfway'. Communities with an interest in the region – as I just mentioned the Nyirranggulung-Mardruk-Ngadberre - the region is better off if you are working together. We need to develop these partnerships, and communities need to understand we do not operate like the former government, where they either ignored people in the bush, or they ignored the requirements for better infrastructure, better services. Mr Chairman, we do not have an Office of Aboriginal Development, we have done away with it. I was very proud to inform ministers at a ministerial council meeting some six weeks ago in Sydney ...

**Mr ELFERINK:** A point of order, Mr Chairman. The minister is waffling.

**Mr CHAIRMAN:** That is no point of order.

**Mr ELFERINK:** He is not answering the question. In fact, he has forgotten the question I asked him.

**Mr CHAIRMAN:** So, what is your point of order?

**Mr ELFERINK:** I wish he would answer the question. Who is going to take over the administration of these communities when they become insolvent?

**Mr CHAIRMAN:** Shadow minister, there is no point of order. You have asked a question of the minister. The whole idea of the estimates is that you are able to get clear answers across a range ...

**Mr ELFERINK:** That is my point of order. There is nothing clear about what is coming out of his mouth. It is waffle.

**Mr CHAIRMAN:** Perhaps to you. Perhaps you are not hearing what you want to hear. I do not control over how the minister frames his answer.

**Mr ELFERINK:** You have control over how I ask questions; you have control over how he frames his answers.

**Mr CHAIRMAN:** I had no control over your questions in the past. All I ask is that you make your question in such a way that the minister answers them in a particular way. Minister, will you please continue.

**Mr AH KIT:** Yes, and it is an important point I really wanted to make to the member for Macdonnell, in that I was quite proud in putting the position that our government is the only government in Australia that does not have a designated indigenous portfolio unit. It is core business of our government. That is the beauty of what we are doing and how we are doing it. No other state or territory in Australia can claim that. That is a very important point because we see indigenous affairs as important as all the other portfolio areas. In fact, it is amalgamated; it is all a part, as I say, of core business of our government.

There are mechanisms in the *Local Government Act*. We had a situation at Ngukurr, they got into a lot of strife, I suspended them, I dismissed them, I went back and we have them back on the rails. It is not wise, I believe, for a government to continue to ignore communities that are not willing to have a go and are not going to be responsible. It is taxpayers' dollars at the end of the day. The *Local Government Act* provides for us to move into communities and to look at situations where community government councils are almost solvent and have major problems. It is not our government's business to walk away and not care because at the end of the day, you and I know that there are lots of needs out there in remote parts of the Northern Territory, let alone Australia, and we need to continue to address them as best we can.

**Mr ELFERINK:** So you will appoint administrators when communities become insolvent? Is this what you are telling us?

**Mr AH KIT:** We will look at what is the best measure that we need to take to arrest the problems that are being suffered there. If that means that we may go down that path, then that is a possibility. No community is going to be ignored at least while I am the Minister for Community Development and Local Government. If you look through our stuff in regards to the *Stronger Regions, Stronger Futures* we look at developing the capacity of communities. We look at developing the capacity to ensure that the responsibilities that people have that they are going to be able to handle it. We want to develop their capacity in regards to the grant funding and we want our community development officers to work with them. We want community development officers, if necessary, to be based in communities, and not just on a visit. Where there are communities that have real problems then we need to concentrate our efforts there.

We have these community development officers out in the regions. In the budget we will be looking at an additional position for Groote Eylandt. In that area we have 3000 to 4000 people and we have not had a real presence there in the past. That was neglected by the former government. I am happy to

announce that in this budget we will be placing a person at a senior level to coordinate a whole-of-government office in regards to dealing with concerns of indigenous and non-indigenous people who live in the Groote Eylandt region. We will also be transferring a community development position across there to look at those concerns and where people need to work with government to develop their capacities.

We genuinely believe that the way to go is through *Stronger Regions, Stronger Futures* with the partnerships capacity building regional authorities.

**Mr ELFERINK:** Who will you appoint as administrators when these communities – which organisations will you take? Will they be consultancies or departmental administrators?

**Mr AH KIT:** That is the decision that we will make at the time. I cannot see, Mr Chairman, in this appropriation for my department, money set aside for administrators to be appointed when a community government council collapses. We will deal with that problem when it arises. We will work out the best possible way to move forward. For you to ask me to look into the crystal ball and pull out an answer - I am not going to do that and it is a hypothetical question. Are we dealing with hypothetical questions throughout the night? I just do not know.

**Mr ELFERINK:** It is a fairly straight-forward question. You have accepted or admitted that you will be placing administrators into communities that become insolvent as a result of the operation of the Grants Review Committee's formula which will take money away from the communities. You obviously anticipated this is reality. You have told us that that is the case. The only question that I have for you, minister, is are you ready to deal with that situation when it arises? It appears that you do not have a clue. You think it is a hypothetical. It is not a hypothetical.

**Mr AH KIT:** If the member is looking for me to tie myself down in responding 'Yes, we will do as you suggest at this Estimates Committee and appoint administrators in every case', then that is not the answer you are going to get. The answer I provide is that we will assess the situation as it arises. I and my CEO and the Executive Director of Local Government will work out what is the best way to deal with this problem and how we should go about finding a solution. That can have a number of ways in which we deal with that. For you to ask me now to agree and confirm that yes, in every particular case, we will run out and grab an administrator. In the past, the CLP, and the member for Grotorex may be able to support me here – financial grant controllers were appointed by the former government on many occasions. Willowra was one where the former minister acted. There were others. When communities get into strife and are almost solvent or are heading down that path very quickly, ATSIC in the past had appointed financial grant controllers to protect taxpayers' dollars. I am not going to respond to you by saying we will appoint administrators on each and every occasion. There may be differences in how we find ways to deal with the problem. It may well be that I can ask the department to put a senior officer out there to get on top of problems whilst we work with LGANT to recruit a good Chief Executive Officer.

**Mr CHAIRMAN:** Any other questions?

**Mr ELFERINK:** The next area I am interested in is in relation to animal welfare. I presume that comes under the Local Government output group?

**Mr AH KIT:** Sorry, are you on 1.1 or 1.2?

**Mr ELFERINK:** 1.1.

**Mr AH KIT:** I thought we jumped across a bit to 1.2, anyway. Sorry, what was your question, member for Macdonnell?

**Mr ELFERINK:** I presume that animal welfare is under this output group, minister?

**Mr AH KIT:** Animal welfare, yes.

**Mr ELFERINK:** Small furry animals, floppy ears ...

**Mr AH KIT:** Well, if you want to be smart, that is fine.

**Mr CHAIRMAN:** You can respond to the question if you like, if you recognise it.

**Mr AH KIT:** What is your question, member for Greateorex? Sorry, member for Macdonnell. Well, you look so alike.

**Dr Lim:** Oh, you are the heavy one, aren't you? No worries, look at that.

**Mr ELFERINK:** The first question I have in relation to this is that some time ago there was a matter of your own property, which was rented out in Katherine, had a horse on it, which was the subject of an investigation. You do recall that, minister?

**Mr AH KIT:** Yes, I do.

**Mr ELFERINK:** Okay. Minister, who investigated that particular matter?

**Mr AH KIT:** Who investigated that particular matter?

**Mr ELFERINK:** Yes. At the time you said that it was going to be ...

**Mr AH KIT:** Yes, the Animal Welfare Authority.

**Mr ELFERINK:** What is their funding, what is their budget allocation for investigations?

**Mr AH KIT:** The Animal Welfare Authority is based in the department.

**Mr ELFERINK:** How much do they get for investigations into these sorts of issues?

**Mr AH KIT:** I will let my CEO answer. Well, you are asking about the budget, the authority is in the department. It is not ...

**Dr LIM:** No, it is all right, I was just laughing at the hand signals, you pointed to the CEO, the CEO pointed there, I mean, it looked quite comical, that is why I laughed.

**Mr COLES:** The budget for animal welfare inspectorate matters, or the administration of the animal welfare legislation, is in my division, it is part of the normal operational money of my division.

**Mr ELFERINK:** So what is the total annual budget for legal matters relating to the role and functions of the Department of Community Development, minister?

**Mr AH KIT:** I will let David answer this.

**Mr COLES:** There is not a specific allocation made, Mr Chairman, for that particular line item. It is a matter that is managed within the overall management of the operational funds available for Local Government and Regional Development division.

**Mr ELFERINK:** How many people work in investigations in animal welfare?



**Mr COLES:** The animal welfare authority, which just happens to be me, I hold that statutory position, we have an officer who coordinates activity under that act. There are 70 animal welfare inspectors and officers appointed to operate under the act. The overwhelming majority of those are departmental officers, both ours and primary industry vets and regional staff. There is a variety of people who, within the normal course of their duties, come into contact with animals or animal welfare matters or causes.

**Mr ELFERINK:** What you are telling me is that there are 70 people in different places in the public service. They have other jobs but when they come across animal welfare issues they then act as animal welfare officers.

**Mr COLES:** I should say that they are in our department, other departments and in local councils and in the RSPCA.

**Mr ELFERINK:** How many prosecutions did they bring last year?

**Mr COLES:** One.

**Mr ELFERINK:** What is the total annual budget for legal matters relating to the role of animal welfare, the role and functions of the whole Department of Community Development and Local Government?

**Mr COLES:** I am sorry, Mr Chairman, I believe that I have answered that question. There is not a specific budget allocation made for legal matters within the division's operational budget.

**Mr ELFERINK:** Was there any money set aside or allocated for a prosecution - one prosecution - under the *Animal Welfare Act*?

**Mr COLES:** No, there was no money actually allocated for that purpose; that is, there was not any money specifically identified for that purpose. It was to be managed within the budget of the division.

**Mr ELFERINK:** Okay. So with that one prosecution, how much has been spent so far on the prosecution? I assume this is Owston Nominees, by the way, that we are talking about? How much has been spent on the prosecution of Owston Nominees Pty Ltd in the Darwin Magistrates Court? Actually, I will rephrase the question. How much has been spent prosecuting Owston Nominees?

**Mr AH KIT:** Before I pass that over to David to respond to, Mr Chairman, I just want, for the record and for the members' interest, inform the committee that this court case is still being heard. It is not closed. David, it is coming back on shortly?

**Mr COLES:** August.

**Mr AH KIT:** In August. I just caution the member in regards to the outstanding matter before the court, and that we need to be a bit careful in regards to the responses we make. David, please.

**Mrs AAGAARD:** Mr Chairman, surely that would be ruled as out of order. It is *sub judice* matter.

**Mr CHAIRMAN:** Where is this leading to?

**Mr ELFERINK:** Mr Chairman, I am asking how much the government is spending on prosecution. That is a perfectly legitimate question. It is something that was actually in the budget papers. If you look at police, they tell you exactly how much they spend on assisting the judicial process.

**Mr CHAIRMAN:** Will you be heading down the path trying to find out how much is intended to be

spent on the prosecution, or if it is a finite amount?

**Mr ELFERINK:** I want to know how much the ... I will set the questions that I believe need to be asked. I am asking how much the government is spending. I am not asking any details about the case.

**Mr CHAIRMAN:** I would say to the minister that, if there is any point where you believe it may be compromising to the case you might wish to consider your response in light of that.

**Mr COLES:** \$43 057 has been spent to date.

**Mr ELFERINK:** What was the total cost of the injunction first obtained and later discharged in the Supreme Court of the Northern Territory against Mr Warren Anderson and his interests associated with him?

**Mr COLES:** I am unable to answer the specifics of the break-up of that amount. I do not have them before me, and I am not absolutely convinced that it is something that we can go too far into without getting into strife with the legal proceedings.

**Mr ELFERINK:** I am curious about that, because I am asking what the department is spending on a case. The same question could be as easily asked of the Falconio matter, and would have gotten, in fact did ...

**Mr CHAIRMAN:** Shadow minister, I will support the departmental position on this. I would rather that we erred on that side, no matter what your misgivings about that are. I believe, given the hesitance of the departmental officers and the minister in this matter, it would be best to leave it at this stage.

**Mr ELFERINK:** Well, I do not. I am going to pose the questions; it is up to the minister if he chooses to answer. The next question is: what is the break-down of legal costs incurred by the department, in particular the total costs associated with briefing interstate senior counsel in the Darwin Magistrates Court to prosecute the matter?

**Mr COLES:** The only answer I can give is the total amount of \$43 057. I do not have a break-up before me at the moment. We would have to take the question on notice, I guess.

**Mr ELFERINK:** Will you take the question on notice, minister?

**Mr AH KIT:** Yes, but before I agree to that, Mr Chairman, let me - the money that has been spent to date has been well spent. We have a case where we have legal responsibilities. We had a situation that was not the first for this particular person, Owston Nominees and Mr Anderson. This was inherited by us from a former CLP government. This problem was around before we got elected to govern. When you have a look at some of the inaction taken in the past by former ministers who had responsibility for Local Government and Animal Welfare, you see when you go back through the files that this person chose to not feed his animals around that Christmas time, waiting for the heavens to open up with the Wet Season. I acted on it as a responsible minister should. This situation was no longer going to be tolerated especially under our government. I took the necessary action. I directed my department to commence legal proceedings to ensure that we make sure that people out there understand that there is an *Animal Welfare Act* and that this cruelty to those animals through lack of feeding, and the welfare of those animals, was first and foremost in our minds. And he was unhappy. We are still in court.

If I have to direct the department to continue the action and if we have to spend some more money, then that is a responsible minister, I believe, ensuring that this person, and any other people, who have animal farms or zoos around the country side, especially in the Territory, that we will not tolerate this type of behaviour and that if you are irresponsible then we will go you.

**Mr ELFERINK:** I believe he said he was going to take it on notice, Mr Chairman.

**Mr CHAIRMAN:** It was just about what I was going to do.

**Mr AH KIT:** Yes. We will take that on notice.

**Mr CHAIRMAN:** To assist Hansard and to ensure the minister is fully aware of the question would the Shadow Minister ...

**Mr ELFERINK:** Point of order, just quickly, Mr Chairman. I asked a couple of questions prior to that. Will you be taking the other question you could not answer on notice as well, minister?

**Mr AH KIT:** What was that?

**Mr ELFERINK:** I had two questions, one about the cost of the injunction; the other one about the breakdown of legal costs. Will you take them both on notice?

**Mr AH KIT:** I do not see where you are going here ...

**Mr ELFERINK:** Will you take them on notice?

**Mr AH KIT:** When the court case is finished you can ask me the question in the House and I will respond.

**Mr ELFERINK:** So you are not going to take them on notice?

**Mr AH KIT:** No, I won't take it on notice.

**Mr ELFERINK:** Okay. Will you take the second one on notice?

**Mr AH KIT:** When the court case is finished. You can ask me a question in the House.

**Mr ELFERINK:** I will ask you one further question then, minister. How does the department propose to meet the shortfall in the budget of the department to complete the prosecution against Owston Nominees Pty Ltd? How do you intend to meet the shortfall?

**Mr AH KIT:** Mr Chairman, I ask ...

**Mr ELFERINK:** This is going to cost, you have just told me, this is going to cost ...

**Mr AH KIT:** Yes. Hang on ...

**Mr ELFERINK:** ... and that you were prepared to spend as much money as you like. So how are you going to make that shortfall up in the budget, minister?

**Mr AH KIT:** Mr Chairman, the member for Macdonnell is quite intelligent because he now knows what the total cost at the end of the day when the court case is finished. Well, you are shaking your head ...

**Mr ELFERINK:** You tell me you going to spend more as much it takes. How much is it going to take?

**Mr CHAIRMAN:** Will you please let the minister finish his response.

**Mr AH KIT:** Member for Macdonnell, you are coming up with a question that presupposes you know what the costs are at the end of the day and what the outcome is going to be. Well, good on you.

**Mr ELFERINK:** It is your assumption.

**Mr AH KIT:** Your political party needs people like you, but by crikey, I am not able to look into a crystal ball and come up with a figure. We will manage the situation as it develops. Do you, on the other hand, believe we should not be prosecuting this gentleman?

**Mr ELFERINK:** I am not privy, as you are well aware, minister, to the details of this case as you are. So, it is not my job to answer. If you want me to become the minister for Local Government, just say the word, I will. You can step down anytime you are ready.

**Mr AH KIT:** Oh, my goodness.

**Mr ELFERINK:** Minister, what was the result of the investigation, by the way, on the horse on your property?

**Mr AH KIT:** The result of the investigation?

**Mr ELFERINK:** Hmm.

**Mr AH KIT:** The Animal Welfare Authority wrote to me as John Ah Kit, private citizen. In fact, John Ah Kit, private citizen, was in Sydney when the story broke and John Ah Kit, private citizen, got a letter organised very quickly reporting to the Animal Welfare Authority the concerns that John Ah Kit, private citizen, had with the people renting his house at 18 Dowling Street and the concerns about a foal not being cared for properly.

I initiated the action. I wrote personally to the Animal Welfare Authority and told them to investigate. They undertook the investigations and inquired into what actually happened. The horse was removed fairly quickly. I spoke to the real estate agent, LJ Hooker. They did not know that this person had a horse in the back of my yard. I got into them about the lease conditions, and it does not say you are allowed to have horses in the backyard in the township of Katherine.

**Mr ELFERINK:** It is a hell of a cat flap! It's a joke.

**Mr AH KIT:** Yes, well, anyway, the response from the tenant at the time was that someone told them that they were allowed to have the horse there. I will ask the person responsible for the Animal Welfare Authority to respond to your question, if you like.

**Mr COLES:** The matter was investigated by people who were appointed as inspectors under the *Animal Welfare Act*. Those people were the rangers employed by the Katherine Town Council and by an inspector appointed and employed by our department.

At the time the matter became public, action had already been taken. The horse was removed. It was seized, taken to a place of safety and was cared for, and I am informed that it is doing very well. There was plenty of feed there. We had been aware of the problem a week earlier, apparently, or a couple of weeks earlier, and our inspectors had noted a significant amount of feed in the backyard and noted that would be sufficient to keep the horse going. It clearly was not and action was taken immediately that the matter came to light.

**Mr ELFERINK:** Fine. Minister, in the *West Australian* newspaper on 15 May 2004, the *Melbourne Age*, the *Financial Review* and the *Sydney Morning Herald*, a fellow by the name of Dr W Worth, the president of the RSPCA of Australia, put an apology to Mr Warren Anderson and without reading the whole thing into the record, I do wish to read in one paragraph out of that apology. Part of that

apology was:

*I omitted to say that an investigation carried out by the Northern Territory Animal Welfare Authority cleared you ...*

Being Mr Anderson:

*... of any responsibility for the deaths.*

Minister, what is your comment in relation to that?

**Mr AH KIT:** I need a copy to have a look at it. I do not wish to comment.

**Mrs AAGAARD:** Mr Chairman, haven't we just heard that this matter is still before the courts and is still to be decided?

**Mr CHAIRMAN:** I would caution the shadow minister. I hope he knows what he is doing. I do understand that you are studying law.

**Mr ELFERINK:** That has nothing to do with it; I am asking a question.

**Dr LIM:** An impartial Chairman, is it?

**Mr CHAIRMAN:** I do not want to put in jeopardy a court case.

**Dr LIM:** Let him decide himself.

**Mr CHAIRMAN:** It is not up to him to decide, member for Greateorex.

**Dr LIM:** It is not up to you, either.

**Mr CHAIRMAN:** Yes, it is, member for Greateorex. It is.

**Dr LIM:** It is not up to you to decide whether he asks a question or not.

**Mr CHAIRMAN:** Please do not mumble at me.

**Mr AH KIT:** Do you want me to comment on this?

**Mr ELFERINK:** No, you can choose not to, I am proposing a question.

**Mr AH KIT:** No, I do not want to. This is a matter between Dr Worth, the president of the RSPCA and Warren Anderson. This matter is before the court. What they say about each other and all that is no business of mine. I do not wish to comment on that, Mr Chairman.

**Mr ELFERINK:** Swimming pools. I draw your attention to Budget Paper, Budget Highlights, second bullet point down: 'Changes to the swimming pool fencing legislation have resulted in an additional funding of \$1.4m in 2003-04; \$0.78m in 2004-05; and \$0.72m for 2005-06. In addition, \$5m will be set aside from 2004-05 to assist pool owners with the cost of meeting revised pool safety standards'. That is in the order of \$8m, or \$7.9m or thereabouts, minister. You told us before that it was going to be a lot less, in fact, something over \$1m. How do you explain the discrepancy?

**Mr AH KIT:** When did I tell you it was over 1m?

**Mr ELFERINK:** When you were reading that little thing into the - I think you said \$1.4m when you made your opening statement. You mentioned it at some point.

**Mr AH KIT:** Member for Macdonnell, the amount you are talking about is over three years. Okay, I will get my Chief Executive Officer to answer a bit more in detail, but before I do, I want to put on the record what it was that we have been able to do since we have been in government, and how we have tackled the swimming pool issues. We need to be aware that our government is strongly committed to improving water safety and reducing the appalling rate of death through drowning.

**Dr Lim:** Very commendable.

**Mr AH KIT:** I beg your pardon.

**Dr LIM:** Very commendable.

**Mr AH KIT:** Yes, good. The Northern Territory has, as we know, the highest drowning rate in the country. As I said in my opening comments, 100 families have been affected in the last 10 years. This is a record that Territorians should not skite about, let alone politicians. So we have improved the legislation, Mr Chairman. That is why we are helping people to make their pools safer.

The member for Grotorex acknowledged, back in November 1994, the problems with pool fencing and, to his credit. He quoted the Australian Standards. However, we know that local government municipalities did not take on the responsibilities properly in doing something in a uniform manner. We also know that the former government, and we cannot help but raise this, walked away from the findings that were handed down from an inquiry. The inquiry made two major recommendations: that there should be over-arching legislation, and that the government should have primary responsibility. The former government rejected these recommendations, trashed the work of the working party, and wimped out.

We have bitten the bullet; we are starting to get good results. We have introduced the Water Safety Advisory Council. I met with them this morning; they are doing a great job. In fact, I pulled out the Water Safety Advisory Council from Sport and Recreation and moved it into the department under David's area of Local Government because that is a nicer fit for it, I believe. We had people from New South Wales talking about how they are approaching stuff with their water safety programs in New South Wales.

However, in regards to your question, I will get the Chief Executive Officer to respond to the details of that three-year funding that has been targeted or committed to the swimming pool stuff over the next three years. Michael, thank you.

**Mr DILLON:** Thank you, minister. The amounts listed on page 202 are operational costs for the unit. As you can see, they are estimated to drop as we bedded it in. The legislation was both innovative and very intensive in providing a catch-up that could very quickly make an impact. So, a larger amount was allocated in the first year. As you can see, that drops to lower levels in the out years. The amount of \$5m in Treasurer's Advance is for the funding for the grant funding.

**Mr ELFERINK:** So that is in this year's budget?

**Mr DILLON:** That is available as we need it.

**Mr ELFERINK:** I see. So, the money is sitting there in Treasury and then, as the anticipated compensation payments come up, you then have to go to Treasury and say: 'Please sir, may I have some more?'

**Mr DILLON:** Yes, exactly.

**Mr ELFERINK:** How many property transfers have been delayed as a result of this pool fencing legislation, both prior to the change of legislation and the subsequent legislation?

**Mr AH KIT:** Could I hand that over to David? That is his area, Mr Chairman. There is a concern in regards to responding to the question, because it is a very hard question to find an answer. However, I will let David respond.

**Mr COLES:** Thank you, minister. The question is just not possible to answer, given that we have no information about when properties were going to transfer, or when they were not going to transfer. We have no way of knowing that anything was actually ever delayed by either the previous legislation and, certainly, there would be nothing being delayed at the moment, as far as I am aware. There would be no reason whatsoever to delay.

The causes of delay prior to the changes of the legislation were to do with the pool owners, previously, who did not take action as they would for getting their buildings up to speed, getting certificates of occupancy - doing the various things that you need to do before you sell your house and not actually applying for any kind of compliance certificate or registration within a reasonable period of time prior. We were giving maximum priority and, from day one of the administration of the legislation, gave maximum priority to ensuring that no properties were delayed. There were some that missed their original settlement date, but we would have no way of knowing or giving you a figure on that.

**Mr ELFERINK:** Minister, how many complaints were received, including real estate agents, real estate agencies and home owners, in relation to delays caused by the old regime?

**Mr AH KIT:** David, please.

**Mr COLES:** There were no appeals against the legislation. That is not the same as a complaint. There is a register. We have kept a register of all people who have raised particular complaints. In order to answer the question properly, and I do not have that specific information right in front of me, I would need a little bit more specificity about the question to know what you mean by a complaint.

**Mr ELFERINK:** It is somebody ringing up the department and saying, 'Gee whiz, I am not very happy because I cannot satisfy the pool inspector that my fence is at Australian standard,' or whatever. Surely there was a ledger or some sort of record kept of people ringing up and saying I am not very happy with this arrangement?

**Mr COLES:** Mr Chairman, I can advise that the total number of inquiries relating to property transfers, up to 15 March, was 184. We do not know whether that was actually property transfers, we do not know whether that was simply people ringing to complain about the nature of the legislation, but they were people who were ringing to inquire about particular matters, about the Early Registration Incentive Scheme, the Australian standards, about the current legislation. The new legislation has, of course, streamlined all those processes with provisional certificates and acknowledgement of community safety standards. There are very, very few if any complaints at the moment.

**Mr ELFERINK:** The great pity, Mr Chairman, is that I could explore all of these matters at much greater length. However, I am aware of the other input groups so because of the shortcomings of the estimates process, I will stop asking questions in this area.

**Mr CHAIRMAN:** That is your assertion.

**Mr ELFERINK:** Yes, it is.

**Mr CHAIRMAN:** You can go ahead and keep asking questions on this output. It is all right.

**Mr ELFERINK:** What, and deprive other members of the opportunity to speak? Unfortunately there is not enough time, Mr Chairman.

**Mr CHAIRMAN:** That is your assertion and your call.

**Mr ELFERINK:** The four and a half hour time limit is not my assertion, it is a fact. Okay. That is me done.

**Mr CHAIRMAN:** Committee, any questions on Output 1.1.

**Mr WOOD:** Thank you, Mr Chairman. Minister, I attended a Cox Peninsula council meeting on Sunday and I was shown a letter that you had written to the council which stated that: 'When I announced the *Stronger Regions Strategy* in 2003, I stated that no community would be forced into a regional arrangement that was not supported by the majority of residents'. How many councils, outside of the Tiwi Islands Council, that have been amalgamated, had some form of referendum to say whether that amalgamation was supported by the majority of residents?

**Mr AH KIT:** I will get David to answer that. David has been involved all the way through and it is his area.

**Mr WOOD:** We have all been involved all the way through.

**Mr AH KIT:** Yes, yes.

**Mr COLES:** The requirements of the *Local Government Act* for the formation of a new local government council under the relevant provisions require that there be a substantial majority of the population of the area concerned in support of the move. That has been the situation since 1985 and remains the situation. The judgment that is made about whether or not there is a substantial majority is made by departmental officers after an exhaustive process of consultation and negotiation with the communities and councils and any other key stakeholders involved.

We do not hold referenda. To demonstrate that, if a particular group of people wish to have a referendum, I guess they could do so should they desire to do so. However, our statutory responsibility is to form a view, which we provide to the minister, that a substantial majority of the people in the area concerned favour, or do not, the move.

**Mr WOOD:** How would you know that you had an unbiased opinion on whether a community wanted to amalgamate if your department was involved and your department is the people which are forming these amalgamations, and if it was not done in secret? How could one make an assessment that the opinion given by that community was independent and fair?

**Mr AH KIT:** David, please.

**Mr COLES:** The process that we undertake in forming that view is not something that is done quickly. In the case of the Tiwi Islands, for instance, that was mentioned earlier, the process took, I believe, some three years. In the case of Nyirranggulung-Mardruik-Ngadberre, that took seven years. In the case of Thamarrurr, that was another six years. These things tend to take a long time. There is a substantial amount of discussion. Departmental officers, and more than one, are involved in the process of discussion and negotiation and, at the end of the day, we as a department, have to exercise our best judgment on whether a substantial majority of those people wish it. Of course, 'substantial majority' does not mean unanimous.

**Mr WOOD:** I do not expect that, minister, but if you were to apply that reasoning to Cox Peninsula Council, they would be very upset if they did not have the opportunity to have a referendum. Why



should it be applied to one group of people and not another group of people? We are probably going over old ground a bit, but Milikapiti would be a good example where I think those people originally said, 'No'. Then, about three weeks later, and the ex-minister would know this, they said, 'Yes'. One would ask whether anything was fair in the whole process. If we are going to go down this path and avoid all these issues that we have had in the past, then we really need an independent analysis of whether these communities really want to become amalgamated.

**Mr AH KIT:** May I, before I hand over to David, inform the member for Nelson that the former minister, the former government, had carriage of the Tiwi Islands. As David Coles just mentioned, some of the processes have been a long time in the making. One case six years, one case seven years, Tiwi Island three years - a bit rushed, but I will get David to respond to that.

**Mr COLES:** Mr Chairman, the Milikapiti situation is probably a good example of the way these things happen. The process on the Tiwi Islands took a long time and there was a very strong group of people within the Milikapiti community who did not want to see this proceed. At the end of the day, prior to signature of the relevant documentation for the minister of the day, a major meeting was called, not by the department but by traditional owners, by the clan leaders on the Tiwi Islands. The meeting was held, I think, on 12 July 2001.

**Mr Wood:** Bush holidays; would have been a lot of people away.

**Mr COLES:** There were a lot of people there. All four clans were there. They had clan meetings in language. Those clan meetings were, by no means, gentle affairs. There was a lot of discussion that went on in those. They reported back.

Neither the minister of the day nor I – I was there at that meeting – spoke at any length. The decision was taken very, very clearly by the people of Milikapiti, and that meeting was called, not by us, but by them and it was a large meeting.

**Mr WOOD:** All right. I will not go back too much in the history, except there are other versions of that. But, minister, what I was really trying to say was that, if you are going to let the communities have a say in whether they get amalgamated, surely they would have the right to a secret ballot, not just a departmental review or assessment of where communities want to go. In the end, if the department has done its job, perhaps that is what they will agree with. But surely, the safest way and the fairest way is to do it by a secret ballot?

**Mr AH KIT:** Mr Chairman, the government's policy is voluntary. As I said before, no-one is forcing people. The local government review that I have announced will look into this issue. As you may be aware, the amendments that I recently put through parliament were seven years in the making. I am meeting with the mayors of both Darwin and Palmerston City Councils. They had some concerns about that particular process, but I had concerns about having amendments that the department had worked up over seven years that could not, I believe, sensibly hang onto anymore, and I believed the non-controversial ones were the ones that I took to amend the *Local Government Act*.

We will now commence a round of consultations with the municipalities, with LGANT, and we will discuss with them what proposed amendments they believe could make the act work better. I can give a commitment here, that it will not take us seven years to bring those forward into parliament and to amend the legislation. We are always keen to make sure that any amendments that can make the act work better should be brought into parliament as a package, and we will ensure, and it will be my request to the department, obviously, to ensure that we consult and consult thoroughly about any future amendments.

**Mr WOOD:** Thank you. Minister, there are proposals, I believe, to amalgamate Cox Peninsula, Daly River, Pine Creek and Coomalie, and perhaps Dundee. Well, there have been discussions about that. Is that area that has been opened for discussion a departmental idea or an idea that has come from councils?

**Mr AH KIT:** Mr Chairman, I will ask David Coles to respond to that.

**Mr COLES:** The proposal does not include Cox Peninsula. The proposal came from the Top End Triangle group of councils, which is a group, the geometry of it is not absolutely flash, but it is a proposal. The Top End Triangle includes Warruwi, Minjilang, Gunbalanya, Jabiru, Pine Creek, Coomalie, and I think I have forgotten somebody, but it is basically those councils. Sorry, Nauiyu Nambiyu is in there.

**Mr WOOD:** And Dundee?

**Mr COLES:** No, Dundee was not in there. A decision was taken by that group of councils to ask for consideration of the formation of a local government, either one local government council or three local government councils over that area. The steering committee has been formed, primarily of representatives from those councils, plus the unincorporated areas within them, that is, Dundee, Finniss, the Daly Basin and Marrakai. We have invited them all to be part of the steering committee. The steering committee has met once. At that meeting, there was a very clear decision that the west Arnhem group of councils -- that is Warruwi, Minjilang, Gunbalanya, Jabiru -- wanted to pursue their own proposal. The group that is calling themselves - I cannot remember the specific name but, basically, Coomalie - that is Adelaide River, Batchelor, Daly Basin, Daly River, and Pine Creek, with Dundee in it - wanted to pursue a separate model, a separate arrangement.

**A member:** Was that [inaudible].

**Mr COLES:** No. Litchfield may consider at some point in the future - possibly a long way into the future - looking at Marrakai. Cox Peninsula is not in it, I am sorry.

**Mr WOOD:** Through the Chair. Why isn't Litchfield not on the steering committee? If you are taking in Marrakai and ....

**Mr COLES:** They are.

**Mr WOOD:** I was told they had observer status.

**Mr COLES:** Different councils have different views of how they are there. Our view is that people who are in the meeting are contributors to the meeting, and the President of Litchfield Shire certainly contributed.

**Mr WOOD:** I will not dwell on that. Just get back to the issue of the survival of small councils. Minister, you said that, if a council is doing well, basically, it should be able to survive. Haven't you the opportunity, through the operational subsidy, to start to squeeze those councils to make them amalgamate? I presume the operational subsidy still exists?

**Mr AH KIT:** Yes.

**Mr WOOD:** Well, if you took Cox Peninsula, their operational subsidy from 2001-02 to 2002-03 went down by around about \$25 000. Mataranka and other councils are wondering about their future, went down by about \$15 000, and Pine Creek, which is the one that is trying to be amalgamated, went down by nearly \$40 000. Isn't that the subtle way of forming amalgamation? If you saying these councils are okay, and they are not insolvent and their population is growing or at least is steady, why would you change their operational subsidy?

**Mr AH KIT:** David, before I ask you to respond, this, once again, comes back - I notice some smart comments from the members from Macdonnell and Greatorrex - this comes out of the formula from 1999-2000 that was put together by the former government. David can explain it a bit more in detail. However, I can assure you, member for Nelson, that our government and I, as the minister, is not going to use any position that I have in deliberately withholding funding to force people into

amalgamations. If I make decisions in respect of funding, then those decisions will be made in regards to what I believe is a fair decision. You can have that view and subscribe to that and I can understand that. However, there is no intention to force people. As I have said, our policy is voluntary and we will have a closer look at that when we look at reviewing the *Local Government Act* in the near future. I have announced that. We will look at how we can make the act work better. I will get David now to just go into a bit more detail on how the formula impacts upon the funding that the councils you have mentioned have received. Thanks, David.

**Mr COLES:** It is important to note here that there are two funding programs. One is the Commonwealth financial assistance money which is distributed on the basis of recommendations of the Grants Commission, and the other is the Operational Subsidy. The Operational Subsidy methodology, which was adopted some time ago, as the minister noted, is distributed on the basis of need. It does not, as the methodology that it replaced, have a base amount in there that encourages the creation of smaller and smaller councils. Because it no longer has that factor within the funding formula which encourages smaller and smaller councils, it is clearly going to have an impact on the small councils there - their money is distributed on need.

Throughout the introduction of that new Operational Subsidy methodology, we have maintained loss assist factors to ensure that people do not lose too much; that is, we try to sustain them, and try not to disadvantage councils so that, basically, they go out before they have had a chance to get themselves organised and I think the last loss assist was 10%, so no council would have lost more than 10%.

The difficulty for small councils is that the pool is a relatively fixed pool, that as larger councils are created and established there will be greater impact by those on the pool through the operation of a factor called the distributed service delivery index which gives weight to larger councils, that is, councils that deliver services over a much larger area to create a better service delivery framework. That will have an impact on small councils that are not able to, or do not wish to, grow. To protect them the methodology provides for a factor which gives them additional funds for the money that they raise. So a hypothetical council such as Pine Creek or Cox Peninsular or Mataranka may wish to raise their money through their own purposes, that is, through rates or service charges, and in that way, in the factor, we would give them I think it is two for one, but I could not swear to that. I think it is a substantial amount.

**Mr WOOD:** I won't dwell on that. I have other questions. Minister, I cannot avoid discussing the Tiwi Islands Local Government Council. I do not want to go back over old ground, you have heard the debate previously, but I do believe it is very important that if the department is going to say that the amalgamation of councils is going to improve services and bring in cost efficiencies and all that, then we need to see proof of that.

I have a series of questions here. I might run through them and you can tell me whether you prefer to have them on notice or you would be able to answer them all. It will give you an idea of what I am aiming at.

Minister, could you say how much money each year since your government was elected, has your government spent on the Tiwi Islands Local Government Council as distinct from money from the Grants Commission? Could you also give a breakdown of the Grants Commission figures for the Tiwi Islands over that same period? Could you say what the total budget for the Tiwi Islands Local Government Council is in this financial year? In the last financial year of the independents council on Bathurst and Melville Islands what was the total budget for all of them put together? So, when they were independent what was their budget? Could you also say how many non-Tiwi persons were employed on the Tiwi Islands in local government in the 2000-01 financial year? Could you also say how much that amounted to in wages and salary packages? How many non-Tiwis are employed in local government now? Could you also say how much that amounts to in wages and salary packages? How many Tiwi people were employed in management positions in 2000-01 and how many Tiwi people are employed in management positions now? What evaluation has been done of the financial benefits of the amalgamation of the Tiwi Islands councils? Lastly, one of my favourite topics, what evaluation and comparisons have been done of residents' democratic rights between the

old system and the new system?

Would you rather have that on notice? I think it is important.

**Mr AH KIT:** I am just trying to work out whether that was a googly or a doosra! We will need to take those on notice, Mr Chairman. There is a fair bit of detail there. When you ask a question about how many indigenous people are employed and how many non-indigenous people are employed, I can see what you are getting at.

**Mr Wood:** In management.

**Mr AH KIT:** Yes, but we need to be careful. In terms of regional authorities like the Tiwi Islands Local Government Council, they have the ultimate control over who is employed and who is not employed, regardless of their race, colour or creed. I know we would all love to see many Tiwi Islanders employed across a whole range of senior positions within the organisations on the Tiwi Islands, and that is obviously something that Tiwi Islands Training and Employment Board should be looking at, and no doubt is.

We provided some assistance through the department to the Tiwi Islands Local Government Council to allow for some of the Tiwi people come in and sit in our office in the department to learn how local government works, how offices operate, how community development officers operate, etcetera, so they can have a better understanding not only from out there looking back at the department, but also working in the department getting some idea of why there are things like accountability and that sort of stuff.

At the end of the day, it is not for a minister or government to tell people who they can and cannot employ in their Aboriginal organisations or their local governance bodies. I make the point that we need to be a bit cautious. At the end of the day, if I am able to provide that, and I take those on notice, I have to be careful that I do not insult the Tiwi Islands Local Government Council by providing information without their permission to you. I need you to understand the sensitivities of some of the questions you have asked, not all of them.

**Mr CHAIRMAN:** Member for Nelson, given that explanation from the minister, do you wish to rephrase your question on notice?

**Mr WOOD:** No. I ask whether I may table these questions?

**Mr CHAIRMAN:** I would like to go through it all and make sure that everyone is fully aware of just what you are asking, so it is not only ....

**Mr WOOD:** I did read them before and I will only read them again, and I was going to save time. I can table the questions?

**Mr AH KIT:** Yes, well, I accept those questions on notice.

**Mr WOOD:** I cannot table the questions? All right.

---

### Questions on Notice

**Mr CHAIRMAN:** To assist *Hansard* and ensure the minister is fully aware of the question, would the member for Nelson please restate the question?

**Mr WOOD:** Minister, could you say how much money each year, since your government was elected, has your government spent on the Tiwi Islands Local Government Council as distinct from money

from the Grants Commission? Could you also give a break down of the Grants Commission figures for the Tiwi Islands over that same period? Could you say what the total budget was for the TILGC in this financial year? In the last financial year of independent councils on Bathurst and Melville Islands, what was the total budget for all of them put together? Could you say how many non-Tiwi persons were employed on the Tiwi Islands in local government in 2000-01 financial year? Could you also say how much that amounted to in wages and salary packages? How many non-Tiwi persons are employed in local government now? Could you also say how much that amounts to in wages and salary packages? How many Tiwi people were employed in management positions in 2000-01 and how many people are now employed? What evaluation has been done of the financial benefits of amalgamation of the Tiwi Islands councils? What evaluation and comparison has been done of residents' democratic rights between the old system and the new system?

**Mr AH KIT:** Mr Chairman, I will take those on notice, but I just want to ask a question of the member for Nelson: do you want me to go back to when we won government or do you want to get the whole picture by going back to the inception of the Tiwi Islands Local Government Council?

**Mr WOOD:** I would not want you to go back to 1974 because you might find out how much I got paid, but you would have to go back, I believe, to just before the amalgamation.

**Mr AH KIT:** That is what I am asking. I am seeking clarification. Your leading question referred to 'from when we won government'. I am saying if you want to get a better picture, Mr Chairman, I am suggesting we go back to its inception, the day it got up and running.

**Mr WOOD:** That is all right because Nguu Shire Council was conceived in about mid-1974.

**Mr CHAIRMAN:** Member for Nelson, are both you and the minister clear about the start date for these questions?

**Mr WOOD:** Yes, just before the amalgamation of the councils. I just need to make some comment, I will be quick.

**Mr CHAIRMAN:** No, no. I just want to know is the question finally wrapped. Is it finished?

**Mr WOOD:** That question is wrapped, but the minister made a statement and I need to make it clear that those ...

**Mr CHAIRMAN:** Let me finish this bit then.

**Mr WOOD:** That was what I was asking.

**Mr CHAIRMAN:** Minister, do you accept those as questions on notice?

**Mr AH KIT:** Questions on notice, yes.

**Mr CHAIRMAN:** That being the case, I allocate number 6.1 to those questions.

---

**Mr WOOD:** The minister made a comment before when the questions were read. Those questions are not anti-Tiwi or anti-local government. They are there to basically get from your department an evaluation of the benefits of this amalgamation. It is no good us spending millions and I look at the amount of money through the operational subsidy for Tiwi, which is far in advance of anyone else, it is \$1.3m in 2002-03, \$1.1m in 2001-02. Obviously some of that money has gone to help with the amalgamation. All I am trying to do is say, look, if amalgamations are good, you are saying this will have benefits, let us see if it does have benefits, both financially and for the community. So that is what it is about.

**Mr CHAIRMAN:** Are there any more questions? Statements? As there are no more questions, that concludes consideration of Output 1.1. I would just draw the committee's attention that it is 8.20 pm.

**Output 1.2 – Regional Community Development Frameworks**

**Mr CHAIRMAN:** The committee will now consider Output 1.2, Regional Community Development Frameworks.

**Mr ELFERINK:** Pass, Mr Chairman.

**Mr WOOD:** I am going to ask a simple question. The Cox Peninsula Council spoke about having been part of a regional agreement, rather than breaking up their council. What I think they were getting at is, can council survive as councils, but take up a regional agreement?

**Mr AH KIT:** Mr Chairman, I will ask David to respond to that question.

**Mr COLES:** It would be sensible if we could actually work out what it is that they wanted to achieve in that manner and what their purpose was. I am not sure what they ...

**Mr WOOD:** I think not to lose their identity; I think that is what one of the big problems is.

**Mr COLES:** Identity is the key for most communities, and the fact that you do not have a council named after you does not normally remove your identity. It certainly did not remove the identity of people at Humpty Doo. I do not believe there is any difficulty with trying to come to some sort of arrangement with the Cox Peninsula, but at this stage there has been no detailed discussion with them.

**Mr CHAIRMAN:** Are there any more questions for Output 1.2, Regional Community Development? There being no more questions, that concludes consideration for Output Group 1.0, Local Government and Regional Development.

**OUTPUT GROUP 2.0 - Housing Services**

**Output 2.1 – Housing Services**

**Mr CHAIRMAN:** The committee will now consider Output Group 2.0, Housing Services, and I welcome the shadow minister for Housing, the member for Katherine. Are there any questions?

**Mrs MILLER:** Thank you, Mr Chairman. I am going to probably cut straight to the chase here because we are running out of time. In which communities are Community Harmony programs delivered, and please list what the programs are in each community?

**Mr AH KIT:** Mr Chairman, I pick up the question that the shadow minister asks, and I want to spend a minute or two to give an overall comment on the Community Harmony Strategy and how it is coming together. The details can be provided by my Executive Director, Trish Angus.

We believe that the Community Harmony Strategy has been very successful to date; others would argue that it has not. As I mentioned in my opening comments, when you look at the \$5.25m that we were able to provide to Community Harmony projects in Darwin and across the Territory, we have projects working really well in Alice Springs, Tennant Creek, Katherine, Nhulunbuy and Darwin. Trish Angus can go into the details of that.

We do not have any Community Harmony projects happening in remote communities, as distinct from councils, but I can say, quite openly, that just the Return to Country part of the project, as with all the other parts, is working really well. Trish probably has statistics with her. I believe it is now over 1000 people who have returned to their communities from Darwin and Palmerston. I believe that the \$20 000 that we contributed to a travel fund to be administered by Centrelink, is money that is well

invested as - what do you call it? - a revolving amount of money that is paying for people to go home and they are repaying that from their benefits.

That is now starting to kick in, in Katherine. The last figure I heard a couple of weeks ago was that about 60 people had returned home. The more people we can get going home, the better. It is not a free ride, as we announced from the beginning. What does alarm me are comments made this morning by Michael Burton, the ATSIC Chair of Garrak-Jarru, Katherine region, about these payments that the federal government has distributed to people, and the manner in which they have distributed it. There is a lot of unrest throughout the Territory communities because people have accessed their entitlement and have visited the major townships - alcohol, drugs, violence ...

**Dr LIM:** Would you rather give them vouchers?

**Mrs MILLER:** Also shoes, clothes, toys, all of those things as well.

**Dr LIM:** They can buy anything they like with it, including shoes and clothes and food.

**Mr AH KIT:** I do not have a problem with the amount of money. I do have a problem with the process - just chucking it out there because there is a federal election coming up; no concern, no thought given ...

**Dr LIM:** That is your opinion.

**Mr AH KIT:** There is no thought given to the unrest, the violence, the sexual abuse, the deaths that are occurring across the Territory ...

**Dr LIM:** If you know of any sexual abuse and child abuse and whatever you called it ...

**Mr AH KIT:** Mr Chairman, the government should be more mindful of the impact it is going to have on people, especially in remote areas. If that is happening, obviously, in the Katherine region, it is happening on a bigger scale across the Territory and right across the countryside, I would think, especially in remote parts of other states and territories also. Could I ask Trish Angus, to just go into a bit more detail on ...

**Dr LIM** interjecting.

**Mr AH KIT:** Well, you asked the question ...

**Mrs MILLER** interjecting.

**Mr AH KIT:** Can you, through the Chair, tell me if you have enough of the answer because ...

**Mrs MILLER:** No.

**Mr AH KIT:** ... you need to be clear in what you want my answer to be ...

**Mrs MILLER:** I want you to list what the programs are in each community in the Harmony Program.

**Mr AH KIT:** Okay then, we are going to do that. You asked the question, I will get a detailed answer for you.

**Mrs MILLER:** Thank you, minister.

**Ms ANGUS:** Mrs Miller, the range of activities spreads across what the Department of Community

Development, Sport and Cultural Affairs provides, as well as the Department of Health and Community Services, so my answer will involve some of their initiatives. First of all, I will also preface my response by saying that the programs and initiatives are worked through each local regional coordinating group, so it is auspiced, first of all, by the Regional Harmony Groups in the various towns.

In Alice Springs, through the Quality of Life Program, the main initiative to date has been projects to do with emergency accommodation for youth. The other focus has been around working up emergency accommodation for visitors to town, and that project is mid-way through. There is Early Start - I can be more specific if you wanted to be, but by the time I get through all the regions, it might become quite detailed.

**Mrs MILLER:** No, that is fine. Just table it.

**Ms ANGUS:** There is early work on putting together an Elders strategy in Alice Springs, but quite early work. There is already in existence a number of programs to do with patrols. In the Barkly Region, the regional coordinating group there focussed on cultural protocols as their main priorities and that has been where the initial concerted effort has been with the traditional owners working up some cultural protocols. At the same time, there has been some coordinated work going on with the regional groups in identifying what accommodation needs they wanted and what patrols services they want and that is currently in discussion with Julalikari.

In Katherine, we work through the Regional Harmony group and the initial priority of that group has been for an activity centre which has kicked off. It is also the patrolling services which are funded through the Department of Health and Community Services and co-sponsored by our department and the commencement of the information and rural referral service and a Return to Home strategy.

In East Arnhem, the initial main focus has been on establishing a special care centre. In addition to that, more recently they have been focussing on increasing their night patrol to a day patrol service that has yet to kick off. They have commenced discussions around how they might do that.

In Darwin and Palmerston where the program has been in existence for a year and a bit longer than the other regions, there is quite a concerted effort in initiatives going on here and they include emergency accommodation both for camping overflow and short term crisis accommodation; accommodation infrastructure to support the health treatment care initiatives such as that established at ANSTI at Bees Creek; the CAAPS program which is an alcohol program; the Salvation Army in Stuart Park supporting the services for itinerants' use at St Vinnies - I might have missed one out - oh, Snappy's Lagoon, there is a camping program there.

The other focus has been on patrol services and that has increased the hours and days for community day patrol and community night patrol. The establishment of a traditional owners' day patrol. There has been a very successful information referral service and Return to Home strategy. I think that is it.

**Mrs MILLER:** That is very comprehensive, thanks, Trish. Why is the average cost per person utilising this community harmony service expected to increase from \$2781 to \$3638 in this next 12 months? Why is there such a big increase per person?

**Mr AH KIT:** Mr Chairman, are you quoting from the budget?

**Mrs MILLER:** Yes, I am. Budget Paper No 3, page 206, and it is the average cost per person utilising the community harmony services.

**Mr AH KIT:** Mr Chairman, I would ask Trish to answer that question.

**Ms ANGUS:** I would like to first of all say that that is a performance measurement that does need



some work on refining to be a better performance measure. Accepting that the community harmony strategy is a new program, it was an ambitious piece of work of ours to try to think we could cost that. I believe that there are better ways to measure an uptake of services and score for it. In fact, I think that the performance measure could be more specific.

The increase is indicated by the more service you provide and the more interventions that are provided to individuals that are in that state it is quite obvious that their requirement for additional services will increase.

**Mrs MILLER:** Minister, through the Chair, how many people from Darwin and Katherine have utilised the Return to Home Program; how many have utilised this program more than once; and where have they returned to from Darwin and Katherine?

**Mr AH KIT:** Mr Chairman, I would ask Trish to answer that question.

**Ms ANGUS:** I will answer Katherine first because that is relatively easier because it has only been in existence for a short time. There have been 85 people returned to home so far; the greater majority of 65 of them to Ngukurr. I do not have the rest of the breakdown. I am sure I can get that for you.

**Mrs MILLER:** Yes, please.

**Ms ANGUS:** For Darwin, there have been 990 people utilise the Return to Home. There have been 102 repeat users. It is quite a detailed number of communities they have gone to, including interstate where we have returned people to - admittedly that is only a small number. The majority have been returned to communities such as Wadeye, Maningrida, Groote Eylandt, Katherine; I would say there are in excess of 20, 30 or more communities. Again, that level of detail is available from Larrakia Nation who administers this program for us.

**Mrs MILLER:** Are you able to get me that information?

**Ms ANGUS:** It is up to the minister.

**Mrs MILLER:** Through the Chair, is that information available?

**Mr AH KIT:** For?

**Mrs MILLER:** The information available for the Return to Home scheme for the people. How many people have gone from Darwin and Katherine? Where have they gone? And how many?

**Mr AH KIT:** Yes, I will table this document here – Darwin region Return to Home statistics as of 31 May 2004. It gives you Darwin, Nhulunbuy, Katherine, and we also have on the other page, Alice Springs, Tennant Creek, Western Australia, New South Wales, Queensland, where they returned to.

The important point to make is that it is an up-front cost to the government of \$20 000, as I said, and that money is taken back out of their Centrelink payments and returned to the kitty. So that money is just like a revolving door. There has been 100% of our costs returned to government that has gone back into the kitty. It just shows you the success of it. I can table this for members.

**Mrs MILLER:** Minister, I am not concerned about the cost. I am interested in the statistics.

**Mr AH KIT:** Yes, but I just wanted to make the important point, member for Katherine, that for \$20 000 a great return to government and to the communities of Palmerston and Darwin, in this particular case if we look at this region, and a great return to getting on top of the antisocial behaviour that people believed we would never be able to do. In that particular case, I believe it is a very, very sound investment.

**Mrs MILLER:** Minister, how do you ascertain the percentage of public satisfaction with the reduction in antisocial behaviour? How do you get to this figure? It is in performance measures on page 206 of Budget Paper No 3. How do you ascertain that? Or is it just a figure that we are assuming is 50% right at the moment?

**Mr AH KIT:** It is not a figure, Mr Chairman, that, as the member for Katherine suggests, is guesswork of 50% at the moment. I will ask Trish to explain how we arrive at that figure.

**Ms ANGUS:** There is going to be a series of focus group research that will be targeting industry, the public generally, service providers - both government and non-government agencies, where there will be an assessment, and this what will be by this consultancy group which will set up a tool to evaluate the impact of both the itinerants themselves and the services provided. At the moment, I believe they have developed the tool. This consultancy is currently being assessed as of today, in fact. There was an interview panel earlier today to assess the applicants.

**Mrs MILLER:** So in the figures for next year, it would be very nice to see that much higher?

**Ms ANGUS:** It would be very good to see it higher.

**Mrs MILLER:** Very much so. Thank you very much.

**Mr AH KIT:** And might I add, Mr Chairman, it is a far cry from our former Chief Minister saying that he wanted to monster and stomp on people in the long grass.

**Mrs MILLER:** You just had to add that, didn't you?

**Mr AH KIT:** Of course I have to add it, because I want to remind you that you are a member of a political party that was in power for 27 years. You think everything starts ...

**Mrs MILLER:** That is all the questions I have.

**Dr Lim** interjecting.

**Mr AH KIT:** Mr Chairman, do you think we started from scratch when the member for Katherine was elected to parliament? No, we did not.

**Mr WOOD:** It might be a whole new era, minister. You might be able to get on with one another. Wouldn't that be lovely?

**Mr AH KIT:** One day that may be possible. In the meantime, Mr Chairman, I am trying to clean up a lot of mess that was left to me by the former minister the now member for Grotorex.

**Mr CHAIRMAN:** Now that you have got that off your chest, are there any other questions?

**Mr WOOD:** 2.1, sorry. Yes, one question.

**Mr CHAIRMAN:** You nearly missed it, member for Nelson. You were so busy making observations about everyone else's remarks that you missed your own.

**Mr WOOD:** Minister, \$6m has been allocated for constructing government employee housing in remote localities. How much of this housing will be for Aboriginal worker housing? I have been told there are jobs going for Aboriginal health workers in some communities ...

**Mr CHAIRMAN:** Member for Nelson, that is 2.2.

**Mr WOOD:** All right. I have it bracketed for both. At least I am going forward, so I will wait then if you would like me to. Start again?

**Mr CHAIRMAN:** No, it is wonderful that you should be anticipating. Are there any more questions on Output 2.1? That concludes consideration of Output 2.1.

### **Output 2.2 – Indigenous Housing Services**

**Mr CHAIRMAN:** The committee will now consider Output 2.2, Indigenous Housing Services. Shadow minister for Housing.

**Mrs MILLER:** Thank you, Mr Chairman. Minister, in a recent request to your department to provide statistics that would identify public housing tenants as 'indigenous', it was answered that your department cannot compel tenants to disclose information regarding their indigenous status, and that the number of tenants who identify indigenous could be questionable ...

**Dr Lim** interjecting.

**Mrs MILLER:** Yes, is that true? Is that true?

**Mr AH KIT:** Sorry, is the question from you or the member for Greateorex?

**Mrs MILLER:** No, no, that is true ...

**Dr LIM:** We work as a team - very well together, thank you.

**Mr AH KIT:** That is good. I am glad there are a couple of you on that side that do. Others seem to be all over the shop.

Mr Chairman, I have had a request from the member for Araluen on a couple of occasions, and as the minister, regardless of whether I was indigenous or not, I think that for me to instruct or direct my department to categorise people into who is indigenous and who is not, is not the role of a responsible minister of government. My job, in respect of Housing, is to provide ...

**Dr Lim:** Interesting.

**Mr AH KIT:** I pick up the interjection from the member for Greateorex – interesting - because I ask him if he ever did that when he was the minister for Housing. And I wonder, and I will go back and check, because I do not think he did. I do not know whether he decided not to, if the request was made, and I would take issue with him if he was the minister and he did make that available.

People have particular rights that need to be protected. There are some people in the Territory who do not wish to be categorised as an Aboriginal person. Not many, but there are some. That is their choice; it is their life. It is not for me to tell them who they are and who they are not; it is for them to decide. I am not going to direct my department to pull out a list of names of people who are Aboriginal or not. It does not worry me where Aboriginal people are living in public housing throughout the Northern Territory, as long as they are eligible, and as long as they sign that tenancy agreement, and as long as they are doing the right thing by everyone else in the community. We do not make decisions on people who apply for public housing on race. What sort of place do you want the Territory to be, if you are asking me to go down that path?

I am not going to keep statistics. We have many people who have every right to apply for public housing, who are on the bottom scale of the socioeconomic ladder. Whether they are black, white, or brindle, it is our job to see that we have accommodation available - and accommodation, might I add,

subsidised by our government - to allow them to enjoy life and to get on with life and do the best they can.

Therefore, if that is CLP policy that they want to announce before the next election, then so be it. People will judge them for what they are. I would suggest it would do nothing for the Territory community if you were to start providing policies such as that, and keeping statistics like that. I just wonder where the member for Katherine is going with this type of questioning because, to me, it is unintelligent, it is irresponsible, it is redneckish and it is unacceptable.

**Mrs MILLER:** Minister, through the Chair, given your answer that you have just given me, can you confirm for me that your department does not collect data on Aboriginal people?

**Mr AH KIT:** I am informed, member for Katherine ...

**Dr Lim:** He has changed his mind now, hasn't he.

**Mr AH KIT:** I beg your pardon?

**Ms Carney:** No, it's right.

**Mr AH KIT:** I am informed that, if people volunteer that type of information and put that on their forms, then that is fine. In cases, as I explained before, people are not forced to offer up that information.

**Dr LIM:** So, you do collect stats?

**Mr AH KIT:** Member for Greatorrex, it is lovely to sit there and criticise. I just wonder ...

**Dr LIM:** I am not criticising anything; I am just confirming it.

**Mr AH KIT:** Well, there were people telling me that when you were a minister in the CLP government that you were great, even though you only lasted for nine months and you did not do all that much other than bugger up the Tiwi Islands Local Government Council and ram that down their throats.

**Dr LIM:** Abuse as much as you like, minister, it does not matter.

**Mr AH KIT:** I am not abusing, I am just making a point that you were incompetent as a minister.

**Mrs MILLER:** Now, that we have finished the theatrics, I have finished my question.

**Dr LIM:** Then the minister – you should ask him ...

**Mrs MILLER:** No, I am not going to bother. I have had enough theatrics today.

**Mr AH KIT:** I will pick up the interjection from the member for Katherine about the theatrics, because ...

**Mr WOOD:** Minister, I might have picked up the questions and answers in a wrong way there, but can you clarify? Was that a question saying that you do not have to prove you are indigenous if you apply for an indigenous house, or am I wrong?

**Mr AH KIT:** No, we do not have specifically allocated indigenous houses in our suburbs throughout the Northern Territory. This is not apartheid; this is not a separate ...

**Mr WOOD:** No, I am not saying that. It says here: 'Provision of funding, administrative support and policy advice for the construction, maintenance and management of indigenous housing'. I was just a bit concerned that could mean anyone could go there. I will turn it in reverse ...

**Mr AH KIT:** What page are you referring to, member for Nelson?

**Mr WOOD:** Page 207.

**Mr AH KIT:** Page 207, okay. That is IHANT – Indigenous Housing Authority NT. That is in reference to that.

**Mrs MILLER:** That is indigenous housing services.

**Mr AH KIT:** You do not have the Indigenous Housing Authority building houses in Darwin, Katherine, in the townships or cities. You really need to understand your portfolio as a shadow housing minister.

**Dr LIM:** So, minister, how do you ...

**Mr AH KIT:** No, wait. I am not finished responding to the question. I really think you should understand what the Indigenous Housing Authority is. The Indigenous Housing Authority is a great bilateral agreement that we have with the Commonwealth and with ATSIS. ATSIS will continue to fund and regional councils will continue to be in place, as we understand the direction from John Howard, as the Prime Minister, as he puts in place administrative orders to take effect as of 1 July. But it is still in place, it is still recognised. I have just received a letter from Minister Kay Patterson, the federal Minister for Housing, that that bilateral agreement will remain intact. That is good news for us. There were worries that it might be falling over. IHANT has been a real success story. We want to continue to work in partnership under that bilateral agreement to build more houses in the communities where surveys show that they are in real need, and to also have good repairs and maintenance programs.

**Mr WOOD:** That makes sense.

**Mr AH KIT:** That is specific to IHANT.

**Mr WOOD:** What you are saying is that it is indigenous housing on communities. That is what you are talking about, that is what it is for. And that makes sense, and I agree with you.

Do you want the question I tried to start off with before? Minister, \$6m has been allocated for constructing government employee housing in remote localities. How much of this housing will be for Aboriginal worker housing? I have been told there are jobs going for Aboriginal health workers in some communities and that workers who come from other communities will be happy to fill the jobs but they cannot because they could get no housing.

**Mr AH KIT:** Sorry, could you read that again? I am sorry, member for Nelson.

**Mr WOOD:** \$6m has been allocated for constructing government employee housing in remote localities. How much of this housing will be for Aboriginal worker housing? I have been told there are jobs going for Aboriginal health workers in some communities and that workers who come from other communities would be happy to fill the jobs but they cannot because they would not get housing.

**Mr CHAIRMAN:** Member for Nelson, while it may deal with indigenous people perhaps living in houses ...

**Mr WOOD:** I got kicked out of the first one.

**Mr CHAIRMAN:** Well, you are going to get kicked out of this one, too. This is government employee housing.

**Mr WOOD:** Can *Hansard* scrap all the last three questions?

**Mr CHAIRMAN:** Minister, that is in the wrong output.

**Mr WOOD:** It is Aboriginal housing. It could fit in that one too.

**Mr CHAIRMAN:** Well, no, it cannot. The minister just finished saying that we do not build – no, we have gone through that whole argument. It is government employee housing.

That concludes consideration of Output 2.2 which also concludes consideration of Output Group 2.0.

**OUTPUT GROUP 3.0 - Indigenous Infrastructure and Services**  
**Output 3.1 - Indigenous Essential Services**

**Mr CHAIRMAN:** The committee will now consider Output Group 3.0, Indigenous Infrastructure and Services, Output 3.1, Indigenous Essential Services. Shadow minister?

**Mr ELFERINK:** Thank you, Mr Chairman. Minister, with the indigenous essential services \$53.5m is basically what you are planning to spend. I take it that is meeting your CSOs?

**Mr AH KIT:** Which figure are you quoting from, member for Macdonnell?

**Mr ELFERINK:** It is a budget estimate 2003-04, \$53.497m it says. It is actually on the schedule we are relying on in Output Area 3. You can find it in the budget book too, I am sure.

**Mr AH KIT:** Mr Chairman, I will ask Ellen Adriaansen to answer that question.

**Ms ADRIAANSEN:** The variation between 2003-04 and 2004-05 of \$4.363m relates to \$573 000 in carry forward from the previous year; negative \$260 000 for fluoridation, which is a one-off; receipt related to ATSIC of negative \$16 000; and the vast majority relates to a capital grant to Power and Water in this year, which is a one-off which will not exist next year.

**Mr ELFERINK:** That is actually one question ahead of where I was. Thanks for taking me there. It is a department of vision, you see! The actual question I had was that the bulk of that \$53m or the expenditure in this output group is going to do the CSO, Community Service Obligations, I take it?

**Mr AH KIT:** I ask Ellen to respond, thank you, Mr Chairman.

**Ms ADRIAANSEN:** There is \$35m, that is the CSO; then there is \$10m, that is a capital grant; and there is an additional \$4m that is also an additional capital grant.

**Mr ELFERINK:** Why is it that we did not see, minister, the extra \$4m that surprised your department so much, which was announced when you came in here?

**Mr AH KIT:** The \$4m, I am advised, was a decision that the government took during the year.

**Mr ELFERINK:** Yes, to pay to PAWA, I presume?

**Ms ADRIAANSEN:** It relates to three items, urgent capital works items, that we brought forward from next year's capital works into 2003-04.

**Mr ELFERINK:** And what were those items, minister?

**Mr AH KIT:** We are just finding that information. Mr Chairman, in response to the member's question, I am just thinking back where I approached Cabinet for an extra \$4m to fix up a lot of the Power and Water problems in remote parts of the Territory. We are looking for some of those communities and maybe I can ask staff to find where that form is.

**Mr ELFERINK:** We can return to that one if you like, minister, and keep going whilst the ferreting is done.

**Mr AH KIT:** Yes.

**Mr ELFERINK:** The Indigenous Essential Services budget for this year: does that include any proposed works on indigenous living areas inside the Territory parks estate?

**Mr AH KIT:** I am informed, member for Macdonnell, that there are no major communities in parks, to my knowledge, that receive funding from Indigenous Essential Services, and if there was, that would be catered for by the Parks minister responsible.

I will go back through the history. When responsibility for power and water was handed over to the Territory government, from memory, and I spoke about this last year, there were some 72 communities the Commonwealth government gave us dollars for. Other than that, they are the same 72 that we continue to provide dollars and split up the Indigenous Essential Services money to. However, there are some we take the attitude that because they are not on the list we should not ignore them, so we go out into the community to help as much as possible. In fact, one of the success stories of this financial year was, I think it was this year, we are getting an addition of \$10m, or is it next year. We have signed an agreement with minister Vanstone to get an additional \$10m to connect up the town camps to power, water and sewerage, whereas in the past ATSIS would take it to the boundary, and then we would take on the on-costs and continue to fund that at probably around about \$2m a year forever. However, it was great to get support from the federal government in regards to that \$10m, which allows a lot of infrastructure now to be put in place to deliver those services properly by our government to some 40-odd Aboriginal communities that are in townships throughout the Northern Territory.

**Mr ELFERINK:** Minister, one of the problems that we have at the moment with the corporatisation of Power and Water, services that used to be delivered to some outstations – Red Sandhill and Ipolera are just two that jump to my mind because they are in my electorate - have required servicing by ATSIC funds, which have never stretched far enough to provide them properly with services. In the case of Red Sandhill, a couple of years ago they ran out of water. The effect is that although, doubtlessly, it is not on your list of 72 communities which are in the area of the responsibility of the Northern Territory government - in fact, I know that they are not - the problem is that there are Northern Territory services being supplied in these communities. In both cases of Red Sandhill and Ipolera, there are Northern Territory government schools which, consequently, in the case of Red Sandhill, had no running water at one stage, and Ipolera currently, as I understand it, still has very big problems with its water supply. Are there any provisions in your budget at all to help offset this problem for Northern Territory government schools and other service deliverers in these remoter places?

**Mr AH KIT:** There would no doubt be some contingency funds, I would think, member for Macdonnell, to allow us to provide some form of assistance in emergencies, and if ATSIC/ATSIS was the body that provided funds in the past, then I would welcome correspondence from you in regards to these communities, and any others you know, and I will liaise with my department to send officers out to do an assessment.

Realistically, at the end of the day, we need to encourage the federal minister to provide further dollars to allow us to provide services to more of the communities. As we know with the outstation movement, people have moved back onto their traditional lands, families have also moved out with them, and communities have developed out of outstations. They are permanent communities, and

they have needs and services that are required, just like any other person who lives in the Australian community. As I say, I would welcome correspondence from you highlighting those concerns and I will get that followed up.

**Mr ELFERINK:** You have received correspondence over the past few years, including your predecessors and former governments from me on this particular issue, because I saw it coming. Indeed, the Treasurer is fully aware; I raised it with him in the House on numerous occasions. This is an ongoing problem. The fact is that Territory government services only go so far, the federal government services do not go far enough and, as a consequence, you have the second tier of government providing school services where ATSIS or ATSIC cannot provide water. It is something that I am not trying to be clever about; I am trying to draw to your attention the seriousness of this issue, because it is not the first time it has come up.

Minister, I am just wondering what course you will be taking. I am delighted to hear that the federal minister is going to throw in an extra \$10m to underwrite this. But what further steps will you and your department be taking to pursue this with the federal government? \$10m is not going to fix the problem.

**Mr AH KIT:** Mr Chairman, let me explain again. The \$10m is for connecting Aboriginal communities which are in townships and there are some 40-odd – 44, I think. This \$10m is not for those services you asked about in your question ...

**Mr ELFERINK:** What else is ...

**Mr AH KIT:** We do have a policy that, as a last resort, if a community was running out of water, we would provide water. But whilst we do that, we would also look at whose responsibility it is. Is it a Commonwealth responsibility, ATSIC responsibility; is it an outstation, how many people live there? Certainly, we do not want people in the communities going without water and creating a health hazard in their outstation or community, but we would go in as a last resort, as I said, to provide water. However, we would have to look at then ensuring that we have some system in place that will be permanent in regards to their water supply. If that means talking to the feds, and the minister responsible working with us to put in place a situation that is going to deliver water for that community on a permanent basis, then that is what we need to do.

**Mr ELFERINK:** What system is currently in place?

**Mr AH KIT:** I have told you, the Northern Territory government has a policy that, as a last resort, we will go in and provide water.

**Mr ELFERINK:** So, how much is in that fund?

**Mr AH KIT:** I am advised it will come from existing programs. If we have to rob Peter to pay Paul to make sure water is up and running in Ipolera or Red Sandhill, then we will do that.

**Mr ELFERINK:** Either that or go and see the Treasurer for a Treasurer's Advance?

**Mr AH KIT:** Sorry?

**Mr ELFERINK:** Either that or go and see the Treasurer for a Treasurer's Advance?

**Mr AH KIT:** We could do that.

**Mr ELFERINK:** As was the case with the \$4m.

**Mr AH KIT:** Yes, but we would need to do it quickly. I am not going to spend two weeks putting a



Cabinet submission in place to take to Cabinet to ask the Treasurer for some of his Treasurer's Advance when, in the meantime, people out there are getting pretty thirsty. I would go in and we would act.

It depends, if it was a big project that required a couple of hundred thousand dollars, then I would have to put in a Cabinet submission. But we would have to grab it quickly out of other programs and, where we rob Peter to pay Paul to make sure people are not thirsty, then that is a decision the department would need to make. I would work with them to ensure that they took a decision to ensure that water is delivered.

**Mr ELFERINK:** Minister, how much of the capital expenditure is spent on vandalism and other criminal acts against the essential services infrastructure in the Northern Territory.

**Mr AH KIT:** How much what?

**Mr ELFERINK:** How much has been spent on repairs on vandalism and criminal acts against infrastructure in the Northern Territory?

**Mr AH KIT:** Last time I was out there I saw two blokes shooting shanghais at street lights, and I assessed it at being \$50 each. I do not know. What sort of answer do you think I should provide?

**Mr ELFERINK:** An answer that has a dollar figure attached to it.

**Mr AH KIT:** I do not have a dollar figure attached ...

**Mr ELFERINK:** Because it might be cheaper to have education programs in those communities to tell people why it is responsible to not shoot out street lights.

**Mr AH KIT:** Well, look, we ...

**Mrs AAGAARD:** Point of order, Mr Chairman. Surely this was a question for the police minister? This is a matter of criminal damage.

**Mr CHAIRMAN:** There are aspects of the *Criminal Code*, I suppose, but I think what the shadow is getting to is the figure on indication of repairs and maintenance for malicious damage.

**Mr ELFERINK:** I was wondering if there is a line item in there somewhere, or somewhere they keep their records, where they say this is how much we spend on repairing damage which is the result of a criminal activity as opposed to damage which is caused by normal wear and tear or something else.

**Mr AH KIT:** I do not know. Could the member for Macdonnell give me some examples? I am trying to get an idea. You are asking me if we ...

**Mr ELFERINK:** You have given me an example yourself. You said you saw two kids running around with a shanghai and they shot out a couple of street lights. I mean that is damage. I am just curious, minister, if the department somewhere keeps a list of the things that they repair because it was damage caused to Northern Territory government property.

**Mr AH KIT:** We fund councils to look after power stations, and they do a very good job, might I add. There is no statistics that we keep in regards to how much vandalism has been done to street lights at Lajamanu, Yuendumu or Barunga. If there is a problem, we go in to fix it. What we obviously need to do is provide more activities for children to get involved in such as sport and recreation so that they do not turn their minds to vandalism. There is some form of vandalism in some of the communities across the Northern Territory and that will continue. We are trying to do as much as we possibly can with sport and recreation but certainly people are breaking the law. We want the police to do their jobs

along with the Aboriginal community police officers and we want councils to be responsible in ensuring that there is very little vandalism and a lot of activities for their children to participate in. But I do not have here, I believe, a line item budget that can tell you yes, it costs me \$2.26 to fix lights in communities across the Northern Territory.

**Mr ELFERINK:** All right. No further questions, Mr Chairman.

**Mr CHAIRMAN:** Do any other members have any further questions on this output?

**Mr WOOD:** Thank you, Mr Chairman. Just quickly, the average cost of maintenance services for barge landings has gone up from \$4500 to an estimated – well, the estimate was \$13 428 and now it is \$13 000 - but it has gone up quite substantially and yet we only have the same number of barge landings. Can you say why it has gone up nearly three times?

**Mr AH KIT:** I will ask Ellen to answer that question.

**Ms ADRIAANSEN:** The calculation for calculating the average cost of maintenance and service per barge landing is total cost for repairs and maintenance for barge landings divided by the number of barge landings. So it depends on our budget as to what that figure is. We have been in negotiation with Treasury to try to come up with a different measure because it depends on how much repairs and maintenance funding is allocated as to what it is. So it could be a whole new barge landing being repaired. It is not really reflective of how much per barge landing that we are spending. So it is a bit of a ...

**Mr WOOD:** Is that a problem with accrual accounting?

**Ms ADRIAANSEN:** No, it has nothing to do with accrual accounting, it is just difficult - the requirement to have performance measures and whether you can always find appropriate measures in regards to an area like repairs on barge landings.

**Mr WOOD:** It just seems that there is a big distortion. You could argue that is a case for a small distortion, but that is a big distortion. The problem then is it gives one the impression, just from using the budget papers, that either they were not being maintained very well before or now they are being painted with gold paint on them or something.

**Mr AH KIT:** Mr Chairman, Mike Dillon has further information.

**Mr DILLON:** Mr Wood, one of the issues is that significant funding was committed in 2003-04 but projects will not be completed in that year, and approximately \$99 000 will be carried forward in 2004-05, so when you add that \$99 000 into the ongoing budget and then divide it by 14 barge landings, you get the lift in the rate.

**Mr WOOD:** That is fair enough, but what I am saying is that by using that, you are not actually giving us, the public, the right average cost of maintenance for those landings. Maintenance is something that is going on all the time.

**Mr AH KIT:** Do you wish to respond to that, Mike?

**Mr DILLON:** If what you are saying is that in theory you could devise a better performance measure, I guess I would have to agree. It is something that we would like to discuss with Treasury and work on.

**Mr WOOD:** Just quickly, client satisfaction with services, was that mentioned before? It says 50%. Is the government going to try to achieve better than that for Indigenous Essential Services? That is pretty low.

**Mr AH KIT:** Through the Chair, Mike.

**Mr DILLON:** Mr Wood, the target rate is 50% but the actual 31 May, our own setting, is 79%, so yes, we are achieving above target. The target has been kept at a realistic level because we are conscious of the limited resources that are available in comparison to the need that is out there, but it is a point we can take on board.

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

**Mr CHAIRMAN:** Are there any more questions on that output? That concludes consideration of Output 3.1. It is my intention to call a comfort break for five minutes. That does mean that the committee will conclude its deliberations at a quarter past 11 tonight. Five minutes everyone.

---

The committee suspended.

---

**Mr CHAIRMAN:** We now resume consideration of the Estimates. As I mentioned before, we have considered Output 3.1.

### **Output 3.2 – Aboriginal Interpreter Services**

**Mr CHAIRMAN:** The committee will now consider Output 3.2 - Aboriginal Interpreter Services.

**Mr ELFERINK:** Thank you, Mr Chairman. I note that the original budget allocation for 2003-04 was \$1.739m. The minister, through his obvious persuasive and articulate arguments in front of Cabinet, was able to get that increased to \$2.092m. Bully for you, minister. It is now being varied down in this budget to \$1.695m. The explanation appears on page 208 of Budget Paper No 3 as to why, basically, \$400 000 has been cleaved off this particular budget. Although the estimate for this year, and the projections for next year are equal in terms of interpreters registered for these services, bookings received, and language and dialects covered by the service, in fact, they remain unchanged from this year to next year. The average cost for a booking has dropped from \$1162 to \$942, a drop of a couple hundred bucks - \$220. The footnote explaining this surprising drop in the value of delivery of this service is:

*Increased unit cost of bookings in 2003-04 due to additional training funds for interpreters provided in that year.*

Minister, why did you not foresee the training that would be required for the interpreter service at the outset in 2003-04?

**Mr AH KIT:** Through the Chair, I will get my Executive Director to respond to the detailed part of your question. I just want to preface some comments first in regards to the Aboriginal Interpreter Service. I believe, once again, this is another very good initiative. I give credit where credit is due, to the former CLP government, in commencing this initiative. I believe it is working well. There are explanations that Trish can go into in detail very shortly on the concerns you have about the budget.

In regards to the interpreter training, I suppose my answer to that is that one cannot foreshadow everything that happens in particular line items with agencies, and the services that are being provided. We want to ensure that our government, and I as the minister responsible, is providing a very good, if not professional, Aboriginal interpreter service throughout the Northern Territory. Might I add, this interpreter service is something that other states and territories do not come near in how it operates, the effectiveness of the interpreter service, and the outcomes that are being provided. Mr Chairman, I would like to now hand over to my executive director, Trish Angus.

**Ms ANGUS:** Mr Elferink, there actually has not been any decrease in the budget. It shows a variation

of \$397 000. That is accounted for by a one-off \$170 000 grant payment from the Commonwealth for a special initiative project to look at the training for the health system, and getting interpreters and users across the use of interpreters in the health system. In addition to the \$170 000 that was carried over, there was \$227 000 that was unspent in 2002-03 that was carried through into 2003-04. That came about by a delay in the counting of the training money which generally takes place during the months of June, July and August, and the Commonwealth moneys - the annual budget year for the Interpreter Service is from September to August - it is not the same as the normal Northern Territory budget money. So, there is a delay in when that money gets spent because of when it comes through.

**Mr ELFERINK:** Oh, I see what you are saying.

**Ms ANGUS:** So in 2003-04 it was 2002-03 being carried in and you might find that next year a similar thing may happen because the Interpreter Service has been smart enough to get \$189 000 for this coming year from the Commonwealth for a similar project to look at the legal area. The Commonwealth has been very impressed with the training program in the Interpreter Service and they have given their unspent money; it is towards the end of our financial year, but it is still a few months into theirs.

**Mr ELFERINK:** You are undoubtedly aware that this is a little pet subject is mine.

**Ms ANGUS:** Yes, I am and I thank you for your support and interest in it.

**Mr ELFERINK:** That is fine. I am just curious why the slightly different fiscal arrangements in terms of finance?

**Ms ANGUS:** That is to do with when the agreement was originally struck between the Northern Territory government and Australian government. That happened to have been the anniversary date of that agreement and the funding flowed with, not a financial year, but an agreement anniversary.

**Mr ELFERINK:** Fair enough. I am not going to pursue that any further. So that is basically the \$220 000 difference.

**Mr AH KIT:** I was just asking the question, through Chair, if we are able to bring that into line with our budgetary cycles and we can have a look at that and ...

**Mr ELFERINK:** The opposition places on record that if that cannot be done, beggars can't be choosers and I am not going to look a gift horse in the mouth either.

**Mr AH KIT:** As long as we continue to get the support and the dollars to go with it.

**Mr ELFERINK:** Who is the biggest user of the service? Is it health, police, education?

**Ms ANGUS:** Health is the biggest user.

**Mr ELFERINK:** By what percentage?

**Ms ANGUS:** I do not have that off the top of my head but I would say easily 50% greater than. Courts is the next biggest users.

**Mr ELFERINK:** At the risk of allowing the government to give itself a really big plug, is there any anecdotal evidence that the Interpreter Services has, through the Health service delivery, saved lives?

**Ms ANGUS:** I am not in a position to say that.

**Mr ELFERINK:** I am just trying to find reasons it should ...

**Ms ANGUS:** I could say that without a doubt, without the use of the interpreters, the health professionals would not be able to do the level of work they do and the clients would not receive medical services as well.

**Mr ELFERINK:** I find it very hard to be critical of the Interpreter Service, minister, except in terms of when their dollars look like it is going down, but I am satisfied with the explanation and I have no further questions for that output group.

**Mr CHAIRMAN:** Do committee members have any questions in regard to this output? That being the case that concludes consideration of Output 3.2 - Aboriginal Interpreter Services. It also concludes consideration Output Group 3.0.

**OUTPUT GROUP 4.0 – Arts, Museums and Library Services**  
**Output 4.1 – Library and Information Services**

**Mr CHAIRMAN:** The committee will now consider Output Group 4.0 – Arts, Museums and Library Services, Output 4.1 - Library and Information Services.

I also make the observation that questions on outputs 4.2, 4.3, and 4.4 would have been addressed by the Chief Minister on Tuesday, 22 June 2004. Shadow minister?

**Mr ELFERINK:** Thank you, Mr Chairman. My leader is telling me to put my beret on, get my Andy Warhol glasses on and strike a few dashing poses in a polo neck sweater, I suppose.

**Mr CHAIRMAN:** It is library and information services. I do not think there is too much art!

**Mr ELFERINK:** The obvious question first, minister: the \$11m that was set aside in the budget went up to \$12.5m. Once again, your eloquent abilities as a minister to convince Cabinet to part with the money that you could not anticipate the library needed to spend was called upon, and once again you got a budget allocation lower than that. Why the cut?

**Mr AH KIT:** Thank you for the question. I introduce Diana Leeder, the Executive Director for Arts, Museums and Libraries. Diana has a response that can hopefully satisfy your question, member for Macdonnell.

**Ms LEEDER:** Thank you, minister. The apparent increase in the budget during the year was accounted for by the answers that have been provided elsewhere about the notional charging of DCIS and the corporate costs that way. There was also carried forward some grant funds from the previous year and some other one-off amounts, so that then when the move to the budget this year, the apparent decrease reflects the fact that there is no longer the carry forward or that does not have any carry forward period amount in it, or the one-off funds; and also includes the commencement of transfer of LIS Art back from the library service back to agencies.

**Mr ELFERINK:** How much grant money was brought forward?

**Ms LEEDER:** \$388 000.

**Mr ELFERINK:** What was that used for?

**Ms LEEDER:** That was then distributed to grants to local government authorities in January this year for a range of programs ...

**Mr ELFERINK:** That was the \$348 that is in here, sorry? I am sorry; you had not finished. Please go

on.

**Ms LEEDER:** The \$388 000 was the carried forward over and above the other annual allocation for the grants.

**Mr ELFERINK:** The estimate for this year for grants to be distributed is \$3.48m. For the next year it is \$3.1m; a reduction of \$380 000. Can you account for that, minister? Grants distributed, I should say.

**Ms LEEDER:** That is correct. The amount is the difference in the carry forward.

**Mr ELFERINK:** That is the difference, so does that basically mean, at the end of the day, that grants are going to be \$388 000 less?

**Ms LEEDER:** No, the answer is that the amount that has been budgeted last year and this year for grants is the same, but that during last year we did not fully expend it during that period, so it was carried forward.

**Mr ELFERINK:** So that is in 2002-03.

**Ms LEEDER:** Yes. So the 2002-03 amount that was not expended was carried forward, but the base amount for the grants has remained constant.

**Mr ELFERINK:** Okay. So you have expended the full amount, or you are going to have by the end of the year have expended the full amount, including what was carried forward?

**Ms LEEDER:** We hope to have expended it otherwise there may be a carry forward of some of the grants where negotiations are continuing in terms of the conditions for releasing the funds.

**Mr ELFERINK:** I notice that the average cost per client interaction this year is estimated to be \$23 per interaction. You are heading hopefully, according to your projections, to \$20 per transaction, or the minister is, I should say, which would be a reduction of 15%, off the top of my head. Where are you going to find those savings, minister?

**Ms LEEDER:** The cost per client interaction is determined by dividing the entire budget, less grants, by the number of client interactions, and so as we interact with more clients then we reduce the cost per interaction.

**Mr ELFERINK:** I see. I am finding it a little bit difficult to fathom that that is simply just a book entry, and that what you are telling me is that \$0.4m divided into \$3.48m to spend, plus your \$23 per client. You are going to tell me that next year you have \$3.1m to spend on the same amount of clients, and you are going to provide the same service for \$20, minister. How does that affect the service? I mean, you are spending less, minister.

**Ms LEEDER:** No, the average cost is actually the grants funding and the library resource allocation, and the total costs, divided by the total client interactions. I would also have to say that in terms of determining meaningful performance measures or output measures, that we, as others have said, have struggled a little bit with trying to find an appropriate way to express that.

**Mr ELFERINK:** Yes. I am not going to lose any sleep over this, minister, I have no further questions in relation to this.

**Mr CHAIRMAN:** Members of the committee, do you have any questions in relation to this output?

**Mr WOOD:** Thank you, Mr Chairman. I understand that \$1m went out and \$1m went back in but, in last budget, there was \$370 000 to share between Katherine, Pine Creek, Lajamanu, Ngukurr,

Mataranka and Barunga libraries. That is about \$60 000 each. In this budget, they will get \$320 000, or about \$52 000. The library budget for the Arnhem and Tiwi region has been cut by a third, \$370 000 down to \$250 000. Why this decision to cut library funds, especially when there is supposed to be an emphasis on building literacy in our communities?

**Mr AH KIT:** Through the Chair, I will ask Diana to answer.

**Ms LEEDER:** Mr Wood, the funds that you are talking about there are the operational grants, which are determined by the population in each of those areas, and by the total population and the amount available. So the amount available for the grants has been a constant amount, but where the population fluctuates in particular communities, then so does the grant that is paid.

**Mr WOOD:** When you say operational, does that includes wages?

**Ms LEEDER:** That is the grant which is paid to the libraries.

**Mr WOOD:** Right, but this means fewer hours, I would imagine, if they would have to cut back?

**Ms LEEDER:** The operational grant is up to the councils to determine how it uses it, whether it is for extended opening hours, or reducing opening hours, or however it does.

**Mr WOOD:** But it would be fair to say that if you cut the Arnhem/Tiwi region down by a third, something would have to give, and that was more likely to be opening hours?

**Ms LEEDER:** That would be a matter for the council to determine.

**Mr WOOD:** Thank you.

**Mr ELFERINK:** Sorry, Mr Chairman, one more question I neglected to ask.

Minister, do you have any intention at all in the next 12 months to close, or in any way downgrade Library Services, close any libraries or downgrade libraries in the Northern Territory?

**Mr AH KIT:** No.

**Mr ELFERINK:** Okay.

**Mr CHAIRMAN:** Any more questions? That concludes consideration of Output 4.1 – Library and Information Services and Output Group 4.0 - Arts, Museums and Library Services.

### **OUTPUT GROUP 5.0 – Sport and Recreation**

**Mr CHAIRMAN:** The committee will now consider Output Group 5.0 - Sport and Recreation. Minister, before we consider Output 5.1 - Participation in Development Programs, I welcome the shadow for Sport and Recreation who is also the Leader of the Opposition. Minister, please introduce any new officers at the table who will be assisting with the answers.

**Mr AH KIT:** Mr Phillip Leslie is Executive Director of Sport and Recreation, and will be assisting me in responding to some of the details in regards to the questions of members of the committee.

#### **Output 5.1 – Participation in Development Programs**

**Mr MILLS:** Thank you, Mr Chairman. Welcome, minister. I recall 12 months ago the very first question I asked you: what was the score - we were in the State of Origin!

**Mr AH KIT:** I am relieved that next Wednesday night is the final decider for the State of Origin, and this estimate's Wednesday evening we do not have to go through that exercise of having my media officer running to get the scores for us! I can certainly pass onto the shadow minister for Sport and Recreation that New South Wales will, I believe, win the State of Origin series because the game is going to be played in Sydney, and Queensland does not have a good track record there and have not won, I think, out of the seven times they have played there.

**Mr WOOD:** Does that come under stakeholder satisfaction?

**Mr MILLS:** I think it is only the deception of governments! Minister, I was just flicking through the budget, and just a moment ago, I noticed that the average cost per hour of the Marrara Indoor Stadium is estimated to be reduced in 2004-05. Would this have anything to do with your plans to squeeze the AFLNT out of Marrara?

**Mr AH KIT:** I am a bit confused, because you started off with Marrara Indoor Stadium.

**Mr MILLS:** Did I say that?

**Mr AH KIT:** Yes you did, I thought.

**Mr MILLS:** My apologies. No, Marrara Stadium.

**Mr AH KIT:** Marrara Oval, Marrara Stadium, okay.

**Mr MILLS:** Yes, I did not read the 'indoor'. They do play it outdoors. With regards to the AFLNT - it just reminded me when I saw Marrara there - do you have plans to have the AFLNT seek alternative accommodation?

**Mr AH KIT:** I do not have plans for the AFLNT to seek alternate accommodation. I am in discussions with the AFLNT and, might I add, I am very pleased that Wayne Jackson, the former AFL Chief Executive Officer is now a board member. I believe that they are still recruiting another board member to the AFL.

We have had lots of discussions with the AFLNT Board. I have had to explain to them that that asset, which belongs to government and is leased to them, is an asset that we want to see shared when there are other sporting occasions such as the test cricket next weekend, and an opportunity, maybe, to one day bring national Rugby League sides to Darwin, or national soccer sides to Darwin. If we do not have the soccer stadiums built in the next 18 months, we may have an opportunity to work with the Soccer Federation to get soccer played in the Territory. We did have an opportunity to get an international Under-21s tournament, but that fell through. That was going to happen later in July, early August. It is a pity that it has fallen through, because we had Manchester United Under-21s, I think a team from Europe, and I think a team from Croatia.

We needed to make sure that the AFLNT understand that to have these national or international events we have to provide a clean venue. Everything is above board via the lease. I have told the AFLNT: 'That is your home and nobody is in the business of wanting to kick you out of there. I do not have any plans to kick you out of there. But what I do have concerns about is that is you are asking me for more accommodation'. 'Can we put a demountable up? Can we build extra accommodation?' And I am saying, not at that facility. That facility is a wonderful facility as well know and appreciate. I have to be honest in saying the AFLNT does not pay any rent out there for their accommodation and office facilities. Other peak sporting bodies look at that, frown upon that and ask why they are getting it for next to nothing, if not for nothing, and they have to go out and get a lease arrangement in place.

A good example is cricket. Cricket NT or the Northern Territory Cricket Association relocated from their oval, from the dressing sheds that they were in to somewhere in Fannie Bay at the shopping centre. They now have a new chief executive officer and they are forging ahead in getting cricket



organised.

The AFLNT also has to come up with a plan on how they move forward. They had problems in the past. They have put claims in to me that I need to deal with in regards to compensation. We have agreed to sit down and work our way through that but nobody has any intentions of kicking them out of there. We are looking at what are the options that are available to us to help AFLNT move forward.

**Mr MILLS:** I think in all of that I am - I did not say 'kick out'. I think I used the word 'squeeze' or 'ease' out. Yes, I used squeezed but I think perhaps eased out. It is clear in what you are saying that there is a good case, as we say in government speak, for that facility to be freed up so that it can be used for a greater range of purposes which logically means that the AFLNT would be given reason to relocate. And assisted in that relocation?

**Mr AH KIT:** We have a working party. What do we call it, Phillip? We have a group together which is a working party that some people dodge in regards to when we talk about the lease. We have somebody from the department for Sport and Rec –Phillip, and Sylvia Langford, and we have people from the AFLNT which is their chair, Bob Elix. In regards to the lease they have nominated David de Silva because of his legal background, and Chris Natt. So there are two lots of working groups. But we are working on looking at what the options are. And the AFL, Andrew Demetriou, is aware of these discussions and is monitoring it. We are keeping him in the loop because we now have the big match coming up with Western Bulldogs and Port Power on 14 August. We have the footy season starting off in October with the Umpires Carnival.

We have these working groups working together to come up with the best options. As the Minister for Sport and Recreation I want to see football move forward. How we do that is that we have to consider all the different options and work out which is the best one.

**Mr MILLS:** Thank you, I will leave it there. I have a range of questions I will move through now. Some of them I would be more than happy just to have tabled, the first one being: could you please list the major national and international sporting events that have been held in the Northern Territory in 2003-04?

**Mr AH KIT:** Major?

**Mr MILLS:** The major national and international sporting events that have been held in the Territory. I can restrict it then to - yes, in the period 2003-04 and I will leave it at that.

**Mr CHAIRMAN:** If I could seek clarification of your definition of 'major'.

**Mr MILLS:** Well ...

**Mr CHAIRMAN:** Well, you have national school events. There are many of them held here each year.

**Mr MILLS:** Yes, all right. Thank you, Mr Chair. This might assist then: list the national and international sporting events that have been held in the Territory in 2003-04. I would be happy for that to be tabled rather than be read out because we might have an elaboration on the great virtues of your government's ability to bring such events ...

**Mr CHAIRMAN:** Oh, we could not have that!

**Mr MILLS:** I do not mind, but we have restricted time and I will get the glossies later.

**Mr AH KIT:** Mr Chairman, may I ask that we provide a response under output 5.3? We are currently in output 5.1, and I am not trying to fob you off, member for Blain, but I think if we deal with it when it comes up under output 5.3.

**Mr MILLS:** Hold that thought!

**Mr Wood:** And I set a precedent.

**Mr MILLS:** Yes, I know. We might bugger the whole thing up. So what is the specific description of the category?

**Mrs Aagaard:** Participation and development.

**Mr MILLS:** All right, here we go. Minister, could you please identify the allocations that are made to peak bodies, sporting and recreational groups in the Territory? I am happy to have that tabled.

**Mr AH KIT:** I would really like to provide the answers if we have the answers available ...

**Mr MILLS:** Sure, okay.

**Mr AH KIT:** ... and only take them on notice and have you table it and get back to you if we do not have the answers. Thanks, Phillip.

**Mr LESLIE:** The grants for organisations now go up on our web site as they are made, and we are not quite at the end of financial year, but I have a list here that was current up until its preparation, which we are happy to table, but it is directly straight off our web site.

**Mr MILLS:** Thank you very much. Perfect. Minister, I have not been a minister in government, but I am aware ...

**Mr AH KIT:** Well, you will be in about 15 years' time.

**Mr MILLS:** That will be a long term.

**Mr AH KIT:** Yes, okay.

**Mr MILLS:** ... you have the opportunity from discretionary funds to support groups as well. Would you be able to list the groups that you have been able to support as a minister?

**Mr AH KIT:** That is the special assistance grants category you are asking about.

**Mr MILLS:** I am not sure what it is called, but ...

**Mr AH KIT:** It is called a special assistance grant. We have a list of those, and I would be happy to provide you with a copy of it.

**Mr MILLS:** Thank you. Are there individuals who have received money from your department to compete in events and, if so, could you provide a list? Individuals competing in interstate events or down south?

**Mr AH KIT:** I will ask the Executive Director of the department to respond.

**Mr LESLIE:** There are three types who do. Some are normally supported through the normal grants to the association, but often in sport and recreation, the individuals are not aware that they are selected until some time during the year, depending on the date of the event, the date of the trials and when the team is picked. So generally, those individuals, if they are picked up during the year, would

be part of the special assistance grants which the minister has just indicated that he would provide a copy to you.

**Mr MILLS:** So that will be contained in that list?

**Mr LESLIE:** Yes, because we are unsure of them during the year, because we do not know when they are picked. They are usually picked up and supported out of special assistance grants. But the money tends to go to the association on their behalf.

**Mr AH KIT:** I am just seeking clarification on the way you worded that question. Are there any individuals within my department that received ...

**Mr MILLS:** No, that your department has assisted.

**Mr AH KIT:** That have been assisted by my department?

**Mr MILLS:** Yes.

**Mr LESLIE:** To finalise, the other part of that is, of course, scholarship holders and athletes at the Institute of Sport, who are also assisted for various training and competition purposes.

**Mr MILLS:** Okay, that would be contained in that list?

**Mr LESLIE:** That is not contained in that list because it is not subject to a special assistance grant; that is just an ongoing scholarship.

**Mr MILLS:** Okay.

**Mr CHAIRMAN:** The scholarship holders come under output 5.2 Northern Territory Institute of Sport, I believe.

**Mr MILLS:** Right. Would I be able to ask questions about sporting clubs in this category, Mr Chairman?

**Mr CHAIRMAN:** If it is in the category, I am sure you can.

**Mr AH KIT:** Yes, it is in this output.

**Mr MILLS:** Oh, what a relief. The Pints Clubs in Alice Springs and Darwin are reported to be struggling, minister. What discussions have been held with officials from these clubs, and what assistance has been provided?

**Mr AH KIT:** I do not know if we are providing any assistance. I have not had any discussions through my office, and I do not know whether the department has. I am aware of them having problems and almost in a situation where they have to close their doors shortly. Maybe if I can just have a quick chat with Phillip.

Can I seek some clarification? You are talking about the clubs themselves as a club house, not the Pints teams as in sporting clubs?

**Mr MILLS:** Sporting Club.

**Mr AH KIT:** You are talking about the club, the licensed sporting club, in both places?

**Mr MILLS:** Yes.

**Mr AH KIT:** No. We have not had any discussions with them. I have not seen any correspondence, as I said, in my ministerial office. It worries me, because we had the situation with Waratahs ...

**Mr MILLS:** Yes, I was going to come to that.

**Mr AH KIT:** We have a situation where we are concerned about those clubs throughout the Northern Territory really struggling, the volunteer type of support that they have had in the past, the very strong committees they have had, the fundraising ability when numbers drop off for membership, they are faced with a whole range of problems. I am now starting to sit down with the department and think about ways in which we can try to assist in their administration or their management. Clubs really have to be developed, I believe, as businesses, and be run as such and have their plans mapped out in a true business sense so that they do not get themselves into a situation where they are just managing to keep their chins above water and are very close to going under. There is money provided in the budget of my colleague, the minister for Justice, to have people go out and talk about the *Associations Act*.

I believe we need to look, at least from my Minister for Sport and Recreation side, at how we assist clubs to plan much better, so that they have clear direction and knowledge of where they need to go, and where they need to be to continue to be a club that is viable and operating really well. If we had done that assessment, I think we would be much better placed to know and advise clubs that 'your future is not looking rosy if you do not do this, this and that'. Otherwise we will continue to see more clubs struggling and trying to keep their doors open.

I think some of the lifestyle has changed over the past 30 or 40 years. There are other things such as casinos that we never used to have. There are poker machines around, and there is not as much interest in clubs such as the Pints Club as there used to be in the past. In regards to Arafura, there were other bowling clubs established out at Palmerston and Humpty Doo. Membership is moving away, numbers start to dwindle and, without this proper business plan in place, you will have clubs struggling.

As I say, when I set my mind to it and work with the department on ways we can plan to work with those clubs and, at least be quite open and honest about if you are not going to be smart in how you do business and conduct yourself as a business, then you are going to go under. Maybe that is the stark reality that they need to realise.

**Mr MILLS:** Okay. So, no discussions and no assistance other than legal assistance and considering what you might be able to come up with as a way of helping these clubs ...

**Mr AH KIT:** I have had no discussions ...

**Mr MILLS:** ... because it is quite clear that volunteers right across the board are under increasing pressure. I will just make that as a comment and not as a criticism necessarily. I would expect there would be a responsibility however, minister, for some practical support to those volunteers who are under increasing pressure to keep the whole enterprise of sport in our community going. To raise the expectation of a management plan, probably increases the burden often, and the offering of legal advice so that you can understand – what is the act you referred to ...

**A member:** *Associations Act*.

**Mr MILLS:** ... the *Associations Act* just compounds the pressure on those volunteers, those good hearted folk who just want to get in and help the sport out. So, it is a real problem. You would agree, wouldn't you?

**Mr AH KIT:** Oh, it is a problem, and a problem I recognise. However, government has be careful about running around throwing money at ...

**Mr MILLS:** I am not suggesting throwing money because that ...

**Mr AH KIT:** ... at clubs to help prop them up, and then prolong the agony for maybe a year or two. I was very impressed by the Katherine Club in Katherine, which had problems four years ago and traded out of that, and have now actually purchased the Paraway Hotel and are doing really well. That is the sort of management that is great.

**Mr MILLS:** I like to move to Palmerston Magpies. Please describe what it is that is in your mind with regards to the Palmerston Magpies. What will the solution be, and what is this \$2m going to buy - in your mind? What do you see?

**Mr AH KIT:** In my mind?

**Mr Wood:** A premiership.

**Mr AH KIT:** It was an election commitment and we are going to honour that. We have had discussions with Phil Thompson, is it?

**Mr MILLS:** Yes.

**Mr AH KIT:** We have had discussions with the university. The former government built Archer Oval. We understand the problems there. It is a lovely oval. Baseball use it; the only sporting body that uses it, to my knowledge, on a weekend. They make sure the games finish up before the sun sets ...

**Mr MILLS:** Sand flies.

**Mr AH KIT:** ... and the sand flies start. We have been talking to Charles Darwin University. They have the oval there. They are quite happy to enter into an agreement with Palmerston Magpies Football Club - some sort of MOU. The upgrade that will happen with the money going to Charles Darwin University - they requested that. Palmerston Magpies had no problems with that. The grant will allow them to get more value for dollar by them administering the ...

**Mr MILLS:** The university or the Magpies?

**Mr AH KIT:** The university. ... project work that needs to happen. Therefore, that \$2m will effectively become \$2.2m, or something of that nature, with them doing it in that manner, rather than doing it through the other way where my department ...

**Mr MILLS:** I probably want to get more concrete. What do you ...

**Mr AH KIT:** Hang on, I am coming to that.

**Mr MILLS:** It is just that opposition is very mindful of the time constraints. We had great difficulty with the Chief Minister last night ...

**Mr AH KIT:** Well, I am nearly there. I am nearly there.

**Mr MILLS:** Yes I know but, all right, that is fine.

**Mr AH KIT:** So rather than going through the DIPE contract management process, through Infrastructure, Planning and Environment, but we want to see, and the upgrade will focus on that oval,

the oval surface, fencing, scoreboard, ablution change rooms, kiosk, car parking and limited spectator facilities.

**Mr MILLS:** Thank you, that is sort of the picture I wanted. When we are talking about Pints Club and Waratahs, do you fear that we are setting up a situation which is going to be another Pints Club in Alice Springs, Waratahs, Pints Club in Darwin? Is it the same sort of set up? Do you think that potentially we could end up with another problem as we are seeing in community groups and volunteers that get together and have some facility and ...

**Mr AH KIT:** With Palmerston and the Charles Darwin University and what we are doing? Are you saying ...

**Mr MILLS:** Yes.

**Mr AH KIT:** No, not at all. And do you know why? This is not money for club rooms and pokie machines, okay ...

**Mr MILLS:** Understand.

**Mr AH KIT:** ... and all of that. That is an arrangement that Magpies will need to work with the Charles Darwin University in respect of a club house and a liquor licence. I have already had feedback from people at the Palmerston Tavern, the Hub, Cazaleys, and the golf and bowling clubs, about another liquor licence. I do not whether the Palmerston Magpies liquor licence can be transferred across to the oval when they build a club house and operate their liquor licence, etcetera. I do not know whether that is transferable; that is up to Racing, Gaming and Licensing, I would think. But certainly, this money is not there to build a club house that will have poker machines. It is for facilities to establish themselves similar to the Pints Club or to the Waratahs Club.

**Mr MILLS:** So it sounds questionable whether they would envisage having a liquor licence?

**Mr AH KIT:** I believe that Palmerston Magpies want a liquor licence.

**Mr MILLS:** They wanted pokies too, but ...

**Mr AH KIT:** Well, they will have to talk to the Minister for Racing and Gaming. He is responsible for the pokies. I do not think that Charles Darwin University have a problem with a liquor licence. They do have a problem with gambling and poker machines and maybe Keno and whatever, but that is for them to sort out. We will have Palmerston Magpies, I believe, doing well with the upgrade with those things I have mentioned. We will hopefully have them in a very good relationship where even the university students can come across and use ...

**Mr MILLS:** Sure, sure. I think all those involved in this exercise are getting a little nervous about where it will end up in light of what I have already indicated with Pints and Waratahs. I am happy to leave that minister, in the interests of time. Thank you for what you have described.

Minister, I understand that your government is looking to establish a sporting trust to oversee all sports that are housed within the Marrara sporting precinct; that is rugby union, athletics, cricket, basketball, BMX, and so on. If so, minister, what stage is that at, and can you provide any more detail of its function?

**Mr AH KIT:** This is about a trust. Did you say a trust or something similar?

**Mr MILLS:** Yes, a sporting trust to oversee all sports that are housed in the Marrara sporting precinct. I have heard reference to this.

**Mr AH KIT:** There is discussion, there are thoughts, there are options being looked at. I have to say, when I was in Brisbane some six months ago, I was impressed with how the trusts are established and how big sporting bodies deal with those trusts. Those trusts effectively deal with government. That is what is happening in Sydney, in Melbourne, and the major capital cities. Our government has not made a decision on that it. Certainly, it is something that can be considered in the near future, but there is nothing on the drawing board at this stage. It would be irresponsible of me not to ask my department to start looking at how this works and it works really well in other major and cities ...

**Mr MILLS:** I do not have a problem with that. I was just wondering where it is at and to get more details on it rather than ...

**Mr AH KIT:** ... around the countryside. It is an idea that is just ...

**Mr MILLS:** Does it have money attached to the idea?

**Mr AH KIT:** No. No money whatsoever.

**Mr MILLS:** Has it been communicated formally to ...

**Mr AH KIT:** The government has not made a decision yet, the Cabinet has not had discussion, there is nothing.

**Mr MILLS:** How is it out there? Has it been communicated in a formal sense or suggested over a bar or something like that?

**Mr AH KIT:** No.

**Mr MILLS:** No? How did I get to hear of it? Anyway, these things get around.

**Mr AH KIT:** I have not corresponded with anyone and put in the government's position or my position.

**Mr CHAIRMAN:** It is an amazing town.

**Mr MILLS:** It is a small town. Okay, so continue looking around and it might be a seed that is sown on the ground somewhere that will grow into some beautiful bush.

Minister, just a general question related to expenditure: for 2003-04, could you detail the expenditure on each report, consultancy, excluding annual reports, that have been obtained from outside the NT Public Service; and for each report or consultancy, detail the purpose and the cost, person or entity engaged and whether a report has been tabled and what were the outcomes?

**Mr AH KIT:** Is this under the right output?

**Mr CHAIRMAN:** I have a few concerns there. Is it in participation ...

**Mr MILLS:** I cannot see the tailor-made category.

**Mr CHAIRMAN:** There is a tailor-made and it could be a non-output specific budget question.

**Mr MILLS:** Oh, right.

**Mr CHAIRMAN:** It could well be there – it should be in there.

**Mr MILLS:** Don't look at me! I am just asking the question. It is the answers that are fulsome.

**Mr AH KIT:** Yes, Mr Chairman, I did have participation and development through the output of Events and I am happy to table this, but the cost under participation and development for consulting across these firms is \$14 069. It gives you the approximate length of tenure in the subtotals and we also have under Events \$58 726, and that is all up a total of \$72 795.

**Mr MILLS:** Okay. Minister, what resources will the NT government put into promoting a healthy lifestyle for indigenous Territorians in the year 2003-04?

**Mr AH KIT:** I will just give you a general response in regards to indigenous sports officers. I have just received a letter from minister Amanda Vanstone - one moment – no, this is not the letter I am looking for. I am sure I received a letter from ...

**Mr MILLS:** Read it anyway.

**Mr AH KIT:** No, I have received advice from minister Vanstone's office in regards to indigenous sports officers and those seven indigenous sports officers that we have in place across the Territory in the regional centres that supplement our sport and recreation officers in those major townships also, along with those ones we fund or partially fund in communities through the Northern Territory.

We will continue to work to have those sport and rec officers working together to deliver programs such as Kickstart and other sporting codes throughout the Territory. I think your question is partially Health, but certainly, we will continue to assist wherever possible in regards to encouraging more sport and recreation happening in communities, which takes kids' minds away from vandalism and boredom. I can get Phillip to add some more if you wish.

**Mr MILLS:** I have just been informed by my honourable deputy that, in the interests of time and others who may want to participate, I will hold it there. I am sure it would be a tremendous answer.

**Mr CHAIRMAN:** So no more questions for you, shadow minister?

**Mr MILLS:** For now, in this category, no.

**Mr CHAIRMAN:** Does the committee have any questions?

**Mr ELFERINK:** One, very quickly. Minister, you are aware in the second reading of the appropriation debate, I read out a letter from Mr Jeff Colver, the CEO of the Mataranka community council. It deals with participation, and the letter was entitled, 'The non-attendance of a guest of honour at the Never Never Festival'. Minister, I am sure you are aware of the letter and the contents of it. You advised the Mataranka Council at the death knell of opportunity that you were unable to make it as you were assisting the Chief Minister with some other functions. Minister, for the sake of the people who live in Mataranka and who were expecting to see you there, could you advise them what other functions tied you up that prevented you from going down to the Never Never Festival?

**Mr CHAIRMAN:** Minister, before you address that, could I ask the relevance of that to the budget?

**Mr ELFERINK:** Well, because there was money expended by the government on this particular festival and they were expecting to see the minister there as a result.

**Mr CHAIRMAN:** What relevance are you drawing?

**Mr ELFERINK:** Because the government spent money, budget, on the Never Never Festival.

**Mr CHAIRMAN:** I will leave it to the minister to decide whether this is to be dealt with in this particular



participation and development program.

**Mr AH KIT:** Was the letter addressed to me as Minister for Sport and Recreation, I ask, or was it the Minister for Local Government?

**Mr ELFERINK:** You sent a fax to the community government council, which they received at 5.30 pm according to them. The message originated at 2.25 pm from your office.

**Mr CHAIRMAN:** I really do not think this is the right forum to pursue this. You pursued this in the House ...

**Mr ELFERINK:** Well, the minister can choose not to answer if he does not want to.

**Mr CHAIRMAN:** We are trying to use our time properly here. The member for Nelson had some questions on this. I am struggling to see how it is relevant to the budget. You raised this in the House. But minister, it is your call.

**Mr AH KIT:** I will answer it, and I will take my time answering it, so you can all get comfortable.

**Members** interjecting.

**Mr AH KIT:** Well, one day, the member for Macdonnell, the member for Blain and the member for Katherine will be ministers in a government, hopefully, not too long, not hopefully in the next 10 years, but anyway; and ministers become very, very busy. Ministers can have - well the member for Grotorex laughs, because we know he was not busy when he was a minister. He did not do much at all. Not much at all, and I am still tidying up a hell of a lot of that mess. But anyway, I digress, Mr Chairman.

**Dr Lim:** Yes, he has digressed a fair bit, hasn't he?

**Mr MILLS:** He is being very provocative, Richard.

**Mr AH KIT:** Well, I do not want to be recorded in *Hansard* and being accused by members opposite ...

**Dr Lim:** Of course not, of course not.

**Mr AH KIT:** ... of not providing a full response ...

**Dr Lim:** You never have and you never will.

**Mr AH KIT:** ... to the question that was asked. And I will provide that. Ministers are very, very busy people. Their itinerary changes almost daily. You have meetings, visits, ministerial council meetings to attend to, you try to spread yourself around the Territory, you are working on weekends; it is just very hectic.

I apologise to the Mataranka Community Government Council and the organisers of the Never Never Festival. I have donated money from my electorate allowance in the past to assist them. I do not know whether the member from Macdonnell has provided money to assist them. I do not know whether the member for Grotorex has provided money to assist them to have a successful Never Never Carnival. In fact, when the member for Grotorex wrote to me some time ago asking for \$400 or \$500 to help a church association with some sort of awning, I said: 'Well, let us go 50:50. I will put money out of my electorate allowance; you put in the other half'. Never heard from him. Anyway, I digress again, Mr Chairman.

**Dr Lim:** You sure have - you sure have.

**Mr AH KIT:** I, obviously, was busy somewhere else and got sidetracked on something urgent. I will find out what that is and I will pass that on to the member for Macdonnell if he so desires.

However, I can tell you it was obviously something that was important that had taken me away from meeting that particular commitment. I do not think there is any minister around who is going to not change the itinerary if something urgent comes up that you need to attend to. You need to assess that as it goes, and I did that on this particular occasion. I will try to get to the Never Never Festival next year. That is not a commitment - I will try to join in a fun weekend with them.

**Mr CHAIRMAN:** Any further questions, member for Macdonnell?

**Mr ELFERINK:** No.

**Mr WOOD:** Minister, you recently wrote to me regarding the Litchfield - well the, hopefully, Litchfield Shire swimming pool, saying that the \$1m that you offered the council was, basically, rejected by the council because they felt it was not enough money. You believe it was enough, as you feel that a pool could be built to satisfy most, or many, of Litchfield Shire residents. Before you made the promise to build a pool for \$1m, did you actually do any investigation as to whether a pool could be built for \$1m, or was that, you might, say a pre-election guess? Did you know that the people who wanted a pool wanted a 25 m swimming pool for racing, to be covered and heated? If you believe the pool can be built ...

**Members** interjecting.

**Mr WOOD:** Solar heated. Minister, if you believe a pool ...

**Mr CHAIRMAN** interjecting.

**Mr WOOD:** Well, if you understand the people who race, Mr Chairman, they require the water at a certain temperature. Minister, if you believe a pool can be built, and you promised a pool for the people of Litchfield Shire, why doesn't the government build the pool itself?

**Mr AH KIT:** Is this Local Government?

**Mr WOOD:** No, it is swimming pool. That is what you do athletics in - you swim.

**Mr AH KIT:** The election commitment for \$1m towards the swimming pool - and I think I said this last year - was instigated by me prior to the last election. The two candidates were looking for some issues, and needed to approach the Opposition Leader at the time, our current Chief Minister. I said to them, I thought that they would appreciate a swimming pool in that area. So, a commitment for \$1m for a swimming pool was given. I wanted to honour that \$1m commitment. It is just like saying to the people in Katherine Town Council: 'We gave you a commitment for \$500 000'. I delivered that cheque down there last weekend. However, they have not come back to me and said: 'Hey, we need \$1m because we believe we can put up better sports facilities and the \$500 000 is just not good enough'. The Litchfield Shire Council has been made an offer of \$1m. They had an opportunity to talk to people out there who are lobbying furiously for a swimming pool. I actually met with a delegation because they were wondering where they would put the pool - whether they would put the pool out at the Humpty Doo shopping centre or whether it should go out to Freds Pass or wherever. I said that is an issue you need to talk to the council about. Litchfield Shire Council had written back to me, I am pretty sure, and said 'This is not enough, we are not going to go down this path'. And the reasons why - obviously they did not budget for it or they had no money set aside to build a \$3m pool which they were looking for.

Government was prepared to meet their commitment with \$1m, not \$3m, and they had to make arrangements, as the people elected by constituents in the Litchfield Shire, to work out how they

would find the additional \$2m to put in a swimming pool. If they chose not to follow Palmerston City Council and put their rates up, that is an issue for them to deal with. It is not a matter for me and our government which has given the \$1m election commitment to find another \$2m to appease the Litchfield Shire Council. I would love to do that, if I could find the money. I have been able, as has been shown tonight, to go to Cabinet on some occasions and be successful in getting additional dollars for the budget. But I am not prepared to try to find another \$2m for the Litchfield Shire Council. If that \$1m is not acceptable then that is something that they are not able to help deliver on for the constituents of the Litchfield Shire in regards to a swimming pool.

Mind you, I have also assisted with the relocation of a big shed from down the wharf precinct and talked to the former minister, Mr Kon Vatskalis, to help with the Fred Pass stuff for some of that to be used for indoor equestrian, and Litchfield Shire Council had found \$400 000 there, I think, to assist in ensuring that that is a good facility. I have assisted in other ways in helping to develop Freds Pass. However, it is a call for Litchfield Shire Council. They are a new council. That is their decision that they need to make in regards to where they find this other \$2m. Do they put up rates? Or do they take out a loan from the bank? It is not for me, as the Minister for Local Government, or Minister for Sport and Recreation, to tell them how they should go about finding that additional money and making people in the Litchfield Shire Council constituency happy about a swimming pool.

**Mr WOOD:** Minister, you just shifted the blame to Litchfield Shire Council which had nothing to do with this election commitment. You promised a swimming pool. The CLP promised a swimming pool. For \$1m ...

**Mr CHAIRMAN:** Through the Chair, Gerry.

**Mr WOOD:** Through the Chair, the minister said in your letter which you sent to me the other day, you believed a pool could be built to the satisfaction of many Litchfield Shire residents. I am saying 'put your money where your mouth is', literally. Build it. I say you that you have just thrown your election promise down the drain. Do not blame Litchfield Shire. They were not involved in the initial discussions. You put the \$1m up.

**Mr AH KIT:** May I have a copy of the letter?

**Mr WOOD:** I do not have the letter with me. I can go down and get it; it is on my desk.

**Mr AH KIT:** No, no, I will come back to you. I just made it very clear that we have committed \$1m towards a swimming pool to be built out in the Litchfield Shire Council area ...

**Mr WOOD:** Can you show me the word 'towards', minister?

**Mr AH KIT:** ... wherever that may be. Well, I want to see the letter because I read all my letters before I sign off. I change them if I am not happy with them, and that is the way I operate. So, I have not committed and you may have misconstrued ...

**Mr WOOD:** No, it is embedded in my memory.

**Mr CHAIRMAN:** Let the minister finish.

**Mr WOOD:** I could ...

**Mr CHAIRMAN:** Member for Nelson!

**Mr WOOD:** I could nearly do it *verbatim* ...

**Mr CHAIRMAN:** Member for Nelson. We listened to your rather lengthy question. We are letting the

minister respond. Please continue.

**Mr AH KIT:** Let me make this point: This is a decision which has to be made by the Litchfield Shire Council. I have been out to the Ngukurr community. Have people have been out there and had a looked at the swimming pool they have there? It is lovely. They did not ask the government for a contribution. It was done when the CLP was in government, by the way. They went out and used CDEP money, CDEP labour, they used their machinery, they used their own contributions and they are running a very good swimming pool worth a million dollars or more ...

**Mr Wood:** Is that the answer?

**Mr AH KIT:** Let me finish. They are not asking government to help them ...

**Mr Wood:** I am not asking about Ngukurr.

**Mr AH KIT:** ... run that swimming pool and manage that swimming pool because they are doing a fine job. If you look at Ngukurr Community Government Council, Yugul Mangi Community Government Council and you look at the people who pay rates and live in the Litchfield Shire Council, you can see that the initiatives are great ...

**Mr Wood:** Do not put Litchfield Shire down. It does a lot of work.

**Mr CHAIRMAN:** Member for Nelson!

**Mr AH KIT:** No, I am not putting Litchfield Shire down ..

**Mr Wood:** You are.

**Mr CHAIRMAN:** Member for Nelson, let the minister finish!

**Mr AH KIT:** I am just saying that have got a decision to make: do they want the million dollars or don't they?

**Mr Wood:** Check the bitumen roads!

**Mrs Aagaard:** What?

**Mr WOOD:** Well, you are saying ...

**Mr CHAIRMAN:** No, no. I don't see what checking bitumen roads ...

**Mr Wood:** You are trying to compare one council with another for effort.

**Mr CHAIRMAN:** Member for Nelson, let me remind you that we are on output ...

**Mr WOOD:** We might be, but the minister is being provocative.

**Mr CHAIRMAN:** ... output 5.1, Participation and Development Programs. We are not on local government. We are not talking about roads. We are talking ...

**Mr WOOD:** The minister is talking about Local Government at Ngukurr.

**Mr Bonson:** He is talking about swimming pools.

**Mr AH KIT:** Swimming pools! You asked me about swimming pools.

**Mr WOOD:** Yes, okay. He just said local government.

**Mr CHAIRMAN:** Any more questions, member for Nelson?

**Mr WOOD:** No, but I was looking forward to the hole starting next week before the end of the financial year.

**Mr CHAIRMAN:** I am sure that we ...

**Mr AH KIT:** Do not get it confused with the hole at the garbage dump.

**Mr CHAIRMAN:** Are there any more questions under output 5.1, Participation and Development Programs?

**Mr MILLS:** Quite a few, but in the interests of time, no.

**Mr CHAIRMAN:** Please, it is not an issue.

**Mr Elferink:** It is an issue. It is a very real issue. It is part of the problem with this whole process.

**Mr AH KIT:** I will pick up on that comment from the member for Macdonnell, Mr Chairman. If you are talking about process, this is a process that is so much better in regards to having officers at the table with ministers. That did not apply for 26 years ...

**Mr MILLS:** A point of order, Mr Chairman.

**Members** interjecting.

**Mr AH KIT:** ... with you people, and you are talking about process! With regards to the 42 hours or whatever ...

**Mr CHAIRMAN:** One moment, please, minister. We have a point of order. Whose point of order is it?

**Mr MILLS:** Mine. What output group are these comments contained within?

**Mr CHAIRMAN:** He was answering.

**Mr Elferink:** I was talking to you, not him. He is not answering a question; he is just rambling and wasting time.

**Mr CHAIRMAN:** I am struggling to find out what the point of order is and who initiated it.

**Members** interjecting.

**Mr MILLS:** I have initiated, but I will withdraw it if the honourable member will withdraw his comments and we will get on with this.

**Mr CHAIRMAN:** All right. Now, member for Macdonnell, do you have a point of order?

**Mr ELFERINK:** Ditto, Leader of the Opposition.

**Mr CHAIRMAN:** You withdraw it? Okay. Have you finished your answer? I am happy to move on.

**Mr MILLS:** I am just saying that I do not have any further questions.

**Mr CHAIRMAN:** That concludes consideration of output 5.1 - Participation in Development Programs.

#### **Output 5.2 – Northern Territory Institute of Sport**

**Mr CHAIRMAN:** The committee will now consider Output 5.2, Northern Territory Institute of Sport. Leader of the Opposition, are there any questions?

**Mr MILLS:** Yes, but I will not ask them at this point for the reason I gave before.

**Mr CHAIRMAN:** Do any committee members have questions? That being the case, that concludes consideration of output 5.2 - Northern Territory Institute of Sport.

#### **Output 5.3 – Events**

**Mr CHAIRMAN:** The committee will now consider Output 5.3, Events. Leader of the Opposition.

**Mr MILLS:** I did ask a question about that before, and now I ...

**Mr AH KIT:** Mr Chairman, we are now ready to respond in the appropriate output to a question that was asked earlier. I will ask Phillip to go through those events if you wish.

**Mr MILLS:** Yes, thank you very much, minister.

**Mr AH KIT:** And don't take your time – I mean, hurry up.

**Mr LESLIE:** Your question related to events in 2003-04?

**Mr MILLS:** That is the international and national.

**Mr LESLIE:** It commenced in 2003 in July and August with international cricket, with Bangladesh visiting. Perhaps from then I can go to sport, in terms of AFL, we had the AFL Wizard Cup in Darwin, followed by a Wizard Challenge match in Alice Springs. There was, prior to that, a Bulldogs v Northern Territory football game held at Marrara. In terms of basketball, there was an NBL match, Perth Wildcats v Brisbane Bullets, held at Marrara Indoor Stadium. Just a couple of weeks ago, we had a netball match between Canberra and Brisbane. We have just finished an international hockey series – Australia, Japan, New Zealand and AIS. Tomorrow, we have international cricket again, when the Chief Minister's XI play Bangladesh, and that starts tomorrow morning. They are the national and international events through Sport and Recreation.

**Mr AH KIT:** And then I could go on and tell you what is happening in July, August, September – or you do not want me to?

**Mr MILLS:** No, in fact that was an additional question. Feel free.

**Mr LESLIE:** In 2004-05, Australia v Sri Lanka in the test match, which starts on 1 July. Commencing on 4 July, we have a pre-Olympic Series, Australia v Korea in men's hockey. We then go into an AFL game, Port Adelaide v the Bulldogs on 14 August. Following that, we have Alice Springs Masters Games. We then have the second match in the agreement with NBL, with the Wildcats. At this stage, we are still negotiating the date in the schedule, because the basketball has not been completed yet, but that will be some time during our Wet Season. And we have Arafura Games, of course, in May next year.

**Mr MILLS:** Thank you, an impressive list. Minister, what assistance in cash, or in-kind, was provided for these events, and please lists? That may take some time, and I would be happy to have those details provided, but I am asking for the assistance in cash, or in-kind, for each of these events.

**Mr AH KIT:** I will have to take that on notice, Mr Chairman, because there is a bit of detail to that. I have no problems in informing the members of the committee about those costs, but it will take some time to work out the in-kind support, because there is a fair bit of that that happens from our staff who are tied up, and with the Arafura Games alone, there are many volunteers who are used from other departments, and similarly with the Masters Games.

As my Executive Director touched on, basketball is trying to line up again this year, because they really enjoyed themselves. It was a sell-out crowd, that is the Perth Wildcats wanting to get another home game transferred to Darwin. I have the AFL knocking on the door for Western Bulldogs. They have not even played their first game here yet, but they are wanting to bring two games per year to the Territory.

**Mr MILLS:** We all enjoy these games, but what I am interested in, as shadow for Sport and Recreation, and Leader of the Opposition, is the details of the financial arrangements or commitments that have been made to hold these events, in the short and the longer term. So I presume, in the answer, minister, the terms of agreements that have been made with the AFL, for example, or with cricket and the other events that have been mentioned - basketball, for example - the details of the agreements that have been brokered on behalf of Territorians, would be made available.

**Mr AH KIT:** What we can do, if you wish, is to answer half of that question by letting you know what the costs are in regards to the agreements that have been put in place with Aussie Rules, basketball, etcetera, and what money was available to hockey. We will have to get back to you on the in-kind part.

**Mr MILLS:** I appreciate that.

**Mr AH KIT:** Would you like Phillip to ...

**Mr MILLS:** I would actually prefer, in the interests of time that the ...

**Mr AH KIT:** Time is not a problem with me.

**Mr MILLS:** It is for us. I will ask if I can be provided with that.

**Mr CHAIRMAN:** All right. I have facilitated that and there is agreement to disagree. To assist Hansard, and ensure ...

**Mr AH KIT:** Sorry, Mr Chairman. I am just seeking clarification. What things should I be looking at when you mention 'in-kind'? How do you assess 'in-kind'? Do you have any idea? I am just looking for some direction on how I look at this.

**Mr MILLS:** It is an easier question to ask than to answer, I accept.

**Mr AH KIT:** Yes, but when you think about it ...

**Mr MILLS:** There are other contributions that are made; for example, the hours, the volunteer service; the way you have managed your accounts. There would certainly be a cost attributed to the employment of a volunteer service from the department, for example, for the Masters Games, for the running of the Masters Games.

**Mr AH KIT:** Can I ask Phillip to answer that, please?

**Mr LESLIE:** We can certainly provide you with a breakdown of what the cost was direct for each event in terms of the agreements. In terms of the in-kind costs expended through our department, they are part of our advance output, so they are met through staffing. We could provide an indication of what percentage of staff time was spent on each event, which would give you a break-up of how we did it.

**Mr MILLS:** As it comes back, there may be further questions. I am sure that the minister will permit me to seek further information.

**Mr AH KIT:** All right.

**Mr MILLS:** Thank you.

**Mr CHAIRMAN:** Well, no, it is not over yet.

**Mr MILLS:** I know. This is the hard bit.

**Mr CHAIRMAN:** To assist Hansard and to ensure the minister is fully aware of the question, would the Leader of the Opposition please restate the question?

---

#### Question on Notice

**Mr MILLS:** Minister, what assistance in cash and/or in-kind was provided for the national and international events?

**Mr AH KIT:** In 2003-04?

**Mr MILLS:** Yes, in 2003-04. In addition to that, the details of the agreements that have been brokered between the major events, such as the Aussie Rules, basketball, cricket, and whatever else there might be; any ongoing agreements that have been made and the nature of the commitment in a financial sense that has been made on behalf of Territorians by your government.

**Mr AH KIT:** I am just trying to work out in my mind, Mr Chairman, what the shadow minister is trying to glean from this information.

**Mr MILLS:** Basically, how much you reckon these are going to cost Territorians?

**Mr AH KIT:** I can provide that.

**Mr MILLS:** That is it.

**Mr AH KIT:** I can provide that. Whether you asked me to provide the details of the agreements, would ...

**Mr MILLS:** Financial terms would be appropriate at this stage.

**Mr AH KIT:** I am just a bit loathe to give an agreement. I need to think it through in regards to the actual agreements. I have no problems in providing what it costs for the game to happen - whatever game that is - and for how long, and what the dates are. I have no problem with providing you with that, if that is what you are looking for.



**Mr MILLS:** No, a little more than that, minister. If the AFL wants to hold games up here on a regular basis, I presume there has been some kind of enticement offered, so that there is an ongoing agreement between the Northern Territory government and AFLNT or the Western Bulldogs, for example, or the Perth Wildcats. I know that there was some kind of agreement signed up on the 5th floor, between the Perth Wildcats and the Northern Territory government. I can remember it being in the paper. I am asking for the details of the financial implications of those contracts that bind from period to period.

**Mr AH KIT:** Okay.

**Mr MILLS:** Thank you, done.

**Mr CHAIRMAN:** Once again I believe that if Hansard or anyone was to trawl through that they would have trouble determining exactly what had occurred. So, once more, to assist Hansard and to ensure the minister is ...

**Dr LIM:** ... making the numbers.

**Mr CHAIRMAN:** No, because I am not fully aware of the question now. So to assist Hansard and to ensure the minister is fully aware of the question ...

**Dr LIM:** The officer has said yes.

**Mr CHAIRMAN:** ... would the Leader of the Opposition please restate the question.

**Mr MILLS:** What assistance in cash or in-kind was provided to these events, the ones that I mentioned earlier. In addition to that, the financial agreements that have been made between the major events that will be hosted in the Territory on an ongoing basis, for example, Aussie rules, cricket, basketball and any others that formal arrangements have been made with on an ongoing basis.

**Mr AH KIT:** We can provide that and as I mentioned for 2003-04 where we have it locked in for two or three years like AFL we can also provide that advice.

**Mr CHAIRMAN:** Minister, do you accept that as a question taken on notice?

**Mr AH KIT:** Yes.

**Mr CHAIRMAN:** That being the case, I allocate number 6.2 to it.

---

**Mr MILLS:** I will finish now on that.

**Mr CHAIRMAN:** Are there any other questions in regard to this particular output which is 5.3 – Events? That being the case, that concludes consideration of this output group.

#### **Non-Output Specific Budget Questions**

**Mr CHAIRMAN:** We will now move to Non-Output Specific Budget Questions. Are there any other non-output specific budget related questions?

**Mr MILLS:** Yes, Mr Chairman. Minister, what is allocated in this budget for infrastructure upgrades; that is this budget 2004-05?

**Mr AH KIT:** Can I seek some clarification? You are talking about infrastructure through Sport and

Recreation?

**Mr MILLS:** Correct.

**Mr AH KIT:** I just needed to clarify that. We did not know whether we had jumped to Housing. I will get Phillip Leslie to respond to your question.

**Mr LESLIE:** The main infrastructure program for 2004-05 in line is Traeger Park in Alice Springs. The amount allocated in the budget was \$1.7m to that.

**Mr MILLS:** Thank you.

**Mr AH KIT:** On page 203 of Budget Paper No 3 we have Hidden Valley, also major capital works. That is going to be happening and that is \$1m; along with Palmerston Recreation Centre - \$1.8m for the headworks as announced; and \$0.5m to start the headworks on the soccer out at Marrara. There is some other money there but that is minister for Arts with the Katherine Cultural Precinct in Katherine for headworks.

**Mr MILLS:** Thank you, minister. Minister, how many staff are employed in your ministerial office, including Alice Springs or any other centre?

**Mr AH KIT:** Wasn't this question asked yesterday, Mr Chairman, through the Chief Minister?

**Mr CHAIRMAN:** The Chief Minister's office has the global, yes.

**Mr AH KIT:** Do you want me to give a different answer to her?

**Mr MILLS:** Just checking.

**Mr AH KIT:** Might I add, Mr Chairman, my staff are brilliant.

**Mr Wood:** He says that while they are behind him.

**Mr MILLS:** Chips does a great job.

**Mr AH KIT:** My media advisor, yes.

**Mr MILLS:** Is he a consultant, or a full-time staff member, or part-time?

**Mr AH KIT:** That is a Chief Minister's question.

**Dr LIM:** No, he works for you, you said.

**Mr AH KIT:** He works for me but these questions, Mr Chairman, were put to the Chief Minister yesterday. On the one hand the shadow minister says, 'Chips is a great operator'.

**Mr MILLS:** He is.

**Mr AH KIT:** And on the other hand we get a mischievous question that has been bounced at me when they had the opportunity to ask the Chief Minister. I am not sure whether you did, but you missed the boat, as you did with Tourism and Arts. You missed the boat again.

**Mr MILLS:** On account of this structure of this program.

**Mr AH KIT:** So don't miss the boat on any of these because if you keep going, you are going to miss the boat on some of these. And I do not want you to miss the boat. That is why I am not trying to talk for too long.

**Mr MILLS:** You are doing a darn good job.

**Mr CHAIRMAN:** Leader of the Opposition, do you have any more questions on this? Does the committee have any more questions?

**Mr WOOD:** Yes, I would like to table a letter the minister sent regarding the swimming pool, the minister mentioned earlier and a copy of the letter from the Council. This went with it. The minister did ask to have a look at that letter. Could I table it, please? Well, you vote on a tabling I presume. It is only committee. I am asking can we table the letter?

**Mr MILLS:** Of course you can.

**Mr CHAIRMAN:** Well, if you give me a chance to answer, I will say yes.

**Mr WOOD:** Is that a yes.

**Mr CHAIRMAN:** Of course it is a yes.

**Mr AH KIT:** May I request a copy of it?

**Mr WOOD:** Yes, that is what is going to happen.

**Mr AH KIT:** We have it here.

**Mr WOOD:** We cannot get onto that section any more, minister, we have gone past it.

**Mr AH KIT:** Well, I could answer.

**Mr CHAIRMAN:** Well, I think there should be right of ...

**Mr WOOD:** No. That is the minister's reply.

**Mr MILLS:** That is the minister's letter.

**Mr CHAIRMAN:** There was an understanding given here and you have tabled the letter. If the minister has anything to say in regard to the letter then let him and then we will move on.

**Mr WOOD:** Them's the rules.

**Mr Mills:** Not the right output, mate.

**Mr WOOD:** Fair and unbiased, Mr Chairman.

**Mr CHAIRMAN:** How can the rules work one way and not the other?

**Members** interjecting.

**Mr CHAIRMAN:** Well, no, member for Greateorex, in all fairness, we ...

**Mr WOOD:** I am just tabling this. I am not debating it.

**Dr LIM:** He wrote the letter himself; doesn't he know.

**Mr CHAIRMAN:** All the committee said yes, let's do it, let's table it. So we went along with it. It is only fair that if the minister has anything to say about the letter that he should be given the opportunity.

**Mr BONSON:** Through the Chair, I would like to hear any comments that the minister does have.

**Mr CHAIRMAN:** I don't know, I have not seen it.

**Mr WOOD:** Well, you will if I table it.

**Mr AH KIT:** Look we passed on Local Government.

**Mr WOOD:** The minister knows the rules.

**Mr CHAIRMAN:** Well, thank you, member for Nelson. I look forward to you coming in on the ride out there as well.

I thank the officers who had carriage of that output for their attendance here today.

#### **HOUSING BUSINESS SERVICES**

##### **OUTPUT GROUP 1.0 – Housing Business Services**

##### **Output 1.1 - Public Rental Housing Assistance, Government Employee Housing, Home Ownership, Indigenous and Community Housing Services**

**Mr CHAIRMAN:** The committee will now proceed to the consider the estimates of proposed expenditure contained in the Appropriation Bill 2004-05 as they relate to Housing Business Services. I now call for questions on Output 1.1, Public Rental Housing Assistance, Government Employee Housing, Home Ownership, Indigenous and Community Housing Services. Shadow minister.

**Mrs MILLER:** Minister, through the Chair, given that we lose too many senior Territorians and valuable ones interstate with one of the factors being that there is not enough suitable seniors accommodation, how many seniors accommodation units have been built in the last two years and where were they built. How many seniors accommodation units are to be built in the next 12 months and where?

**Mr AH KIT:** Good question. I will provide a general response, but firstly, I introduce, Mr Chairman, Fiona Chamberlain, Acting Executive Director of Territory Housing.

Recently, I was at the seniors complex being built at the Fannie Bay Seniors Village. In the six weeks they have been into the project, the 40 two-bedroom seniors village is starting to take place already and we are hoping to have them handed over in November.

Last year I opened the Gillen Seniors Village in Alice Springs. I think that cost us something like just over \$3m. We have had the Leanyer Seniors Village open on Leanyer Drive, another success story. This type of development and getting away from high rise is something that is really valued and appreciated. People have their own little backyards. We saw people jumping up and down about Leanyer Seniors Village going in. It has fitted into the environment really well. We also have Tambling Terrace Seniors.

I now hand over to Fiona to go into a bit more detail, but the point I also want to make is that we want to encourage seniors to stay in the Territory, to stop going south to retire. I believe it is incumbent

upon us as a government to ensure that they have comfortable accommodation as they get older in life, and much wiser, and where people cannot afford their own private accommodation, we should be assisting in every way possible to make life very comfortable for them in a senior village type complex, and we will continue to do that.

Mr Chairman, I would like to hand over to Fiona Chamberlain to provide you with a little bit more information.

**Ms CHAMBERLAIN:** Can you clarify that question for me again?

**Mrs MILLER:** Certainly. How many seniors accommodation units are to be built in the next 12 months and where?

**Ms CHAMBERLAIN:** We have already talked about the Fannie Bay Seniors Village. That will be completed within the next 12 months, in fact, by December and there are 40 units of accommodation in that. In addition, we also have plans to complete a small seniors enclave in Alice Springs of six units at Kenna Court in Alice Springs this coming year.

**Mrs MILLER:** The minister has said that that is general housing. Is that for seniors?

**Ms CHAMBERLAIN:** Yes.

**Mrs MILLER:** It is for seniors specifically?

**Ms CHAMBERLAIN:** Kenna Court?

**Mrs MILLER:** Yes, in Alice Springs.

**Ms CHAMBERLAIN:** Yes.

**Mr AH KIT:** When did I say it was for general housing?

**Dr LIM:** You did.

**Mrs MILLER:** Yes.

**Mr AH KIT:** When?

**Dr LIM:** In your speech.

**Mrs MILLER:** In your speech, yes, you said general housing.

**Mr AH KIT:** In the comments provided tonight here?

**Mrs MILLER:** In the budget.

**Mr CHAIRMAN:** Minister, I cannot recollect whether you said it or not, but I do not think it adds anything to the debate.

**Mr AH KIT:** Well, I could argue it for another ten minutes.

**Mrs MILLER:** I do not want an argument. I am just asking.

**Mr CHAIRMAN:** May I remind members at this point that it is 11.05 pm, and we will be finalising this interrogation at 11.15 pm.

**Mrs MILLER:** Minister, through the Chair, the waiting list for public rental housing can be quite long, as you know. Why is it that some seniors in Darwin were advised that they could not inspect the rental premises allocated to them before accepting them? If they did not accept the housing offered, they would go to bottom of the list and have to wait a lengthy period to be approved again. Why is it that they were not allowed to inspect the premises before being allocated?

**Mr AH KIT:** I will ask Fiona to go through and explain the policy. I get disappointed with people, especially politicians, who do not take the opportunity to correspond by way of letter, regardless of where they live. If they have problems with housing, write to me, seek a briefing. I am quite happy to do that.

**Mrs MILLER:** Minister, I would just like to clarify that I have only just been made aware of this and I have actually sought a briefing with you on Friday.

**Mr AH KIT:** Good. We will provide you with a verbal briefing tonight and then, if you want further clarification, we will provide that also when I am available, or when I can make officers of mine available. I want to say that Territory Housing and the tenancy officers work very hard, as do all other public servants who are in my department and, no doubt, across the public service in other portfolio areas. There is no fun and no medals out there for people on the front line trying to assist people in regards to public housing. I get concerned when people take to them and hear one side of the story. In fairness, they should be providing two sides of the story so that we have an opportunity to respond. People understand, through my CEO, that if I get reports about any of my staff dealing with any client or any consumer in an unprofessional manner, then I expect something to be done about it. I will ask Fiona to go through the policy so that you understand it.

**Ms CHAMBERLAIN:** The policy, in fact, is to allow people to look at a dwelling. We do not put someone to the bottom of the line if they do not accept the first dwelling that is offered to them. We, in fact, do pre-allocation interviews and take into account their needs in terms of where they want to be housed. We will look for houses coming up that fall within that area. We will then give them up to three choices of house in where they might want to actually choose to rent with us. At the end of the three choices, if it is becoming obvious that they are not able to make a choice, we would look into that further before we put them back to the bottom of the line. We certainly do not, just as a matter of course, put anyone back to the bottom of the line.

**Mrs MILLER:** I thank you through your response. I will also get some more details of these particular situations before I have a briefing with you on Friday.

Community Harmony Strategy - \$1.6m has been allocated to short-term accommodation and day centres. Could you tell me when and where these facilities will be established, and how many people will be accommodated in each location?

**Mr AH KIT:** This is not the right output.

**Mrs MILLER:** Yes it is, we are all in one here. This is the last lot, all in a bundle here together.

**Mr AH KIT:** Are you talking about capital works in the GBD?

**Mrs MILLER:** I am talking about Indigenous and Community Housing Services. I am talking about home ownership. This is all to do with short-term accommodation.

**Mr AH KIT:** If you ask the question again, I will get my CEO to respond.

**Mrs MILLER:** Okay. \$1.6m has been allocated to short-term accommodation and day centres. When and where will these facilities be established, and how many people will be accommodated in each location?

**Mr DILLON:** I will just check this out and come back to you in a second if you wish to proceed.

**Mrs MILLER:** Okay. Next question? Minister, through the Chair, in 2002-03, your government committed to 20 new teacher dwellings across the Northern Territory at an estimated cost of \$11m. Have these dwellings been built, and where?

**Mr AH KIT:** I will get Fiona to provide an answer to that question, Mr Chairman.

**Ms CHAMBERLAIN:** That is not an easy question to answer. It is complicated by the fact that the 20 teacher houses were linked to an Education program which I cannot comment on. We provide a service to Education to provide them with government employee housing as they request from us and then we work to their priorities and based on that we also access serviced land ...

**Dr Lim:** Last year's has been done already. You should know where they are.

**Mrs MILLER:** Maybe you can get that sort of information for me before Friday.

**Ms CHAMBERLAIN:** I can give you a fuller explanation on Friday and how that works into ...

**Mrs MILLER:** Good, good, if the minister will agree to that. In addition to that, I would also like to ask has your government also committed to a program to replace dwellings that were beyond economical repair with 13 new teacher dwellings across the NT by the end of 2003, and were these 13 dwellings replaced and where? That is in addition to the 20 new teacher dwellings. Maybe if you could get me that information before the briefing on Friday.

**Mr AH KIT:** We will take that on notice. Can I, Mr Chairman, come back to the question that we have an answer for now?

**Mr CHAIRMAN:** You can do in one moment. I just need to know if you are taking that question on notice or are you saying to the shadow that you will bring this up in the briefing? Is that okay by you, shadow?

**Mr AH KIT:** We will provide the answer at the briefing. You were coming to our briefing.

**Mrs MILLER:** Okay, that is fine.

**Mr CHAIRMAN:** Back to the other question.

**Mr DILLON:** In relation to the \$1.6m, the information available to me suggests that it will be spent in the coming year on two facilities: a special care facility at Nhulunbuy, and in Alice Springs, a youth accommodation and support services incorporated facility.

**Mrs MILLER:** Thank you very much. The rest of that question was how many people will be accommodated in each location?

**Mr AH KIT:** There is no target as to how many people are going to go into that ...

**Dr Lim:** How big is the place?

**Mr AH KIT:** Just hang on, if you want to get cheeky – how big is the place?

**Dr LIM:** No, you build a place to a certain standard ...

**Mr AH KIT:** We are not building it as a public housing house or like private accommodation that will cater for two or three or half a dozen people. It is part-time accommodation to assist people on their way of relocating them back their communities. So it could accommodate one; it could accommodate 20.

**Mrs MILLER:** The maximum, minister, that it would accommodate in each one. Not meaning transient, meaning the maximum it would accommodate at Nhulunbuy and the maximum you could accommodate in Alice Springs?

**Mr AH KIT:** Can we provide you with a response to that at Friday's briefing?

**Mrs MILLER:** Absolutely, perfectly happy for that. Minister, what has been the sale rate region by region for public housing in the last 12 months? What has been the amount of sales region by region for public housing in the last 12 months?

**Mr AH KIT:** I will ask Fiona to answer that. It was brought to my attention the other day that there were 190-odd houses sold off by the former government in Alice Springs alone, and they have the cheek to stand up in parliament, the audacity to say we are short of housing. Maybe that is a reflection of the former minister for Housing – incompetent as he was. Anyway, let's not go there. We want to get in a couple more questions. Fiona, could you please provide a response to the member for Katherine?

**Mr CHAIRMAN:** I might also flag up that after this response, I anticipate that that will be the end.

**Mr DILLON:** The advice available is that disposals year to date, as at 31 May for sales to tenants were 28; sales to the private market were 81; total of 109.

**Mrs MILLER:** Thank you.

**Mr CHAIRMAN:** That concludes consideration of this Output Group. It also concludes the business before the committee tonight. I acknowledge the presence of the Aboriginal Areas Protection Authority. Unfortunately, we did not get around to you this year.

On behalf of the committee, I thank all those officers attending from the Department of Community Development, Sport and Cultural Affairs. Thank you.

---

The committee suspended.

---

EDITOR'S NOTE: This is the end of Day 2 of the Estimates Committee hearings.